

OTAY WATER DISTRICT

BOARD OF DIRECTORS MEETING  
DISTRICT BOARDROOM

2554 SWEETWATER SPRINGS BOULEVARD  
SPRING VALLEY, CALIFORNIA

**WEDNESDAY**  
**January 6, 2016**  
**3:30 P.M.**

**AGENDA**

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. PRESENTATION OF RECOGNITION PLAQUE TO BOARD PRESIDENT
5. ELECTION OF BOARD PRESIDENT  

As per Chapter 2, Section 1.03.B, *Procedure for Election*, of the District's Code of Ordinances, the General Manager shall chair the proceedings for election of the President. The newly-elected President shall assume office immediately and shall chair the proceedings for the election of the Vice President and Treasurer.
6. ELECTION OF BOARD VICE PRESIDENT
7. ELECTION OF BOARD TREASURER
8. RECESS OTAY WATER DISTRICT BOARD MEETING
9. CONVENE OTAY WATER DISTRICT FINANCING AUTHORITY BOARD MEETING
10. ROLL CALL
11. RE-AFFIRM OFFICERS OF THE OTAY WATER DISTRICT FINANCING AUTHORITY
  - a) PRESIDENT
  - b) VICE-PRESIDENT
  - c) EXECUTIVE DIRECTOR
  - d) TREASURER/AUDITOR
  - e) SECRETARY

12. ADJOURN OTAY WATER DISTRICT FINANCING AUTHORITY BOARD MEETING
13. RECONVENE OTAY WATER DISTRICT BOARD MEETING
14. APPROVE THE MINUTES OF THE BOARD MEETING OF JUNE 3, 2015 AND OCTOBER 7, 2015
15. 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
16. PRESENTATION OF 2015 MILESTONE AWARD RECOGNIZING THE OTAY WATER DISTRICT FOR UTILIZING TARGET SOLUTIONS TO HELP KEEP ITS WORKFORCE SAFE SINCE 2000 (ADOLFO)

#### CONSENT CALENDAR

17. 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) AWARD A CONSTRUCTION CONTRACT TO ADVANCED INDUSTRIAL SERVICES, INC. FOR THE 980-1 RESERVOIR INTERIOR/EXTERIOR COATINGS AND UPGRADES PROJECT IN AN AMOUNT NOT-TO-EXCEED \$876,500
  - b) AWARD A PROFESSIONAL AS-NEEDED LAND SURVEYING SERVICES CONTRACT TO HUNSAKER AND ASSOCIATES SAN DIEGO, INC. IN AN AMOUNT NOT-TO-EXCEED \$175,000 FOR A PERIOD OF THREE (3) FISCAL YEARS (FY 2016 THROUGH FY 2018, ENDING JUNE 20, 2019)
  - c) APPROVE A PURCHASE ORDER TO ROCKWELL ENGINEERING AND EQUIPMENT IN AN AMOUNT NOT-TO-EXCEED \$326,160 FOR THE PURCHASE OF TWO (2) REPLACEMENT PORTABLE WATER PUMPS AND DECLARE THE TWO (2) OLDER PUMPS SURPLUS

#### ACTION ITEMS

18. FINANCE, ADMINISTRATION AND INFORMATION TECHNOLOGY
  - a) APPROVE A FINE OF \$1,000 FOR METER TAMPERING AT 617 DIAMOND DRIVE IN CHULA VISTA (CAREY)
  - b) ADOPT ORDINANCE NO. 552 AMENDING APPENDIX A OF THE DISTRICT'S CODE OF ORDINANCES WITH THE APPROVED WATER RATE INCREASE TO BE EFFECTIVE ON MARCH 1, 2016 (BELL)

- c) REJECT THE CLAIM BY DONICE AND DONITA BLALOCK (KOEPPEN)

19. BOARD

- a) DISCUSSION OF THE 2016 BOARD MEETING CALENDAR

INFORMATIONAL ITEM

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

- a) FIRST QUARTER OF FISCAL YEAR 2016 CAPITAL IMPROVEMENT PROGRAM UPDATE REPORT (MARTIN)
- b) REVIEW THE LATEST ACTUARIAL REPORT AND THE ACTUARIAL EVALUATION DETERMINING THE NET COST OR SAVINGS OF THE OTHER POST EMPLOYMENT BENEFIT PLAN ENHANCEMENT VERSUS THE INCREASED EMPLOYEE CONTRIBUTIONS TO PERS (KOEPPEN)

REPORTS

21. GENERAL MANAGER'S REPORT

- a) SAN DIEGO COUNTY WATER AUTHORITY UPDATE

22. DIRECTORS' REPORTS/REQUESTS

23. PRESIDENT'S REPORT/REQUESTS

RECESS TO CLOSED SESSION

24. CLOSED SESSION

- a) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9:  
  
1 CASE
- b) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
[GOVERNMENT CODE §54956.9]

PATRICIA MOSS v. OTAY WATER DISTRICT, et. al.; CASE NO. 37-2014-00005818-CU-OE-CTL

RETURN TO OPEN SESSION

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

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

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

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

#### Certification of Posting

I certify that on December 30, 2015, 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 December 30, 2015.

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/s/ Susan Cruz, District Secretary

# Agenda Item 14

**MINUTES OF THE  
BOARD OF DIRECTORS MEETING OF THE  
OTAY WATER DISTRICT  
June 3, 2015**

1. The meeting was called to order by President Lopez at 3:35 p.m.

2. ROLL CALL

Directors Present: Croucher, Lopez, Robak, Smith and Thompson

Staff Present: General Manager Mark Watton, General Counsel Dan Shinoff, Asst. General Manager German Alvarez, Chief of Engineering Rod Posada, Chief Financial Officer Joe Beachem, Chief of Information Technology Geoff Stevens, Chief of Operations Pedro Porrás, Asst. Chief of Administration and Information Technology Adolfo Segura, Asst. Chief of Operations Jose Martinez, District Secretary Susan Cruz and others per attached list.

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

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

Ayes: Directors Croucher, Lopez, Robak, Smith and Thompson  
Noes: None  
Abstain: None  
Absent: None

to approve the agenda.

5. APPROVE THE MINUTES OF THE SPECIAL BOARD MEETING OF APRIL 1, 2015

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

Ayes: Directors Croucher, Lopez, Robak, Smith and Thompson  
Noes: None  
Abstain: None  
Absent: None

to approve the minutes of the special board meeting of April 1, 2015.

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

No one wished to be heard.

CONSENT CALENDAR

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

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

- Ayes: Directors Croucher, Lopez, Robak, Smith and Thompson
- Noes: None
- Abstain: None
- Absent: None

to approve the following consent calendar item:

- a) APPROVE AN AGREEMENT WITH KIRK PAVING IN AN AMOUNT NOT-TO-EXCEED \$200,000 FOR AS-NEEDED ASPHALT PAVING SERVICES FROM JULY 1, 2015 THROUGH JUNE 30, 2016
- b) AWARD A CONTRACT TO WATCHLIGHT CORPORATION FOR THE ENTERPRISE PHYSICAL SECURITY AND ACCESS CONTROL, EQUIPMENT MAINTENANCE, AND AS-NEEDED SERVICES IN AN AMOUNT NOT-TO-EXCEED \$500,000 FOR FISCAL YEARS 2016 AND 2017 (\$250,000 PER FISCAL YEAR) WITH A CONTRACTUAL END DATE OF JUNE 30, 2017

ACTION ITEMS

8. FINANCE, ADMINISTRATION AND COMMUNICATIONS

- a) ADOPT RESOLUTION NO. 4290 TO APPROVE THE FISCAL YEAR 2015-2016 OPERATING AND CAPITAL BUDGET; APPROVE FUND TRANSFERS FOR POTABLE, RECYCLED, AND SEWER; APPROVE WATER AND SEWER RATE CHANGES ON ALL BILLINGS THAT BEGIN IN CALENDAR YEAR 2016 (THIS MAY INCLUDE SOME SERVICES PROVIDED IN DECEMBER 2015); ADOPT THE SALARY SCHEDULE; AND ADOPT ORDINANCE NO. 550 AMENDING THE CODE OF ORDINANCES SECTION 25, CONDITIONS FOR WATER SERVICE, SECTION 53, CONDITIONS FOR SEWER SERVICE, AND APPENDIX A WITH THE PROPOSED WATER AND SEWER RATE CHANGES; AND DIRECT STAFF TO SEND RATE INCREASE NOTICES

Chief Financial Officer Joe Beachem indicated that at the May 19<sup>th</sup> Budget Workshop, staff presented the details of the budget for FY 2016. Mr. Beachem stated that the discussion at the workshop revolved around a proposed rate increases of 5.4% or 5.8% for water. Staff prepared a 5.8% budget increase option, which is on the dias for the board members to review. He presented how various levels of Water Conservation (0% to 20% water conservation) would impact the budget and the required rate increases (3.9% to 12%) to keep the Debt Coverage Ratio at target (150%).

Mr. Beachem also reviewed staffs' proposed changes to Sections 25, Conditions for Water Service, and 53, Conditions for Sewer Service, of the District's Code of Ordinances. Staff proposes adding Section 25.03.B which adds CWA's Supply Reliability Charge and modifying Sections 53.02 and 53.03 by removing references to ID4 and ID14. These IDs will be consolidated into ID18 effective July 1, 2015. Also, modify Section 53.08.B.3 to include "1,000" which was missing in the description section.

Mr. Beachem indicated that staff is recommending that the board:

- Adopt Resolution No. 4290 to approve:
  - FY 2016 Operating Budget of \$89.1M (this reflects the 5.4% increase option. The budget would be \$89.2M if the board chooses the 5.8% rate increase option).
  - FY 2016-2021 CIP Budget of 11.1M
  - Listing of Job Classifications and Salary Schedule
- Adopt Ordinance No. 550 to implement rate increases effective January 1, 2016. This includes an update of Appendix A to reflect a water rate increase of 5.4% and a sewer rate increase of \$1.30 in the residential system fee.
- Approve fund transfers
- Direct staff to mail out rate increase notices

Director Thompson requested that staff highlight the differences between implementing a 5.4% versus a 5.8% rate increase.

Chief Financial Officer Joe Beachem indicated that staff researched several areas that were sensitive when comparing the differences between a 5.4% and 5.8% rate increase. One area that staff compared was the debt coverage ratio (DCR) where the target is 150%, which is as follows:

FY 2016 5.4%= 123% DCR and 5.8% = 124% DCR  
(because the District is only collecting 6 months of the increase in the 1<sup>st</sup> year)

FY 2017 5.4%= 140% DCR and 5.8%= 144% DCR

(because the District is collecting a full year of the rate increase)

FY 2018 5.4%= 150% and 5.8%= 158%  
(collecting a full year of the rate increase)

Chief Financial Officer Joe Beachem also indicated that staff looked into conservation and how much conservation the District could withstand with a rate increase of 5.4% versus 5.8%. Staff determined that the District could withstand 17.2% conservation if a rate increase of 5.4% were implemented. The District could withstand an additional .5% water savings (17.7% conservation) if a rate increase of 5.8% was implemented.

Mr. Beachem also discussed the impact to the District's reserves. He indicated that reserves increase annually and in the first year the difference in reserves would be approximately \$100,000 and \$448,000 in the second year if a 5.4% rate increase was implemented versus a 5.8% rate increase. In the third year, the District would drop below its reserve target, but would not drop as significantly if a 5.8% rate increase were implemented. Instead of dropping \$3.6 million with a rate increase of 5.4%, the District would drop \$2.8M below its reserve target. He stated the District would recover more quickly with a 5.8% increase.

He indicated that staff also looked at the impact of the increase (5.4% versus 5.8%) on future rate increases. He stated that instead of a projected 5.4% increase in the next three years, the District could drop its rate increase to 5.1% in the second and third year if everything held constant.

Director Smith inquired how much reserves the District is using annually. Chief Financial Officer Beachem indicated that he would need to reference the budget book, but the District would be approximately \$3.5 million off target in the third year with a 5.4% rate increase and about \$2.8 million off target with a 5.8% rate increase. He noted that in both cases, however, the District would still be above the minimum reserve requirements and would still be in compliance with its policy.

In response to another question from Director Smith, Mr. Beachem stated that the District has multiple reserve targets because the District has several reserve funds. The Construction Reserve target is 50% of next year's construction costs because time is needed to issue debt. The target for the Operating Reserve is 3 months of operating expenses, and the target on the Replacement Reserve is 3-4% of overall asset value. It was indicated that the District is below the target in its third, fourth and fifth year, but never below its minimum. In its sixth year, the District recovers and its reserves will be back on target.

Director Thompson commented that the District should consider the 5.8% rate increase because of the financial risk that would be caused by possible high conservation levels.

Director Croucher agreed with Director Thompson in considering a 5.8% rate increase. He indicated that a CWA board member once joked that CWA was so successful in holding rates back at MWD that CWA was rewarded with a couple years of double-digit rate increases as we did not implement increases at MWD when they were needed and it thus, "it came back and bit us."

Director Robak stated that the District should consider the 5.4% rate increase. He believes the customers would like quality water delivered at the lowest possible cost available.

Director Robak inquired about staff's comment regarding a new Salary Schedule. Chief Financial Officer Joe Beachem clarified that the Salary Schedule is not new and is presented to the board annually with the budget, but it is new today as it was not presented at the May 19<sup>th</sup> workshop. CalPERS requires that the Salary Schedule be presented as part of their new reform laws.

In response to another inquiry from Director Robak regarding the County of San Diego's sewer service cost being 30% lower than the District, General Manager Watton stated that various sewer districts were consolidated under the County of San Diego along with the different reserves and that may be one of the reasons for the 30% spread. He indicated that the District has talked to the County of San Diego to share services, but they are not interested at this time. Mr. Watton believes that if the District increased the number of its sewer customers by 4,000, it would allow the District to spread its base costs over a larger customer base and the District's sewer cost would be closer to the County's. General Manager Watton also shared that the District has never cut its maintenance or replacement reserves, and has never foregone any maintenance. The District has a well-maintained system to avoid any spills.

In response to a question from Director Smith, General Manager Watton indicated that the salary increase is based on the San Diego Consumer Price Index (CPI). The CPI is 1.8% and the Memorandum of Understanding (MOU) with the District's employees has a 2% minimum increase. A 2% adjustment will be implemented on July 1, 2015.

President Lopez indicated that he feels more comfortable with a cushion in the budget with so many unknowns. He stated that there have been other District's that were not as prudent. He stated that he feels that it would be in the District's best interest to vote for the 5.8% increase.

Director Robak inquired what the difference would be between a rate increase of 5.4% versus 5.8%. Director Thompson indicated that a handout provided to the board members indicated that the FY2016 Operating Budget would increase to \$89.23 million from \$89.1 million, and the FY2016 CIP Budget would be unchanged.

A motion was made by Director Smith, seconded by Director Thompson and carried with the following vote:

Ayes: Directors Croucher, Lopez, Robak, Smith and Thompson  
Noes: None  
Abstain: None  
Absent: None

to approve a 5.8% increase and all staffs' recommendations.

Director Smith inquired if other Districts have used price, such as increasing rates 15%, in order to drive conservation. General Manager Watton stated that he has not seen that with other Districts because of Proposition 218 requirements.

General Manager Watton indicated that should conservation be higher than 17%, the District would incorporate the impact of the conservation in the next fiscal year's budget.

b) **ADOPT ORDINANCE NO. 551 WHICH DECLARES A STATE DROUGHT EMERGENCY AND CALLS FOR MANDATORY CONSERVATION MEASURES TO ACHIEVE MANDATED CONSERVATION TARGETS**

Customer Service Manager Andre Carey indicated that staff is requesting that the Board adopt Ordinance No. 551 declaring a state drought emergency and calling for mandatory conservation measures to achieve mandated conservation targets and implementing Section 40, State Drought Response, of the District's Code of Ordinances (Code). Please reference the Committee Action notes attached to staff's report (Attachment A) for the details of Ms. Carey's report.

General Manager Watton discussed that the existing drought response program is based on a water shortage declaration (Section 39, Water Shortage Response Program, of the District's Code); however, the State Governor's executive order is not a water shortage declaration, it is a conservation declaration. He indicated that staff is requesting the implementation of Section 40, State Drought Response, to address State mandates and orders. Section 40 can also be amended as the Governor mandates are updated.

In response to a question from Director Smith, General Manager Watton stated that Otay WD would be the first agency to adopt an ordinance that would address the State mandates and orders for conservation. Staff feels that Section 40 is more conducive to the District's situation. The District's attorney, Richard Romero, indicated that the City of Del Rio is looking into adopting a similar ordinance and General Manager Watton indicated that Yuima is looking into a similar ordinance as well.

Director Gary Croucher stepped off the dais at 4:13 p.m.

In response to another question from Director Smith, staff indicated that Section 40.02.b indicates that if there were any inconsistencies between the restrictions

and mandates of the Emergency Regulation, the more stringent requirement shall apply. For example, the County Water Authority (CWA) has decided to go to a 2-day watering schedule. This is more stringent than the District's Level 2 Water Shortage Response which orders a 3-day watering schedule. The District, therefore, has decided to be match CWA's requirement.

Director Croucher returned to the dais at 4:15 p.m.

Legal Counsel Richard Romero indicated that Section 40.02.b allows the District to comply with the more stringent limitations of the State or other agencies.

Director Thompson commented that the District's jurisdiction has the most developable area in the county and he believes that there is a need to adopt Section 40 to clarify water shortage versus conservation for future developments.

In response to several questions from Director Robak, General Manager Watton indicated that the District's Code of Ordinances indicates that a Level III Drought Model "may" include a moratorium. Previously, the Code of Ordinance stated that a Level III "shall" include a moratorium but this was changed last year. It was also indicated by Mr. Watton that none of the agencies have imposed a moratorium at this time.

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

Ayes: Directors Croucher, Lopez, Robak, Smith and Thompson  
Noes: None  
Abstain: None  
Absent: None

to approve staffs' recommendation.

## 9. BOARD

### a) DISCUSSION OF THE 2015 BOARD MEETING CALENDAR

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

Ayes: Directors Croucher, Lopez, Robak, Smith and Thompson  
Noes: None  
Abstain: None  
Absent: None

to move the July 1, 2015 regular board meeting to June 24, 2015.

INFORMATIONAL ITEMS – THE FOLLOWING ITEM IS PROVIDED TO THE BOARD FOR INFORMATIONAL PURPOSES ONLY. NO ACTION IS REQUIRED ON THE FOLLOWING AGENDA ITEM:

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

a) THIRD QUARTER OF FISCAL YEAR 2015 CAPITAL IMPROVEMENT PROGRAM REPORT

Engineering Manager Dan Martin provided an update on the District's third quarter of FY 2015 Capital Improvement Program. He indicated that the FY 2015 budget is divided into 73 projects totaling \$10.6 million. The overall expenditures through the third quarter are \$5.6 million which is approximately 53% of the FY 2015 budget. Mr. Martin stated that the District is on track to expend approximately 80% for this year's CIP budget. Please reference the Committee Action notes attached to staff's report (Attachment A) for the details of Mr. Martin's report.

In response to a question from President Lopez, General Manager Watton stated that the work on the Rancho Del Rey Project is complete and the project is now on hold.

Director Robak inquired about using the District's tanks for advertisement to generate revenues. Legal Counsel Dan Shinoff stated that the District would create an issue where the District would become an open forum. The District cannot be selective on advertisements once it is opened up. He stated that if the District wished to not allow negative/controversial advertisements, it would not be insulated from litigation.

Director Gary Croucher stepped off the dais at 5:35 p.m.

Director Thompson stated that he liked Director Robak's suggestion to use the tanks for advertising and would be open to bringing back that idea for discussion in the future. He believes that ratepayers have the right to have reasonable revenues come in to offset the cost of providing water.

b) REPORT ON THE IMPLEMENTATION OF VARIOUS CONSERVATION EFFORTS TO COMPLY WITH THE STATE WATER RESOURCES CONTROL BOARD'S EMERGENCY CONSERVATION REGULATIONS FOR POTABLE URBAN WATER USE

Customer Service Manager Andrea Carey reported that the State Board voted on May 5<sup>th</sup> to implement statewide mandatory conservation targets for all urban water suppliers. The District's conservation target has been set at 20% of the 2013 use levels. Please reference the Committee Action notes attached to staff's report (Attachment A) for the details of Ms. Carey's report.

Ms. Carey presented the Water Waste Report application on the District's website. She explained the process for completing the Water Waste Report and indicated that the reporting is confidential.

In response to a question from Director Smith, Ms. Carey indicated that since September 1st, the District has had approximately 15 reports. In the past 6 months, the District has received approximately 50 water waste reports. She indicated that Helix Water District receives about 100 waste water reports in a week.

Director Croucher left the dais at 4:42 p.m.

Ms. Carey presented the District's State Water Conservation Mandate Water Savings Target Calculator and indicated that it is not yet available on the District's website. This application provides customers their 2013 usage and their target for 2015. It also provides customers their 2014 usage and their 2015 usage to date.

Director Thompson inquired if it was possible to send the calculator to customers via email. Communications Officer Armando Buelna stated that the District intends to do so. It will also be accessible through the District's website on the Drought page; and it will be mentioned on Face Book, Twitter, and social media.

Mr. Buelna indicated that on the dais are public outreach materials that staff developed to inform customers of the 20% water use reduction goal. The objective is to inform the customers of the mandates that are in place.

Director Croucher returned to the dais at 4:47 p.m.

Communications Officer Buelna also shared that when customers go to the District's website, the first thing they will see is the Drought information. He indicated that an email regarding the mandates was sent to approximately 30,000 customers from May 27-29. For customers who did not have an email, an auto-dial (approximately 16,000) campaign was performed from May 25-27 and then on May 30-31. The District is phasing in messages in batches of a few 1,000 to avoid the customer service staff receiving thousands of calls at one time. District staff will continue to use all resources to inform customers of the mandates to achieve the District's targets. It was indicated that messages to customers will be adjusted (increased/decreased) over time based on how much conservation the District is achieving.

In response to a question from Director Croucher, Legal Counsel Shinoff stated that he would research the confidentiality of the personal information of those who report water waste under the California Public Records Act statute.

In response to another question from Director Croucher, Customer Service Manager Carey indicated that she will discuss with the District's IT staff if there is a way to allow an individual who submits a Water Waste Report to attach a picture of where the water waste was observed. Ms. Carey also indicated that she would look into the development of a possible App for mobile phones at Director Croucher's suggestion.

Director Thompson inquired if an email address is required for an individual to submit a Waste Water Report. Ms. Carey stated the only requirement is that a phone number be provided so staff could contact individuals if District staff is unable to locate the site.

Legal Counsel indicated that individuals submitting a Waste Water Report would have their name, phone number and address protected. Should there be a public records request on who submitted a report, their information would be redacted. It was also indicated by Ms. Carey that the District does not ask for names at all.

Director Robak commented that Director Croucher had mentioned an App for cell phones. He stated that he would like to see the App include an email with a link to the District's webpage. He also commented that the outreach materials presented today were pretty solid. He stated, with regard to the material that discusses eliminating unused turf, that he feels that the message should really say "eliminate turf" and indicate why it should be eliminated. Director Robak feels that the District needs to send a strong message to customers to get rid of their lawns.

In response to Director Robak's comments regarding eliminating lawns, Communications Officer Buelna indicated that he understands that there are customers who want to keep their lawns as they have children, pets, etc. Mr. Buelna noted that if customers want to keep their lawns, there are other ways they can conserve water and meet their goals. Mr. Buelna indicated that messages will be tailored, as needed, to obtain more or less conservation from customers.

Director Robak indicated that there are signs available stating that brown is the new green, which he believes customers who have brown lawns could display on their yards. Communications Officer Buelna indicated that the District does have these signs and that Otay WD logo labels are being printed to place on these signs before they are distributed to customers. The signs indicate, "When in Drought."

Director Thompson complimented Communications Officer Buelna and staff for their work on the District's Drought Outreach Program. He stated that he agrees with Director Robak that the District should encourage customers to monitor their irrigation system as it is one of the largest ways in which customers can reduce their water use.

Director Smith also complimented staff on their work and stated that their efforts are a great start and a good approach. He indicated that the District will have to wait to see how effective the Outreach Program is with customers. He commented on the message on the door hangers, "Water waste is a violation and could result in the disconnection of services and fines," and indicated that he felt that the message was harsh and that maybe the District could consider softening the message. General Manager Watton stated that based on the District's history, customers are more responsive to a *disconnect* message and are not too concerned with fines. The goal is to get their attention and provide them some leeway before disconnecting their service.

Customer Service Manager Carey indicated that the District has received approximately 300 phone calls in response to the robo-calls and emails that were sent out to all customers. She also indicated that the vast majority of callers are low water users. She stated that a letter will be sent to the District's top 10% users and commercial irrigation customers as it is believed that these are the customers who could provide the needed water savings.

General Manager Mark Watton indicated that outreach materials and robo-calls are in the process of being translated in Spanish.

Ms. Carey stated that staff is making changes to customer bills to include customers' 2013 use, which should help them meet their 20% savings target in 2015.

Director Croucher indicated that he would like to see in the District's outreach program, if there is some funds available, a pilot program to educate a group of customers and providing them a *Water Conservation Care Package*. The care package could be as simple as a bucket (shower bucket), sign to be placed on toilets to encourage water savings, a car wash towel, information in reprogramming their irrigation system, etc. The District can then track their savings to see if it made a difference. Those customers that save more than 25%, maybe the District can reward them by spraying their brown lawn green and placing a sign on their lawn indicating that they saved more than 25%.

Customer Service Manager Carey noted that CWA has added showing customers how to reprogram their irrigation timers as part of the residential audit. General Manager Watton also indicated that the District does plan on utilizing CWA's Intern Program as a resource.

In response to a question from Director Smith, General Manager Watton stated that the District participates in several contests/scholarship programs that involve children learning about water conservation. The programs include the Water Conservation Garden's Poster Contest, CSDA's College Scholarship Program, and the Water Conservation Garden Landscape Contest.

## REPORTS

## 11. GENERAL MANAGER'S REPORT

General Manager Watton presented information from his report that included an update on Safety and Security and noted that the board just approved Agenda Item 6b, AWARD A CONTRACT TO WATCHLIGHT CORPORATION FOR THE ENTERPRISE PHYSICAL SECURITY AND ACCESS CONTROL, EQUIPMENT MAINTENANCE, AND AS-NEEDED SERVICES IN AN AMOUNT NOT-TO-EXCEED \$500,000 FOR FISCAL YEARS 2016 AND 2017 (\$250,000 PER FISCAL YEAR) WITH A CONTRACTUAL END DATE OF JUNE 30, 2017), which will allow the District to enhance its alarm systems' configuration and components. Mr. Watton also shared updates on the new Mobile Payment Platform, Metro TAC where the District will receive a refund of a little over \$500,000 from the city of San Diego, and an update on Southwestern College's plans to tie into the District's recycled water system.

Director Smith inquired if the artifacts found at the site of the 927 Zone Force Main Assessment and Repair project were found during the design phase. General Manager Watton stated that they were not. The District had to stop work on the project to allow for some biological assessments of bird nesting within the area. While the assessments were being done, staff was surveying the future work areas of the project and noticed rock chips that could be cultural resources. The District decided to take a cautious path and had the findings analyzed. Staff is now meeting with local tribes, as is the protocol, and it is anticipated that the project will be delayed for a year.

In response to a question from Director Croucher, Finance Manager Rita Bell stated that the budget for potable and recycled water is pretty much set for the year and is based on historical trends. The actual purchase of potable and recycled water varies and is provided monthly.

Director Croucher indicated that the County Water Authority (CWA) plans to go to Sacramento to try and get the legislators to recognize the San Diego region's efforts in developing local water supplies for times of drought. He stated that the State Water Resources Control Board (SWRCB) arbitrarily used water consumption for FY 2013 as the base year against which to measure conservation. However, this does not recognize those agencies who used the 2020 water guidelines to develop local water resources and their customers for taking action to conserve water. He indicated that the Otay Water District needs to relay the message that since 2006, the District has already decreased its water consumption by 30%. The SWRCB's conservation mandates penalize the San Diego region and its customers as it mandates the same level of conservation throughout the State rather than taking into consideration that some regions are already doing their part and, thus, should be asked to conserve a smaller percentage of water. Director Croucher then discussed the Carlsbad Desalination Project and indicated that it is still on target and is expected to go into operation in November 2015, which is ahead of schedule and under budget. He stated with regard to CWA's litigation with MWD, that the results of the second phase of the trial is anticipated in June. He also shared that CWA hosted a

legislative roundtable, which President Lopez, Director Thompson, and General Manager Mark Watton attended. He lastly shared that CWA will move forward with its budget process in June.

## 12. DIRECTORS' REPORTS/REQUESTS

Director Robak reported that mayors from various cities, including Mayors Kevin Faulconer from the city of San Diego and Mary Salas from the city of Chula Vista, attended the Water Conservation Garden (WCG) event. He stated that there was a great turnout at the event and that he felt that there was nothing more important than the mission of the garden at this time. He indicated that the WCG is a good resource for the public as it helps them to decide on options once they remove their lawns.

Director Thompson thanked staff for following up on Southwestern College's plan to tie into the District's recycled water system. He indicated that it would be great to have another recycled water customer. He also inquired about the three (3) properties the District had placed on the market and if the District was happy with the sales value. General Manager Watton indicated the District sold the properties for market value or higher and was satisfied with the sales value. Director Thompson also inquired on an update from staff on discussions with Sweetwater Authority regarding Indirect Potable Reuse opportunities. General Manager Watton stated that staff is evaluating if there are any fatal flaws in the potential project. District staff has not identified any flaws at this time and the District has not yet heard Sweetwater Authority's findings. Staff will contact Sweetwater Authority in approximately two (2) weeks for further discussions on the potential project. Director Thompson shared that he attended CWA's Legislative Roundtable event and thanked Director Croucher and General Manager Watton for the invite. He stated that there was a lot of good discussion on water issues at the Roundtable.

Director Smith shared that one of his thoughts is for the District to lead by example and to share with our customers how much water the District has conserved in its own operations. Staff stated that they will work on Director Smith's request.

## 13. PRESIDENT'S REPORT

President Lopez reported on meetings he attended during the month of May 2015 (a list of meetings he attended is attached).

## 14. CLOSED SESSION

The board recessed to closed session at 5:45 p.m. to discuss the following matters:

- a) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION INITIATION OF LITIGATION PURSUANT TO PARAGRAPH (4) OF SUBDIVISION (D) OF GOVERNMENT CODE §54956.9

ONE CASE

- b) CONFERENCE WITH REAL PROPERTY NEGOTIATORS [GOVERNMENT CODE §54956.8]

PROPERTY: SALT CREEK GOLF COURSE  
525 HUNTE PARKWAY  
CHULA VISTA, CA 91914

AGENCY NEGOTIATOR: MARK WATTON , GENERAL MANAGER

NEGOTIATING PARTIES: BILL McWETHY, PACIFIC HOSPITALITY GROUP

UNDER NEGOTIATIONS: LEASE AGREEMENT; PRICE AND TERMS OF PAYMENT

The board reconvened at 7:30 p.m. and General Counsel Dan Shinoff reported that the board met in closed session and took no reportable actions in closed session.

15. ADJOURNMENT

With no further business to come before the Board, President Lopez adjourned the meeting at 7:30 p.m.

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President

ATTEST:

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District Secretary

**President's Report**  
**June 3, 2015 Board Meeting**

**A) Meetings attended during the Month of May 2015:**

- 1) **May 1: Board Agenda Briefing.** Met with General Manager Watton and General Counsel Dan Shinoff to review items that will be presented at the May 6 Board Meeting.
- 2) **May 6: Attended the District's Regular Board Meeting**
- 3) **May 7: Attended a meeting of the Metro Commission** (see attached minutes)
- 4) **May 15: Committee Agenda Briefing.** Met with General Manager Watton to review items that will be presented at the June committee meetings.
- 5) **May 19:**
  - a. **Attended AWWA's Desalination Workshop.** Attendees: Director Robak, General Manager Watton and Chief of Engineering Rod Posada
  - b. **Attended the District's Special Board Meeting** for a workshop on the FY 2016 Budget.
- 6) **May 20: Attended the District's Finance, Administration and Communications Committee.** Reviewed, discussed, and made recommendation on items that will be presented at the June board meeting.
- 7) **May 22: Attended a meeting of the District's Ad Hoc Salt Creek Golf Course Committee.** Attendees: Director Thompson, General Manager Watton and Mr. Bill McWethy
- 8) **May 27: Attended a meeting of the Metro Commission Finance Committee**
- 9) **May 29:**
  - a. **Attended CWA's Legislative Roundtable with Senator Marty Block and Assemblymember Brian Jones.** Attendees: Director Thompson and General Manager Watton

b. **Board Agenda Briefing.** Met with General Manager Watton and General Counsel Dan Shinoff to review items that will be presented at the June 3 Board Meeting.

# Agenda Item 14

**MINUTES OF THE  
BOARD OF DIRECTORS MEETING OF THE  
OTAY WATER DISTRICT  
October 7, 2015**

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

2. ROLL CALL

Directors Present: Lopez, Croucher, Robak, Smith and Thompson

Staff Present: General Manager Mark Watton, General Counsel Dan Shinoff, Asst. General Manager German Alvarez, Chief of Engineering Rod Posada, Chief Financial Officer Joe Beachem, Chief of Information Technology Geoff Stevens, Chief of Operations Pedro Porrás, Asst. Chief of Administration and Information Technology Adolfo Segura, Asst. Chief of Operations Jose Martinez, District Secretary Susan Cruz and others per attached list.

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

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

Ayes: Directors Croucher, Lopez, Robak, Smith and Thompson  
Noes: None  
Abstain: None  
Absent: None

to approve the agenda.

5. APPROVE THE MINUTES OF THE SPECIAL BOARD MEETING OF JUNE 24, 2015

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

Ayes: Directors Croucher, Lopez, Robak, Smith and Thompson  
Noes: None  
Abstain: None  
Absent: None

to approve the minutes of the special board meeting of June 24, 2015.

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.

7. RECESS OTAY WATER DISTRICT BOARD MEETING AND CONVENE A MEETING OF THE OTAY SERVICE CORPORATION BOARD MEETING

President Lopez recessed the Otay Water District board meeting at 3:37 p.m. and convened a meeting of the Otay Service Corporation board.

8. ROLL CALL

Directors Present: Croucher, Lopez, Robak, Smith and Thompson

9. ELECTION OF OFFICERS: PRESIDENT, VICE-PRESIDENT AND TREASURER

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

Ayes: Directors Croucher, Lopez, Robak, Smith and Thompson  
Noes: None  
Abstain: None  
Absent: None

to elect Director Lopez as President, Director Thompson as Vice President, and Director Robak as Treasurer.

10. APPOINTMENT OF OFFICERS: EXECUTIVE DIRECTOR, CHIEF FINANCIAL OFFICER AND SECRETARY

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

Ayes: Directors Croucher, Lopez, Robak, Smith and Thompson  
Noes: None  
Abstain: None  
Absent: None

to appoint General Manager Watton as Executive Director, Joe Beachem as Chief Financial Officer and District Secretary Susan Cruz as Secretary.

11. ADJOURN OTAY SERVICE CORPORATION BOARD MEETING AND RECONVENE OTAY WATER DISTRICT BOARD MEETING

President Lopez adjourned the Otay Service Corporation board meeting at 3:40 p.m. and reconvened the Otay Water District board meeting.

## CONSENT CALENDAR

12. 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 Robak pulled items 13a, APPROVE A FINE OF \$1,000 FOR METER TAMPERING AT 10305 ELMDALE DRIVE IN SPRING VALLEY, and 13b, APPROVE THE ISSUANCE OF A PURCHASE ORDER TO COX COMMUNICATIONS IN THE AMOUNT OF \$630,000 FOR FIVE (5) YEARS FOR TELECOMMUNICATION, FACILITY CONNECTIVITY, AND INTERNET SERVICES, for discussion.

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

Ayes: Directors Croucher, Lopez, Robak, Smith and Thompson  
Noes: None  
Abstain: None  
Absent: None

to approve the following consent calendar items and with regard to item "h" that the board directs staff to prepare a resolution for the purchase of the two (2) parcels from CalTrans for the General Manager's signature:

- c) APPROVE AN AS-NEEDED COATING INSPECTION SERVICES CONTRACT TO CORRPRO COMPANIES, INC., AN AEGION COMPANY, IN AN AMOUNT NOT-TO-EXCEED \$175,000 FOR A PERIOD OF THREE (3) FISCAL YEARS (FY 2016 THROUGH FY 2018), ENDING JUNE 30, 2018
- d) APPROVE A CONSTRUCTION CONTRACT TO ADVANCED INDUSTRIAL SERVICES, INC. FOR THE 711-1 & 711-2 RESERVOIR INTERIOR/EXTERIOR COATINGS & UPGRADES PROJECT IN AN AMOUNT NOT-TO-EXCEED \$1,195,695
- e) APPROVE A FIRST AMENDMENT TO CALTRANS UTILITY AGREEMENT NUMBERS 33592 AND 33622 FOR THE SR-11 UTILITY RELOCATIONS PROJECT IN THE AMOUNTS OF \$439,088 AND \$69,118, RESPECTIVELY
- f) APPROVE A SECOND AMENDMENT TO CAROLLO ENGINEERS, INC. PROFESSIONAL ENGINEERING SERVICES CONTRACT FOR DESIGN AND CONSTRUCTION SUPPORT OF THE 870-2 PUMP STATION PROJECT IN AN AMOUNT NOT-TO-EXCEED \$106,500

- g) APPROVE CHANGE ORDERS NO. 4 IN THE AMOUNT OF \$28,071, NO. 5 IN THE AMOUNT OF \$46, 204.33, AND NO. 6 IN THE AMOUNT OF \$11,413.89 TO THE CONTRACT WITH OLYMPUS AND ASSOCIATES, INC. FOR THE 944-1, 944-2, AND 458-2 RESERVOIR INTERIOR/EXTERIOR COATINGS AND UPGRADES PROJECT
- h) APPROVE THE PURCHASE OF TWO (2) CALTRANS LAND PARCELS (DIRECTOR'S DEED NUMBERS DD 32161-01-01 AND DD 32164-01-01) FOR THE NORTH-SOUTH INTERCONNECTION SYSTEM (OTAY INTERCONNECT) PROJECT IN THE AMOUNTS OF \$195,000 AND \$175,000, RESPECTIVELY

President Lopez presented item 13a for discussion:

- a) APPROVE A FINE OF \$1,000 FOR METER TAMPERING AT 10305 ELMDALE DRIVE IN SPRING VALLEY

Customer Service Manager Andrea Carey requested that the board uphold staffs' recommendation to impose a \$1,000 fine for metering tampering at 10305 Elmdale Drive in Spring Valley. She indicated that on June 30, 2015, the meter at this address was locked for non-payment. During a routine visit on July 10 to check the locked meter, staff discovered water was still passing through the locked meter. Staff, at that time, removed the meter and, as part of the process of removing the meter, staff locked the curb stop and installed a locking device within the curb stop to prevent an illegal connection. On July 30, the afterhours Operations staff member was called out to the property as water was spraying out of the property's meter box. The staff member discovered that the curb stop was missing and a copper pipe had been installed between the house valve and the District's valve. Please reference the Committee Action notes attached to staff's report (Attachment A) for the details of Ms. Carey's report.

Mr. Frederick McClenny, owner of the property, attended the meeting to appeal the fine imposed for metering tampering at his property. He stated that he was out-of-town and was not aware of any tampering at his property and when he returned he was being fined for no reason. He presented the curb stop with the lock still intact. He stated that he found it in the bushes on his property. He stated that he did not tamper with the system at his property.

President Lopez indicated that a similar incident occurred in the past at this property and it is felt that the District has all the evidence supporting the fine for this incident and is comfortable moving forward with the fine. General Manager Watton indicated that the most damaging evidence is the attempt to install a jumper pipe to hook directly to the District's system. He further stated that this attempt to install a jumper pipe had been done in the past at this property.

Director Thompson indicated that when the District looks at all the circumstantial evidence, the only party that would benefit from the installation of a jumper pipe

is the customer. He stated that based on the evidence, he felt comfortable moving forward with staffs' recommendation.

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

Ayes: Directors Croucher, Lopez, Robak, Smith and Thompson  
Noes: None  
Abstain: None  
Absent: None

to approve staffs' recommendation.

President Lopez presented 13b for discussion:

- b) APPROVE THE ISSUANCE OF A PURCHASE ORDER TO COX COMMUNICATIONS IN THE AMOUNT OF \$630,000 FOR FIVE (5) YEARS FOR TELECOMMUNICATION, FACILITY CONNECTIVITY, AND INTERNET SERVICES

Director Robak indicated that there was discussion at the committee that the District currently has wireless services with speeds from 20 to 30 megabytes per second (MB/s). The new services from Cox Communications would provide for hard wired services with a speed of approximately 1.5 MB/s. He indicated that this is a distinct downgrade in services. Staff had explained that the proposed service would provide for reliability of service and would be adequate for the District's needs. He asked staff to explain why this significantly slower service would be adequate for the District's needs. Assistant Chief of Administration and Information Technology Adolfo Segura indicated that the 1.5 MB/s is adequate for the District's needs. He stated that the issue they face with the wireless transmission system that the District currently utilizes is it is limited and does not cover the District's full service area. Another issue is the growing wireless traffic within the District's service area, such as, radar from planes and the border patrol, cellular, etc. The District's frequency is an unlicensed frequency (it is public) and it would require three (3) to six (6) months to acquire a private frequency which would be an additional cost.

He stated that is recommend that such communications systems be replaced every seven (7) years. The District's system is going into its sixth (6<sup>th</sup>) year this January. The replacement cost for a wireless system is approximately \$450,000 to \$500,000 with a 10% recurring cost for maintenance. Further, the system would need to be reengineered and this cost would be in addition to the \$450,000 to \$500,000 to replace the existing system. Comparing this cost with reliability and the ability to manage physical circuits from the District, it makes sense for the District to move to hard wired services. It was noted that for reliability, there is nothing superior to a physical connection. The proposed services is adequate for the District needs now and for the foreseeable future.

In response to an inquiry from Director Smith, it was indicated that the firetide radios useful life is five (5) to seven (7) years depending on the outdoor environment. It is expected that the radios will be utilized for another two (2) years before they are retired. It is anticipated that in that time the radios will no longer be supported as the new generation of radios are scheduled to be released in March 2016. Director Smith commented that CWA is also installing, along with their new infrastructure, fiber optic lines in preparation to moving to a hard wired system at some point in the future as the hard wire serve is a more reliable service.

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

Ayes: Directors Croucher, Lopez, Robak, Smith and Thompson  
Noes: None  
Abstain: None  
Absent: None

to approve staffs' recommendation.

Director Thompson indicated that he wished to make a comment with regard to agenda item 13a. He indicated that the total penalty and charges to the customer is a large amount of money and he was concerned with the customer's ability to restore water services. He inquired if the District would work with the customer to develop a payment plan. Staff indicated that staff would be doing so and that there is a provision in the District's code that allows for a payment schedule.

Director Thompson also indicated with regard to agenda item 13h, that he had a discussion with General Manager Watton regarding the purchase of this parcel of land. He stated that it is quite sizeable and it is hoped that there would be a residual portion that could possibly be sold. General Manager Watton indicated that staff is working to design the facilities on the land that would provide for a residual parcel that could be sold.

## ACTION ITEMS

### 13. BOARD

- a) CONSIDER NOMINATING DIRECTOR MARK ROBAK TO THE LOCAL AGENCY FORMATION COMMISSION'S (LAFCO) BOARD/COMMISSION AS AN ALTERNATE MEMBER AND DIRECTOR GARY CROUCHER TO LAFCO'S SPECIAL DISTRICT'S ADVISORY COMMITTEE

Director Thompson made a motion, seconded by Director Smith and carried with the following vote:

Ayes: Directors Croucher, Lopez, Robak, Smith and Thompson  
Noes: None  
Abstain: None  
Absent: None

to nominate Director Robak to LAFCO's Board/Commission as an Alternate Member and Director Croucher to LAFCO's Special District's Advisory Committee.

b) DISCUSSION OF THE 2015 BOARD MEETING CALENDAR

Director Croucher indicated that he would be out-of-town and would be unable to attend the December 2, 2015 board meeting. General Manager Watton indicated that in the past, the board has canceled the December meeting. Staff is prepared should the board wish to cancel the December meeting this year as well.

There were no changes to the meeting calendar.

INFORMATIONAL ITEM

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

a) ANNUAL DIRECTOR'S EXPENSE REPORT FOR FISCAL YEAR 2015

The board noted and filed staffs' report.

b) FISCAL YEAR 2015 YEAR-END STRATEGIC PLAN REPORT

Information Technology Chief Geoff Stevens presented the Fiscal Year 2015 year-end strategic plan report. Please reference attachment A to staffs' report for details of Mr. Steven's presentation.

In response to an inquiry from Director Croucher regarding the valve exercising program, Chief of Operations Pedro Porras indicated that the District plans to exercise non-critical valves (19,450 valves) within a seven (7) year cycle. That is, all non-critical valves would be exercised once every seven (7) years. All critical valves (700 to 800 valves) would be exercised once every year. It was discussed that the District may establish a separate measurement and target for non-critical valves.

Director Croucher commended staff for their work on the strategic plan and for their openness to feedback and discussion. He stated that the District's strategic plan provides for transparency to the public of the work the District is doing.

Director Smith indicated that he felt the Strategic Plan and the information provided through the Strategic Plan measures is very important. He stated that it is good to see that the measures show that the District is consistent with the industry. He shared that an article in an American Water Works Association (AWWA) magazine was promoting leak detection programs because of the drought and noted that the District already has implemented a leak detection program through its Strategic Plan. He further stated other programs that are just being discussed in the industry, which the District has already implemented, is a recycled water program and strategies to respond to higher energy costs. He commented that looking ahead and planning for the future is what good operating agencies are doing and he is pleased to see the District accomplishing this. He stated that if you don't have a goal, you can't achieve it. Thus, setting goals for the agency or oneself is very important and the District is doing that.

Information Technology Chief Stevens indicated that the Strategic Plan has certainly served as the District's core document to accomplishing new goals as the industry changes. He stated that the Strategic Plan, as a business process, is working quite well for the District.

Directors Robak, Thompson and Lopez thanked staff for their dedication to the Strategic Plan program. They indicated that they very much appreciate staffs work as the Strategic Plan as it is what defines this District.

General Manager Watton indicated that Information Technology Chief Stevens has developed a solid foundation for the Strategic Plan Program that will continue beyond his tenure. He has unquestionably developed an architecture for our Strategic Plan that serves the District well.

## REPORTS

### 15. GENERAL MANAGER'S REPORT

General Manager Watton reviewed handouts that were placed on the dias for members of the board. He stated the first handout is a letter coordinated by the Association of California Water Agencies (ACWA) that is signed by the general managers of various agencies, including the San Diego County Water Authority's (CWA) general manager. The correspondence discusses the Governor's ongoing drought executive order and his desire to continue some type of regulatory structure beyond his executive order which expires in February 2016. The agencies are indicating their concerns with the Regulatory Board's mandates that they will continue to prohibit the use of the local water supplies developed by each of the agencies. The second handout is a presentation regarding the Colorado River Hydrology; the status of the river's water supply outlook. There is also a copy of a presentation concerning the results of the Drought Response Outreach Program. It is being suggested that the campaign be slowed down as San Diego County has received an excellent response from the public to conserve. The last handout is a letter from the California Legislature to the Governor requesting a Special Session to discuss the ongoing drought

conditions and inquires about the next steps when the executive order expires in February 2016. It also discusses the \$700 million in water funding that would be provided to some California regions that have been most impacted by the drought. The concern is that this funding has not been allocated or spent and the Legislature is inquiring why it has not been allocated.

Mr. Watton also presented information from his report. He announced that the District's Employee Recognition luncheon is scheduled next Wednesday, October 14, and the Employee Holiday Dinner has scheduled on, Saturday, December 5. He shared updates on the District's target for water conservation and that the District has had a cumulative savings of 27% since June 1, the Fiscal Year 2015 Audited Financials, the status of conservation outreach, the Rosarito Desalination Project, and water purchases.

Director Thompson inquired if staff could agendaize, fairly soon, a discussion on the budget and projections based on the conservation that the District's customers have been able to achieve. General Manager Watton indicated that the District's staff is working on projections now and will have an item placed on the agenda for discussion at a future board meeting.

#### CWA Report

Director Croucher indicated that CWA is moving forward with evaluating Camp Pendleton as a possible site for another desalination project. He announced that CWA will be hosting a Legislative Roundtable with Speaker of the Assembly, Toni Atkins, on October 16. He stated that he, along with CWA's general manager and members of their board, have just returned from a trip to Washington DC, held from September 27 to 30. During their trip, they met with several legislative representatives, including Congressman Duncan Hunter, to discuss grants, propositions that the water agencies rely on, and the importance of working together, not only in Southern California, but the State of California and the western region of the United States. He stated that CWA is also working on a study for the San Vicente Reservoir concerning the pump storage and the possibility of producing energy. He lastly shared that he will be attending a tour of the Colorado River which includes the Hoover Dam, Diamond Valley, etc. The tours are sponsored and fully funded by MWD. He stated that information will be shared with members of the board should they have interest in participating in these tours and that they are very educational and worthwhile.

#### 16. DIRECTORS' REPORTS/REQUESTS

Director Robak thanked the members of the board for supporting his nomination for the Alternate Member on LAFCO's Commission. He stated that he felt LAFCO is supposed to be promoting and facilitating consolidations for efficient government. He commented that he was unhappy that the proposed merger between Rainbow MWD and Fallbrook PUD was turned down and that he had taken a very public stance and took to task the commission members who voted against the consolidation. He stated that it doesn't seem that the decision will be

appealed. He shared that this is what encouraged him to run for the alternate seat on LAFCO's commission. He indicated that CSDA will host a Candidate Forum in November for those seeking election to LAFCO. He thanked the District for supporting the YMCA Branding event and noted that on October 17, the District is sponsoring the Water Conservation Garden Enchanted Garden Event. He stated that this a very good event and the event supports the Water Conservation Garden. He shared that he has received some feedback from a constituent in his division regarding the main break on Hillsdale Road and he lastly asked the Board to consider scheduling a Board Workshop in lieu of the December board meeting.

Director Thompson reported that he has been working with the General Manager Watton and President Lopez on the City of San Diego Recycled Water Rate issue. He also shared that he attended CSDA's Annual Conference. He stated that the sessions were worthwhile and there were many different topics covered, including the Brown Act, defensible water and sewer rates, etc. He stated that there was a lot of good information for board members and that he would recommend that his colleagues attend the conference next year.

Director Croucher announced that CSDA's Special Districts Leadership Academy Conference is scheduled from January 24 to 26, 2016.

Director Smith indicated, in addition to the committee meeting, he attended the Reynolds Desalination Facility Expansion Groundbreaking Ceremony. He stated that it was interesting to see how they have expanded the plant. He noted that the project has received 75% of its funding from the State and the Federal Government and the cost of water from the project is half the cost of imported water.

#### 17. PRESIDENT'S REPORT

President Lopez reported on meetings he attended during the month of September 2015 (a list of meetings he attended is attached). He thanked Director Robak for filling in on two committees.

He noted that he is disbanding the Ad Hoc Salt Creek Golf Course Committee and will be revising it to review the Salt Creek Golf Course Development. He stated that he would appoint Director Thompson and himself to the committee.

#### 18. CLOSED SESSION

The board recessed to closed session at 5:10 p.m. to discuss the following matter:

- a) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9:

1 CASE

The board reconvened at 6:50 p.m. and General Counsel Dan Shinoff reported that the board met in closed session and the board took no reportable actions.

19. ADJOURNMENT

With no further business to come before the Board, President Lopez adjourned the meeting at 6:50 p.m.

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President

ATTEST:

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District Secretary

**President's Report  
October 7, 2015 Board Meeting**

**A) Meetings attended during the Month of September 2015:**

**1) September 2:**

a. **Met with San Diego County Supervisor Jacob.** Discussed the City of San Diego Recycled Water Rate Study. Attendees: General Manager Watton and Finance Manager Bell

b. **OWD Regular Board Meeting**

**2) September 3: Attended a meeting of the Metro Commission**  
(see attached agenda)

**3) September 8:**

a. **Met with City of San Diego Councilmember Sherman.** Discussed the City of San Diego Recycled Water Rate Study. Attendees: General Manager Watton and Finance Manager Bell

b. **Met with City of San Diego Councilmember Zapf.** Discussed the City of San Diego Recycled Water Rate Study. Attendees: General Manager Watton and Finance Manager Bell

c. **Met with City of San Diego Councilmember Cate.** Discussed the City of San Diego Recycled Water Rate Study. Attendees: General Manager Watton, Finance Manager Bell and Jason Paguio, City of Chula Vista

d. **Met with City of San Diego Councilmember Gloria's Staff.** Discussed the City of San Diego Recycled Water Rate Study. Attendees: General Manager Watton, Finance Manager Bell and Susana Villegas, District Consultant

**4) September 15:**

a. **Committee Agenda Briefing.** Met with General Manager Watton to review items that will be presented at the September committee meetings.

b. **Attended the City of San Diego Council Meeting** to hear the Council's discussion on Potable, Fire and Recycled

Water Rate Adjustments, Cost of Service Study and speak during the Proposition 218 Notice Hearing.

- 5) **September 26: Attended the East County YMCA Branding Event.** Attendees: Directors Croucher and Robak, and General Manager Watton
- 6) **September 28: Board Agenda Briefing.** Met with General Manager Watton and General Counsel Dan Shinoff to review items that will be presented at the October 7 Board Meeting.
- 7) **September 29: Attended the Reynolds Desalination Facility Expansion Groundbreaking.** Attendees: Directors Robak and Smith, and General Manager Watton

# AGENDA ITEM 17a



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2016
SUBMITTED BY:	Kevin Cameron Associate Civil Engineer	PROJECT:	P2545-001103
	Bob Kennedy Engineering Manager	DIV. NO.	5
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief, Engineering <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Award of a Construction Contract to Advanced Industrial Services, Inc. for the 980-1 Reservoir Interior/Exterior Coatings & Upgrades Project		

### GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) award a construction contract to Advanced Industrial Services, Inc. (AIS) and to authorize the General Manager to execute a construction contract with AIS for the 980-1 Reservoir Interior/Exterior Coatings & Upgrades Project in an amount-not-to exceed \$876,500 (see Exhibit A for Project location).

### COMMITTEE ACTION:

Please see Attachment A.

### PURPOSE:

To obtain Board authorization for the General Manager to enter into a construction contract with AIS for the 980-1 Reservoir Interior/Exterior Coatings & Upgrades Project in an amount-not-to exceed \$876,500.

**ANALYSIS:**

The 980-1 Reservoir is one of two 5.0 million gallon potable water storage facilities in the 980 pressure zone that serve the Central Area of the District. The 980-1 Reservoir was originally constructed in 1986. In January 2015, the District's staff identified excessive corrosion on one (1) of the five (5) roof vents on the 980-1 Reservoir. The vent was temporarily repaired, and District staff further investigated the tank's condition and recoating schedule.

The District's corrosion consultant, HDR, Inc., maintains a Corrosion Control Program (CCP) that addresses the installation, maintenance, and monitoring of corrosion protection systems for the District's steel reservoirs and buried metallic piping. The CCP included a reservoir maintenance schedule that showed the 980-1 Reservoir was due to be recoated on both the interior and exterior surfaces in 2019. An in-service internal and external inspection was performed by Dive/Corr, Inc. which illustrated the interior roof coating was in fair to poor condition, and there were areas of blistering on the shell and floor beneath the waterline. The interior coating was replaced in 2001, and although blistering paint was still protecting the steel, blisters in the paint are the beginning signs of failure. The coating on the exterior has never been completely replaced, only spot repaired as needed. Given the condition of the interior coating, the age of the exterior coating, along with replacement of the existing roof vents, and a number of other structural upgrades, the tank recoating was accelerated. In addition to replacing the coatings and structural upgrades, safety items will be installed to comply with current safety and health requirements. During construction, service in the 980 pressure zone will be provided by the 980-2 Reservoir.

The recommended structural upgrades, developed with input from Engineering and Operations staff, are as follows: replace the coating on the interior and exterior surfaces, replace the existing level indicators, install new fall prevention devices on the interior and exterior ladders, modify anode access ports, replace all cathodic anodes, replace all five (5) roof vents, install new safety cable lanyards for roof access, and add multiple tank penetrations for chlorination and sampling. These upgrades will ensure compliance with American Water Works Association (AWWA) and the Occupational Safety and Health Administration Standards for both Federal (OSHA) and State (Cal-OSHA) as well as upgrade antiquated equipment on the tank.

The Project was advertised on October 9, 2015 on the District's website and several other publications including the San Diego Union

Tribune. A Pre-Bid Meeting was held on October 20, 2015, which was attended by two (2) contractors. By request, an additional site visit was held on October 21, 2015, and one (1) contractor attended. One (1) addendum was sent out to all bidders and plan houses to address questions and clarifications to the contract documents during the bidding period. Bids were publicly opened on October 29, 2015, with the following results:

	<b>CONTRACTOR</b>	<b>TOTAL BID AMOUNT</b>
1	Advanced Industrial Services, Inc. Los Alamitos, CA	\$876,500.00
2	Blastco, Inc. Downey, CA	\$1,031,240.00
3	Simpson Sandblasting & Special Coatings, Inc. Fontana, CA	\$1,050,039.00

The Engineer's Estimate is \$1,077,000.

The evaluation process included reviewing all bids submitted for conformance to the contract documents. The lowest bidder, AIS, submitted a responsible bid and holds a Class A Contractor's license which expires on January 31, 2016. AIS also holds a current QP-2 certification from the Society for Protective Coatings, which was also a requirement. The District has previously worked with AIS on the following interior and exterior reservoir coating projects; 803-3, 832-2, and the 624-2 Reservoir in 2014, which were completed on time and under budget. Staff checked three new references, and the response from other agencies indicated AIS has an excellent performance rating on similar projects. The proposed Project Manager has experience throughout California on similar projects and received excellent recommendations. AIS was also awarded the 711-1 & 711-2 Reservoir coating at the October 7, 2015 Board Meeting. Including the references from the previous projects, the District has contacted twelve other agencies to ask about AIS' performance, and all have had very good responses. A background search of the company was performed on the internet and revealed no outstanding issues with this company. AIS submitted the Company Background and Company Safety Questionnaires, as required by the Contract Documents. Staff confirmed that AIS is registered with the Department of Industrial Relations, as required by Senate Bill SB 854.

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

**FISCAL IMPACT:**

Joe Beachem, Chief Financial Officer

The total budget for CIP P2529, as approved in the FY 2016 budget, is \$1,495,000. Total expenditures, plus outstanding commitments and forecast, are \$1,258,240. See Attachment B for the budget detail.

Based on a review of the financial budget, the Project Manager anticipates that the budget is sufficient to support the Project.

The Finance Department has determined that, under the current rate model, 100% of the funding will be available from the Replacement Fund.

**STRATEGIC GOAL:**

This Project supports the District's Mission statement, "To provide high value water and wastewater services to the customers of the Otay Water District in a professional, effective, and efficient manner" and the General Manager's Vision, "A District that is at the forefront in innovations to provide water services at affordable rates, with a reputation for outstanding customer service."

**LEGAL IMPACT:**

None.

KC/BK:jf

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



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b> P2545-001103	Award of a Construction Contract to Advanced Industrial Services, Inc. for the 980-1 Reservoir Interior/Exterior Coatings & Upgrades Project
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### COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee (Committee) reviewed this item at a meeting held on December 8, 2015, and the following comments were made:

- Staff stated that the purpose of this agenda item is to obtain Board authorization for the General Manager to enter into a construction contract with Advanced Industrial Services, Inc. (AIS) in the amount of \$876,500 dollars for the 980-1 Reservoir Interior/Exterior Coating and Upgrades Project.
- It was indicated that during a routine inspection of the 980-1 tank, Operations Staff found excessive corrosion on one of the roof vents. A temporary repair was made, and Engineering Staff evaluated the current condition of the tank that was built in 1986.
- Staff noted that the tank was scheduled to be recoated in 2019. However, a dive inspection was conducted and the results showed the interior coating was beginning to blister, which is the beginning signs of coating failure. Staff stated that the interior coating was last replaced in 2001 and that the exterior coating is 20 years old and at the end of its useful life.
- Staff stated that since the vent rehabilitation would require the tank to be out of service, and repairs would have to be made to the exterior and interior coating, the recoating of the 980-1 was accelerated. Accelerating the recoating will allow the District to take advantage of the current lower water use due to conservation. It was highlighted that this is exceptionally beneficial as this tank is one of only two tanks in the 980 zone.

- As part of the recoating project, structural upgrades will be made to bring the reservoir up to current Federal and State OSHA and the AWWA standards. Staff stated that structural upgrades include new water level indicators, sample ports, roof vents, safety cable lanyards on the roof, and new cathodic anodes.
- Staff discussed the selection process and stated that three (3) bids were received on October 29, 2015. The results of the selection process are shown in the table at the top of Page 3 of the staff report.
- Advanced Industrial Services (AIS) submitted the lowest bid. Staff reviewed the bid for conformance and checked references which showed a good overall performance record. After the review, it was determined that AIS submitted a responsive bid.
- Staff stated that AIS has previously worked with the District on the following reservoir recoating projects: the 803-3, 832-2, and 624-2 Reservoirs. AIS is currently working on the 711-1 and 711-2 Reservoir Coating Project.
- The Committee inquired about the number of existing reservoirs within the District. Staff stated that the District has approximately 44 reservoirs.
- The Committee inquired if the District has a master list that indicates the year reservoir tanks were built and when they need recoating. Staff stated that they do have a master list that is a model of Helix Water District's list.
- In response to a question by the Committee, staff indicated that the District maintains a spreadsheet and schedule of when reservoir tanks are due for recoating. In addition, staff inspects the tanks regularly to determine if recoating is needed ahead of schedule based on their condition.
- The Committee commented that the District will save approximately \$200,000 with this project, which is good.
- In response to a question from the Committee with regards to inspections, staff stated that there are two different levels of inspecting tanks: diving into the tank for visual inspection and draining the tank for a complete inspection. It was noted that Operations Staff performed a visual inspection outside of the tank and found corrosion, and a diver performed a visual inspection inside the tank which showed signs of coating failure.

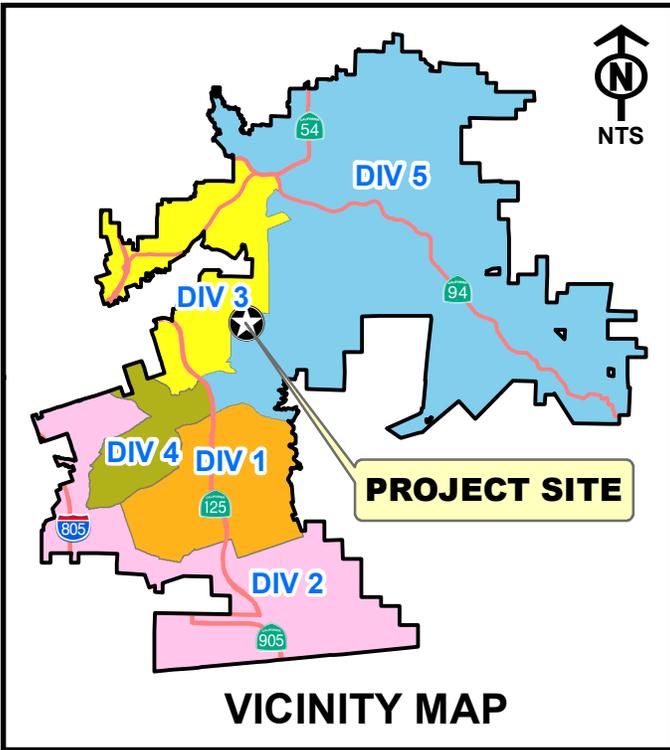
Following the discussion, the committee recommended presentation to the full board as a consent item.



## ATTACHMENT B – Budget Detail for P2545

<b>SUBJECT/PROJECT:</b>	Award of a Construction Contract to Advanced Industrial Services, Inc. for the 980-1 Reservoir Interior/Exterior Coatings & Upgrades Project
P2545-001103	

Otay Water District					Date Updated: 11/10/15
P2545-980-1 Reservoir Interior/Exterior Coating					
<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment &amp;</i>	<i>Projected Final Cost</i>	<i>Vendor/Comments</i>
<b>1,495,000</b>					
<b>Planning</b>					
Standard Salaries	-	-	-	-	
Consultant Contracts	2,750	2,750	-	2,750	DIVE/CORR INC
<b>Total Planning</b>	2,750	2,750	-	2,750	
<b>Design</b>					
Standard Salaries	40,000	24,689	15,311	40,000	
Service Contracts	1,500	977	523	1,500	MAYER
	500	407	93	500	SAN DIEGO UNION TRIBUNE
<b>Total Design</b>	42,000	26,073	15,927	42,000	
<b>Construction</b>					
Standard Salaries	150,000	811	149,189	150,000	
<b>Construction Contract</b>	<b>876,500</b>	<b>-</b>	<b>876,500</b>	<b>876,500</b>	<b>ADVANCED INDUSTRIAL SERVICES</b>
Service Contracts	60,000	-	60,000	60,000	SPECIALTY INSPECTION
	40,000	-	40,000	40,000	ALYSON CONSULTING-CM
	150	-	150	150	CLARKSON LAB & SUPPLY
	35,000	-	35,000	35,000	WATCHLIGHT CORPORATION
Professional Legal Fees	5,000	-	5,000	5,000	STUTZ ARTIANO SHINOFF
Equipment Rental	15	15	-	15	EQUIPMENT RENTAL CO
Project Closeout	3,000	-	3,000	3,000	CLOSEOUT
Project Contingency	43,825	-	43,825	43,825	5% CONTINGENCY
<b>Total Construction</b>	1,213,490	826	1,212,664	1,213,490	
<b>Grand Total</b>	<b>1,258,240</b>	<b>29,649</b>	<b>1,228,591</b>	<b>1,258,240</b>	



**OTAY WATER DISTRICT**  
**980-1 Reservoirs Interior/Exterior Coating & Upgrades**  
**Location Map**



CIP P2545

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# AGENDA ITEM 17b



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2016
SUBMITTED BY:	Michael O'Donnell Supervising Land Surveyor  Brandon DiPietro Field Services Manager	PROJECT:	VARIOUS DIV. NO. ALL
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief, Engineering <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Award of As-Needed Land Surveying Services Contract to Hunsaker & Associates San Diego, Inc. for Fiscal Years 2016 through 2018		

### **GENERAL MANAGER'S RECOMMENDATION:**

That the Otay Water District (District) Board of Directors (Board) award a professional As-Needed Land Surveying Services contract to Hunsaker & Associates San Diego, Inc. (Hunsaker) and to authorize the General Manager to execute an agreement with Hunsaker in an amount not-to-exceed \$175,000 for a period of three (3) fiscal years, FY 2016 through FY 2018 (ending June 30, 2019).

### **COMMITTEE ACTION:**

Please see Attachment A.

### **PURPOSE:**

To obtain Board authorization for the General Manager to enter into a professional As-Needed Land Surveying Services agreement with Hunsaker in an amount not-to-exceed \$175,000 for three (3) fiscal years, FY 2016 through FY 2018 (ending June 30, 2019).

## **ANALYSIS:**

The District will require the services of a professional land surveying consultant on an as-needed basis for three (3) fiscal years to support the following:

- District's Capital Improvement Program (CIP)
- Cadastral Base Mapping Program
- Right-of-Way Management Program
- USA Mark-Out Program

The District has used an as-needed contract for land surveying services over the previous two (2) fiscal years to augment existing staff and for tasks that require specialty services. The annual effort of the As-Needed Land Surveying services, used to support the District's CIP, Cadastral Base Mapping, Right-of-Way Management, and USA Mark-Out programs from October 2013 through October 2015, averaged hours that equated to less than a full-time employee (FTE) at a rate of 0.13 FTE per year. An analysis of land surveying workload for FY 2016 through FY 2018 indicates an increasing level of effort from prior years will be needed with averaged hours that equate at a rate of 0.40 FTE per year.

The District's experience has demonstrated that it is efficient and cost effective to issue an as-needed contract for land surveying services which will provide the District with the ability to obtain consulting services in a timely and cost efficient manner. In addition to land surveying services, this concept has also been used in the past for other disciplines such as engineering design, construction management, electrical, and environmental services.

The District will issue task orders to the consultant for specific projects during the contract period based on a detailed scope of work. The consultant will then prepare a schedule and fee estimate for each task order assigned under the contract. Upon written task order authorization from the District, the consultant shall then proceed with the project, as described in the scope of work.

This As-Needed Land Surveying Services contract does not commit the District to any expenditure until a task order is approved to perform work on a project. The District does not guarantee work to the consultant, nor does the District guarantee that it will expend all of the funds authorized by the contract on professional services.

The District solicited for Land Surveying Services by placing an advertisement on the District's website on August 27, 2015 and with various other publications including the San Diego Daily Transcript.

Twelve (12) firms submitted a Letter of Interest and a Statement of Qualifications. The Request for Proposal (RFP) for As-Needed Land Surveying Services was sent to the twelve (12) firms resulting in nine (9) proposals received by September 30, 2015.

- Hunsaker & Associates San Diego, Inc., San Diego, CA
- Project Design Consultants, San Diego, CA
- D. Woolley and Associates, Tustin, CA
- O'Day Consultants, Inc., San Diego, CA
- San Dieguito Engineering, Inc., Encinitas, CA
- Alyson Consulting, San Diego, CA
- Towill, Inc., San Diego, CA
- TSAC Engineering, San Diego, CA
- PSOMAS, San Diego, CA

The three (3) firms that chose not to propose are NV5, Calvada Surveying, Inc., and Dennis Janda, Inc.

In accordance with the District's Policy 21, staff evaluated and scored all written proposals. Hunsaker received the highest score for their services based on their experience, understanding of the scopes of work, proposed method to accomplish the work, and their composite hourly rate. Hunsaker was the most qualified consultant with the best overall rating or ranking score. A summary of the complete evaluation is shown in Attachment B.

Hunsaker submitted the Company Background Questionnaire, as required by the RFP, and staff did not find any outstanding issues. In addition, staff checked their references and performed an internet search on the company. Staff found the references to be excellent and did not find any outstanding issues with the internet search.

**FISCAL IMPACT:**  Joe Beachem, Chief Financial Officer

The funds for this contract will be expended from the Fiscal Years 2016, 2017, and 2018 budgets for various projects or programs. This contract is for professional as-needed land surveying consulting services based on the District's need and schedule, and expenditures will not be made until a task order is approved by the District for the consultant's services on a specific project or program.

Based on a review of the financial budgets, the Project Manager anticipates that the budgets will be sufficient to support the professional as-needed land surveying consulting services required for various projects and the programs noted above.

The Finance Department has determined that under the current rate model, the funds to cover this contract will be available as budgeted for these projects or programs.

**STRATEGIC GOAL:**

This Project supports the District's Mission statement, "To provide high value water and wastewater services to the customers of the Otay Water District in a professional, effective, and efficient manner" and the District's Vision, "A District that is innovative in providing water services at affordable rates, with a reputation for outstanding customer service."

**LEGAL IMPACT:**

None.

MO:jf

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Attachments: Attachment A - Committee Action  
Attachment B - Summary of Proposal Rankings



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Award of As-Needed Land Surveying Services Contract to Hunsaker & Associates San Diego, Inc. for Fiscal Years 2016 through 2018
Various	

### **COMMITTEE ACTION:**

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on December 8, 2015, and the following comments were made:

- Staff recommended that the Board award a professional As-Needed Land Surveying Services contract to Hunsaker & Associates San Diego, Inc. (Hunsaker) in an amount not-to-exceed \$175,000 for a period of three (3) fiscal years, FY 2016 through FY 2018 (ending June 30, 2019).
- Staff indicated that the District has used an as-needed contract for land surveying services over the previous two (2) fiscal years to augment existing staff and for tasks that require specialty services. It was highlighted that the District's experience has demonstrated that it is efficient and cost effective to issue and as-needed contract for land surveying services, which will provide the District with the ability to obtain consulting services in a timely and cost efficient manner.
- Staff stated that the District will require the services of an as-needed land surveying consultant to support the District's CIP, USA Mark-Out, Cadastral Base Mapping, and the Right-of-Way Management Program.
- Staff provided a background on the selection process and indicated that it was in accordance with the District's Policy 21. Staff stated that nine (9) firms submitted a proposal and the results of the analysis are shown in Attachment B of the staff report.
- It was indicated that Hunsaker & Associates San Diego, Inc. received the highest score. Staff checked the company's references, reviewed their Company Background Questionnaire

form, and performed an internet search on the company and did not find any significant issues. Staff noted that Hunsaker is registered with the Department of Industrial Relations which is a requirement of Senate Bill SB 854.

- In response to an inquiry from the Committee, staff stated that land surveying duties is above and beyond of what the District's licensed Land Surveyor is performing. The as-needed consultant will be utilized when additional land surveying services are required as it is anticipated that the land surveying workload will increase in FY 2016 through 2018. In addition, staff indicated that the District employs a staff member for USA Mark Out duties and that the land surveyor and mark out personnel collaborate with each other to perform the duties.
- The Committee inquired if the District's Supervising Land Surveyor was involved in the interview and selection process. Staff stated no and that the Project Manager is not part of the selection process.

Following the discussion, the committee recommended presentation to the full board as a consent item.

**ATTACHMENT B  
SUMMARY OF PROPOSAL RANKINGS  
As-Needed Land Surveying Services**

		WRITTEN								REFERENCES	
		Qualifications of Team	Responsiveness and Project Understanding	Technical and Management Approach	INDIVIDUAL SUBTOTAL - WRITTEN	AVERAGE SUBTOTAL - WRITTEN	Proposed Rates*	Consultant's Commitment to DBE	TOTAL SCORE		
MAXIMUM POINTS		30	25	30	85	85	15	Y/N	100	Poor/Good/Excellent	
1	D.Woolley and Associates, Inc.	Brandon DiPietro	27	20	21	68	69	8	Y	77	
		Chad Thompson	26	20	25	71					
		Dan Martin	25	22	23	70					
		Jeff Marchioro	26	22	21	69					
		Kevin Cameron	24	20	25	69					
2	Hunsaker & Associates San Diego, Inc.	Brandon DiPietro	30	24	28	82	81	15	Y	96	Excellent
		Chad Thompson	29	24	28	81					
		Dan Martin	29	24	28	81					
		Jeff Marchioro	29	24	29	82					
		Kevin Cameron	29	24	28	81					
3	Project Design Consultants	Brandon DiPietro	28	22	26	76	78	8	Y	86	
		Chad Thompson	28	24	27	79					
		Dan Martin	28	24	27	79					
		Jeff Marchioro	29	22	28	79					
		Kevin Cameron	28	23	28	79					
4	Psomas	Brandon DiPietro	29	23	27	79	77	1	Y	78	
		Chad Thompson	28	24	28	80					
		Dan Martin	27	24	24	75					
		Jeff Marchioro	28	23	24	75					
		Kevin Cameron	27	22	27	76					
5	Towill	Brandon DiPietro	28	21	24	73	76	7	Y	83	
		Chad Thompson	27	23	26	76					
		Dan Martin	27	24	27	78					
		Jeff Marchioro	28	23	26	77					
		Kevin Cameron	27	22	27	76					
6	TSAC Engineering	Brandon DiPietro	27	21	24	72	71	9	Y	80	
		Chad Thompson	26	22	24	72					
		Dan Martin	25	22	22	69					
		Jeff Marchioro	28	21	22	71					
		Kevin Cameron	25	23	25	73					
7	O'Day Consultants	Brandon DiPietro	26	20	22	68	70	3	Y	73	
		Chad Thompson	26	21	24	71					
		Dan Martin	25	23	23	71					
		Jeff Marchioro	27	22	22	71					
		Kevin Cameron	23	20	24	67					
8	Alyson Consulting	Brandon DiPietro	26	24	26	76	75	12	Y	87	
		Chad Thompson	27	23	24	74					
		Dan Martin	27	23	23	73					
		Jeff Marchioro	28	23	25	76					
		Kevin Cameron	27	22	27	76					
9	SDE, Inc.	Brandon DiPietro	26	19	22	67	69	2	Y	71	
		Chad Thompson	25	20	23	68					
		Dan Martin	24	23	24	71					
		Jeff Marchioro	26	22	21	69					
		Kevin Cameron	24	21	23	68					

RATES SCORING CHART		
Consultant	Rate	Score
1 D.Woolley and Associates, Inc.	\$1,387	8
2 Hunsaker & Associates San Diego, Inc.	\$1,020	15
3 Project Design Consultants	\$1,365	8
4 Psomas	\$1,714	1
5 Towill	\$1,420	7
6 TSAC Engineering	\$1,317	9
7 O'Day Consultants	\$1,626	3
8 Alyson Consulting	\$1,190	12
9 SDE, Inc	\$1,675	2

\*The fees were evaluated by comparing rates for nine (9) positions. The sum of these rates are noted in the above table.  
Note: Review Panel does not see or consider rates when scoring other categories. Rates are scored by the PM, who is not on Review Panel.

# AGENDA ITEM 17c



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2016
SUBMITTED BY:	Jose Martinez, Assistant Chief of Water Operations	PROJECT:	DIV. NO. All
APPROVED BY:	<input checked="" type="checkbox"/> Pedro Porras, Chief Water Operations		
	<input checked="" type="checkbox"/> German Alvarez, Assistant General Manager		
	<input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Approval to Purchase two (2) Replacement Portable Water Pumps		

### GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize the General Manager to issue a purchase order to Rockwell Engineering and Equipment in the amount not to exceed \$326,160 for the purchase of two (2) replacement portable water pumps and declare the two (2) older pumps surplus.

### COMMITTEE ACTION: \_\_\_\_\_

See Attachment "A."

### PURPOSE:

To obtain Board authorization to purchase two (2) replacement portable water pumps.

### ANALYSIS:

Included in the approved FY 2016 budget, as Item 17 under Capital Purchases, are two (2) replacement portable water pumps. The two portable water engine driven pumps are a replacement for existing portable pump numbers 740 and 2589.

The existing portable pumps were manufactured in 1992. They will be 24 years old at the time of replacement and are TIER 0 engine emissions level, which are before the state mandated emission

limits on portable engines. In order to comply with state regulatory mandates, neither pump will be allowed to operate after December 31, 2016 and must be removed from service and replaced with engines that are certified to the latest emissions levels of the State of California.

The specified replacement portable water pumps are designed to operate at a maximum flow rate of 2,500 gallons per minute (GPM) and up to 400 feet of head. The portable pumps purchased will include 350 horsepower TIER 4 final diesel engines, mounted on trailers with enclosures similar to the existing pumps. The pumps will continue to provide the District the ability to supply water in the event of emergency disruption and can be used at multiple locations throughout the District to provide an alternate means of water delivery.

Funding for this purchase has been included in CIP P2366 APCD Engine Retrofits and Replacements Capital Purchase Program.

Based on system operation evaluations of workflow by the water systems supervision and management, it is recommended that two (2) new portable water pumps be purchased and the two (2) older pumps be declared surplus and disposed of per District policy.

In accordance with District policy, bids were solicited for the portable water pumps. Four (4) bids were received. Prices received include all applicable fees, taxes, delivery, testing and training.

<b>Dealer</b>	<b>Bid Price</b>
Xylem/Godwin/Goulds/Volvo	\$520,841
Hawthorne/Barrett/Aurora/Caterpillar	\$510,097
Cortech/Flow Serve/John Deere	\$430,006
<b>Rockwell/Pioneer/John Deere</b>	<b>\$326,160</b>

**FISCAL IMPACT:** \_\_\_\_\_

Projected purchase budget for the two (2) portable pumps is \$520,000 based on preliminary research. The purchase of the pumps will cost \$326,160 which will be charged against the APCD Retrofits and Replacements CIP P2366. The total cost in this account will not exceed budgeted funding.

The total FY16 project budget for the CIP P2366 APCD Retrofits and Replacements is \$535,000. Existing expenditures and current encumbrances for the CIP, including the two (2) portable pumps purchased under this request if approved, are \$326,160.

Based on the evaluation, the CIP P2366 budget is sufficient to complete the budgeted purchase.

The Finance Department has determined that 100% of the funds are available in the replacement fund.

Expenditure Summary:

<b>Total CIP 2366 APCD Retrofits and Replacements FY16 Budget:</b>	<b>\$535,000.00</b>
Proposed Equipment Purchase: Two (2) portable pumps	(\$326,160.00)
Proposed Replacement Stationary Emissions Analyzer	(\$14,500.00)
Projected CIP P2366 FY16 Under Budget:	\$194,340.00

**STRATEGIC GOAL:**

Operate the system to meet demand twenty-four hours a day, seven days a week.

**LEGAL IMPACT:** \_\_\_\_\_

None.

\_\_\_\_\_  
**General Manager**

Attachment "A," Committee Action



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Approval to Purchase two (2) Replacement Portable Water Pumps
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### **COMMITTEE ACTION:**

The Finance, Administration, and Communications Committee reviewed this item at a meeting held on December 7, 2015 and the following comments were made:

- Staff is requesting that the board authorize the purchase of two (2) replacement portable water pumps from Rockwell Engineering and Equipment in an amount not-to-exceed \$326,160 and declare the two (2) older pumps surplus.
- This purchase of two (2) portable pumps are included in the FY 2016 budget as Item 17 under *Capital Purchases*.
- The existing portable pumps were manufactured in 1992 and will be 24 years old at the time of replacement.
- In order to comply with state regulatory mandates, the two (2) existing pumps will no longer be allowed to operate after December 31, 2016 and must be removed from service and replaced with engines that are certified to the latest emissions levels of the State of California.
- The specified replacement portable water pumps are designed to operate at a maximum flow rate of 2,500 gallons per minute and up to 400 feet of head. They will include 350 horsepower TIER 4 final diesel engines and will be mounted on trailers with enclosures similar to the existing pumps.
- The pumps will continue to provide the District the ability to supply water in the event of an emergency disruption and can be used at multiple locations throughout the District to provide an alternate means of water delivery.
- Staff solicited bids for the portable pumps and received four (4) bids (please reference page 2 of staffs report for a list of the bids received). Rockwell Engineering and Equipment was selected as the lowest responsive bidder.

- In response to an inquiry from the committee, staff indicated that what generally occurs is a trailer manufacturer will do their part and then go to a pump manufacturer and an engineer/designer to develop a portable pump that meets the specifications determined by the buyer. Each of these vendors will add their mark-up which increases the cost. Rockwell and Cortech appear to work very closely with their pump manufacturers and keep much of the engineering/design and packaging internally. This may explain what keeps the cost down as they do much of the work internally. This may be the reason for the large difference in the bids.
- Staff explained in response to another inquiry from the committee that the District's Permit issued by the County of San Diego's Air Pollution Control District specifically indicates in the permit itself that, "This engine shall be removed from service or replaced prior to January 1, 2017. The replacement engine shall be certified to be stringent of either the Federal or California emissions standards for the appropriate class category of all nonroad engines."
- The committee suggested that the board consider selling the surplus portable pump trailers to agencies in Mexico. Staff indicated that they have done so in the past and the District has found that it is difficult for Mexico to import equipment from the United States. They were able to eventually import the equipment they purchased from the District, however, it took some effort. It was further discussed that there is an oversupply of surplus equipment that no longer comply with the regulations of the State of California. Staff will still, though, advise the agencies in Mexico that the District is surplus its portable water pumps should they have interest.

Upon completion of the discussion, the committee supported staffs' recommendation and presentation to the full board as a consent item.

# AGENDA ITEM 18a



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2016
		PROJECT:	DIV. NO. All
SUBMITTED BY:	Andrea Carey, Customer Service Manager		
APPROVED BY:	<input checked="" type="checkbox"/> Joseph R. Beachem, Chief Financial Officer <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Impose a \$1,000 Fine for Meter Tampering		

### **GENERAL MANAGER'S RECOMMENDATION:**

That the Board uphold staff's recommendation to impose a \$1,000 fine for meter tampering at 617 Diamond Drive in Chula Vista.

### **COMMITTEE ACTION:**

See Attachment A.

### **PURPOSE:**

To ensure the District continues to protect the water supply and applies violations consistent with the Code of Ordinances.

### **ANALYSIS:**

The District began installing AMR Master Meters in 2004. In early 2013 there was an upgrade to the reading software, Masterlinx, which added the ability to detect tamper alerts. By Master Meter's definition a tamper alert "will appear on your screen when meter is tampered with a magnet."

On September 18, 2015, a staff member responded to a tamper alert at 617 Diamond Drive in Chula Vista. During the course of the

investigation, the meter box was opened and revealed a magnet attached directly to the water meter. This action can cause the meter to fail and inaccurately measure the volume of water going through, thus causing the customer to be under billed. The magnet also disables the meter to the point that it cannot be repaired or reused.

Meter tampering is a violation of our Code of Ordinances as outlined in section 72.03C which reads "In addition to other remedies, tampering is subject to a Type II fine pursuant to Section 72.06. Additionally, tampering may be prosecuted as a crime under Section 498 of the California Penal Code, as set forth in Section 73.01 of this Code."

The District has had two other incidents within the past year where a magnet was discovered inside a meter box in close proximity to the water meter. In all cases the customers were fined \$1,000.

Staff is recommending that the owner of the property, Mr. Juan Calderon, be fined \$1,000 and this charge is to be put on his next water bill which then becomes an inseparable part of that bill. If the charges remain unpaid, the District may disconnect water service, lien the delinquent real property, and may access damages and penalties established by the District or otherwise authorized by law. Applying the fine to the property owner is consistent with the Code of Ordinances, Section 72.01 which states "Each person receiving service, or that owns a property that receives service, agrees to pay the District any applicable fees and charges. Such persons are also responsible for all costs and damages in connection with any violation of this Code relating to their service."

The District's costs to investigate and document this incident and determine an appropriate course of action was \$267.00 and the cost of replacing the meter was \$156.85. Per Section 72.01 of the District's Code of Ordinances, customers are "responsible for all costs and damages in connection with any violation of this Code relating to their service." Costs incurred to investigate and remedy a violation are not appealable to the Board and are treated as inseparable from all other fees and charges on the customer's account, per subsection (D) of Section 72.01. These charges have thus been added to the customer's water account.

Mr. Calderon's appeal letter is attached to this Staff Report. He is not disputing that he committed the violation but is asking for a reduction of the fine. Mr. Calderon has been with the District since 1995 and has an excellent payment history. This is his first

violation. Usage at the home has been historically low with the average monthly usage under 10 HCF.

**FISCAL IMPACT:**

Joe Beachem, Chief Financial Officer

None.

**STRATEGIC GOAL:**

Enforce the District's Code of Ordinances and protect the public water supply.

**LEGAL IMPACT:**

None.

Attachments:

- Attachment A - Committee Action
- Attachment B - Otay's Letter with Pictures
- Attachment C - Code of Ordinances Sections 71, 72, and 73
- Attachment D - Calderon Appeal Letter with Translation



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Impose a \$1,000 Fine for Meter Tampering
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### **COMMITTEE ACTION:**

The Finance, Administration, and Communications Committee reviewed this item at a meeting held on December 7, 2015 and the following comments were made:

- Staff is requesting that the board uphold staff's recommendation to impose a \$1,000 fine for meter tampering at 617 Diamond Drive in Chula Vista.
- On September 18 a District staff member responded to a tamper alert at 617 Diamond Drive. When the staff member opened the meter box at the property, a magnet was found attached directly to the water meter. Magnets placed in close proximity to a water meter can cause the meter to fail and inaccurately measure the volume of water going through, thus, causing the customer to be under billed. The magnet also damages the meter to the point where it cannot be repaired or reused.
- Meter tampering is a violation of Section 72.03C of the District's Code of Ordinances (Code) and is subject to a Type II fine as outlined in Section 72.06 of the Code. Additionally, it may be prosecuted as a crime under Section 498 of the California Penal Code.
- The District has had two (2) other incidents in the past year where a magnet was discovered inside a meter box in close proximity to the water meter. In both these cases, the owner was fined \$1,000.
- The imposed penalty is consistent with actions taken by the District in the past for such violations and with the District's Code.
- The penalty will be placed on the customer's next water bill and becomes an inseparable part of the bill. If the charges remain unpaid, the District may disconnect water services or lien the delinquent real property.

- The cost to investigate and document this incident (\$267.00) and to replace the meter (\$156.85) was also added to the customer's water bill.
- The owner, Mr. Calderon, is appealing the fine, but he is not disputing that he committed the violation. He is requesting a reduction of the fine. Mr. Calderon has been a customer of the District since 1995 and has an excellent payment history. This is his first violation and his property's water use has been historically low with average usage under 10 units per month.
- In response to an inquiry from the committee, staff indicated that Mr. Calderon's bill for water is approximately \$40 to \$50 per month (this does not include the monthly sewer service charge from the City of Chula Vista which is also billed with the District's water bill).
- The committee indicated that they would like to allow for a payment plan, when appropriate, for fines as they would not like to see a customer's water meter locked due to unpaid penalties. Staff indicated that the District's Code does allow for payment plans for up to one (1) year. It was indicated that a lien could also be placed on a property for large balances.
- The District will be adding information on its website that advises customers that the District has a system that monitors for meter tampering and the District will not only fine the customer for tampering with their meter, but also charge them for the cost involved to investigate and replace the meter that has been tampered with. Following the committee meeting, this information has been added to the District's website as a news article and it will become a permanent fixture on the front page.
- The committee indicated that they would like to leave it to the board's discretion to decide on Mr. Calderon's request to reduce his fine for tampering with his meter.

Upon completion of the discussion, the committee referred the matter to the full board as an action item.

October 19, 2015

Mr. Juan Calderon  
617 Diamond Drive  
Chula Vista, CA 91911-6862

***Re: Real Property Located at 617 Diamond Drive, Chula Vista, California - Notice of Meter Tampering, Water Theft, and assessment of fine. Account 209-0742-28***

Dear Mr. Calderon:

It has come to the attention of the Otay Water District (District) that (1) the meter servicing the property at 617 Diamond Drive, Chula Vista, California, was tampered with by attaching a magnet to the meter so it would not measure the true water use, and (2) the customer may have benefited from reduced billings and did not pay the true cost of water service. Each of these actions constitutes a separate violation of the District's Code of Ordinances that must be corrected as further described below. If you are not the owner or account holder for 617 Diamond Drive, Chula Vista, California, please contact the District immediately.

Our investigation on September 18th indicated that a magnet was deliberately attached to the water meter with the purpose of receiving water service that was not registered. Meter tampering may be prosecuted as a crime under Section 497 the California Penal Code, as defined and set forth in Sections 71 D, 72.06 and 73.01 of Otay Water District's Code of Ordinances.

***You are hereby notified that the District is assessing the damages listed below on your account and that failure to pay such damages, at the District offices, by the due date on your water bill will result in suspension of water service to your property. If these fines and charges remain unpaid, the District will place a lien on the property to recoup these and any other costs and damages.***

<b>Summary of Damages</b>	<b>Amount</b>
Costs incurred by District in connection with the investigation of the meter tampering, water theft, and related matters (including staff time, attorney's fees and other related administrative costs)	\$ 267.00
Fine as per Section 72 of District's Code of Ordinances	\$1,000.00
Meter Replacement Fee	\$ 156.85
<b>Total Due</b>	<b>\$1,423.85</b>

You have the right to appeal the fine of \$1,000.00 to the Board of Directors. If you would like to take advantage of this, please call Susan Cruz at 619-670-2280 within ten (10) days to notify the District in writing of your intent to appeal this charge. Your appeal would then be placed on the next available board agenda.

You may contact me at 619-670-2712 with any questions concerning this notice.

Sincerely,

Andrea Carey  
Customer Service Manager

Attachments: Photos (2)  
Code of Ordinances Section 71, 72 and 73





**SECTION 71. VIOLATIONS; PROHIBITED ACTIVITIES**

In addition to the prohibited practices described in any other sections of this Code or by law, all persons and entities are specifically prohibited from doing, or aiding or abetting any person in, any of the following:

- A. Installing or benefiting from any unauthorized connection to any District system;
- B. Refusing or failing to pay for services, in full, when bills are due;
- C. Entering, improving, purchasing, trading, selling, borrowing, using or otherwise benefiting from any District property or service without authorization from the District or without following authorized procedure;
- D. Vandalizing, tampering with, or threatening any portion of the District systems, services, facilities or property, including but not limited to taking any action to prevent any meter or other equipment device from accurately performing its function;
- E. Failing or refusing to install, maintain in good repair and working condition, or test any portion of any facilities required by the District in connection with a service, including any safety or prevention device or any measuring device;
- F. Knowingly permitting leaks or other wastes of water or recycled water or leaks or spills of sewage or other discharge;
- G. Preventing District staff from accessing any facilities connected to a service, including but not limited to meters located on private property, or in any manner threatening or interfering with any District staff performing his or her duties;
- H. Using or allowing the use of service for more than one parcel through one meter (except for master meters approved by the General Manager under Section 24.01) or supplying, reselling, using or permitting the use of any service by any other parcel, except as permitted under Section 27.04 of this Code or in writing by the District;
- I. Using or permitting the use of any District service for property outside the boundaries of an improvement district or not subject to District taxes, without prior written consent of the District;
- J. Using or attempting to use or connect to any fire hydrant within the District without proper authorization as required by Section 24.04 of this Code; or
- K. Violating or refusing to comply with any condition of service under this Code or with any law or regulation applicable to the use of any such service; including violating any conditions of any permit required for service or to regulate waste, such as a waste discharge permit under Sections 26 or 52 of the Code, or failing or refusing to obtain, maintain or comply with any required permit.

## SECTION 72 PENALTIES AND DAMAGES

### 72.01 GENERAL

A. User and Owner Responsibility. Each person receiving service, or that owns a property that receives service, agrees to pay the District any applicable fees and charges. Such persons are also responsible for all costs and damages in connection with any violation of this Code relating to their service.

B. District Not Liable. The District shall bear no liability for any cost, damage, claim or expense incurred by District or any responsible party or third party on behalf of the District arising from or related to any violation, including, but not limited to, costs, damages, claims or expenses arising from any corrective action of the District. Such corrective actions include, but are not limited to, the removal, confiscation, disposition or use of any device, equipment, improvement or material encroaching on any District property or used in connection with any other violation.

C. District Obligation to Collect Damages. Pursuant to Government Code Section 53069.6, the District shall take all practical and reasonable steps, including appropriate legal action, if necessary, to recover civil damages for the negligent, willful, or unlawful damaging or taking of property of the District.

D. Assessment of Damages. Actual damages resulting from any violation, including late payment or failure or refusal to pay for service and any interest thereon, may be assessed and collected as part of a customer's monthly bill to the extent allowed by law. The District will separately invoice any actual damages not assessed on a monthly bill, including any damages assessed against any responsible person who is not a customer.

E. Unpaid or Partially Paid Bills. Bills issued by the District are due in full as provided in such bills. Failure to timely pay bills in full may lead to a reduction, suspension, or termination of service, as provided in Section 72.02(B), below, in Section 34 of this Code, or pursuant to other provisions of this Code or applicable law. In addition, if bills remain unpaid, in full or in part, the District may lien the delinquent real property and may assess damages and penalties established by District or otherwise authorized by law.

### 72.02 VIOLATIONS AND GENERAL PENALTIES FOR VIOLATIONS

A. Notice of Violation. Notice and a reasonable period of time to correct a violation will be given prior to the termination, reduction or suspension of service or the imposition of any administrative fine. However, the District may, without notice, correct any condition or violation that endangers the health or safety or impairs any District service, facility or property or is otherwise determined by the District to require immediate action.

1. **Investigative Procedures.** If a possible violation is identified, observed or reported, the District will contact the allegedly responsible party to investigate. If the violation is in fact occurring, District staff will issue a notice of violation or otherwise inform the responsible party that corrective actions must be taken within a period of time deemed reasonable by the District, taking into consideration the nature of the violation and the potential damage that can arise if the violation continues.

2. **Content of Notice of Violation.** The notice will describe the violation, indicate the actions that must be taken, and indicate the date by which those actions must be taken. Unless immediate action is required, the notice will provide a reasonable time for the violation to be corrected. The notice will also specify the amount of any delinquency, actual damages or other amounts due the District, if any, and the telephone number of a representative of the District who can provide additional information.

3. **No Notice Required; District Action.** If the District determines that immediate or prompt correction of the violation is necessary to prevent waste or to maintain the integrity of the water supply, systems or facilities of the District, or for the immediate protection of the health, safety or welfare of persons or property, or for any other compelling reason, the District will take any action deemed necessary (including suspension, reduction or termination of service; locking or removal of meters; or repairs of any improvements) and a notice will be left at the affected parcel specifying any further corrective actions required. Any costs incurred by District and any applicable fines will be the responsibility of the responsible party.

4. **Notice; Failure to Comply.** The responsible party will be given an opportunity to correct the violation and to provide verbal, written and pictorial exculpatory evidence. If such evidence does not exonerate the responsible parties and if the violation(s) are not corrected to the satisfaction of the District within the time provided, the District may assess cost and penalties, administrative fines and may take any other action or pursue any other remedy available. Furthermore, if the violation concerns any service requirement or facility, or to prevent waste or protect the integrity of the system or the health and safety of the public, the District may suspend, reduce or terminate service to the extent permitted by law.

**B. Service Termination, Suspension or Reduction; Removing or Locking Meters.** Service may be reduced, suspended or terminated for failure to pay for service or in connection with a violation of this Code or applicable law. Termination, suspension or reduction of service will proceed as follows:

1. **Notice Prior to Termination, Suspension or Reduction of Service.** Except as provided in Paragraph A, above, or in other provisions of this Code or applicable law, not less than ten (10) days notice will be given prior to the date service is reduced, suspended or terminated; provided that, where service is terminated due to failure to comply with the terms of an amortization agreement, under Section 34 of this Code, only forty-eight (48) hours prior notice is required. The notice will be delivered to

the affected parcel and, if the owner of record does not reside in the affected parcel, a copy of the notice will be forwarded to the owner's address on record with the assessor's office via any available means, such as personal delivery, certified mail return receipt requested, email, fax or fed-ex.

2. Termination for failure to pay for service. The District may discontinue any or all service due to failure to pay the whole or any part of a bill issued by the District. In connection with termination of water service, the provisions of Section 60373 of the Government Code, or any other appropriate provision of law, or as set forth in Section 34 of this Code of Ordinance, will be followed. In connection with sewer, Section 71672 of the California Water Code or other applicable requirements will be followed.

C. Reconnection or Reinstatement of Service, Unlocking or Reinstalling Meters. If service is reduced, suspended or terminated for any reason, each of the following conditions applicable to the situation must be satisfied or arrangements satisfactory to the General Manager or a designee must be made *before* service is reinstated:

1. Outstanding amounts for service bills, including any service charges for benefits derived from the violation, must be paid;

2. All required deposits (including any security deposits), actual damages, fines, costs, charges and penalties must be paid;

3. Any amounts due for the removal, locking, servicing, repair or replacement of meters or other facilities required for service must be paid at the rates in effect at the time of reinstatement, as set forth on **Appendix A** to this Code or other schedule of fees then in effect;

4. All violations and related damages or conditions must have been corrected and/or repaired and evidence satisfactory to the District to that effect and demonstrating that it is safe to reinstate service, must have been provided to and approved by the District; and

5. If the service was originally in the name of a tenant, the District may require the owner of the parcel to request the service account under his or her name and responsibility.

D. Owner Responsibility for Account. In addition to owners' obligations under subsection (A) of section 72.01 and subsection (C)(5) of Section 72.02, above, and any other remedies provided by this Code or by applicable law, Owners may be required to deliver to the District a form of acknowledgement or authorization for service to a tenant. In addition, if (i) a tenant engages in any violation, (ii) if the District has reduced, suspended or terminated any service to a tenant three (3) times within any twenty-four (24) month period or (iii) the tenant has failed or refuses to comply with the terms of payment arrangements with the District four (4) times, the District reserves the right to demand that the property owner take responsibility for services to the tenant-

occupied parcel. The General Manager or a designee shall develop procedures to implement these requirements.

E. Right of Access to Customer's Premises; Interference. If any person refuses to consent to an investigation of a possible violation, or prevents or refuses to allow access to District staff or authorized representatives to any premises or facility during an investigation or in connection with any termination, reduction or suspension of service, the District may seek an injunction or a warrant, as provided in Section 71601 of the Water Code.

F. Other Remedies. In addition to the actions contemplated in this Section, the District may seek other remedies authorized or required by any applicable law, including imposing an administrative fine, pursuant to Section 72.06, or pursuing other available civil or criminal remedies.

### 72.03 CERTAIN SPECIFIC OPERATIONAL VIOLATIONS

A. Unauthorized Connections. The District shall bear no cost or liability for any unauthorized connection. In addition to other remedies, any unauthorized connection is subject to a Type II fine, pursuant to Section 72.06 depending upon the severity, duration and reoccurrence of the violation and any other factors the District may reasonably take into consideration.., Further, the District may demand that the unauthorized connection be immediately disconnected. In the alternative, if the customer refuses to take immediate action, or if immediate actions is necessary as set forth in Section 72.02(A)(3), above, the District may immediately disconnect, remove, confiscate, destroy or dispose of any parts installed or used for the unauthorized connection, all at the expense of the customer and any other responsible party. To the extent allowed by law, the District may also, immediately or as otherwise deemed advisable by the District, terminate service to any parcel and any person that allows, uses or benefits from such unauthorized connection.

B. Water waste. No customer shall knowingly permit leaks or other wastes of water, including, but not limited to, allowing runoff on any portion of his or her property, engaging in non-permitted uses of water, or failing to take corrective action after notice of any leaks or water waste is given. If the District determines that water waste is occurring, the District will:

1. Notify the customer that they are in violation of the District's Code of Ordinances.

2. Notwithstanding the foregoing, the District may, without prior notice, repair or replace any District controlled facilities at the cost of the person identified as the responsible party, if any.

3. If the water waste is due to a condition within the customer's property or facilities, the District may (i) require the customer to repair or replace the affected facilities, immediately or within a reasonable time, depending on the situation; or (ii) if necessary to prevent further waste, adjust, lock or remove the meter. If any repair

or replacement required is not completed in a timely manner, the District may perform the repair or replacement at the cost of the customer or may terminate service without further notice.

C. Meter Tampering. In addition to other remedies, tampering is subject to a Type II fine pursuant to Section 72.06 depending upon the severity, duration and reoccurrence of the violation and any other factors the District may reasonably take into consideration. Additionally, tampering may be prosecuted as a crime under Section 498 of the California Penal Code, as set forth in Section 73.01 of this Code.

D. Fire Service Violation. Fire service is subject to compliance with all provisions of this Code and the law concerning water service, and failure to comply with such provisions may result in the reduction, suspension, termination or disconnection of water service for fire protection, without any liability to District. Furthermore, illegal connections or other violations relating to fire service are subject to either a Type I or Type II fine, at the option of the District, and may be prosecuted as crimes.

E. Backflow prevention, screens and other safety devices. If service requirements include the installation, testing and maintenance of backflow prevention devices (Section 23.04 of this Code), screens or other safety operational items, in addition to, or in lieu of, other remedies provided herein, the District may apply any of the remedies under Section VI and VII of the District's Ordinance No. 386, as amended or renumbered. Furthermore, violations relating to backflow testing may be prosecuted as set forth in Section 73.01 of this Code. Violations of backflow requirements or knowingly filing a false statement or report required by a local health officer are subject to either a Type I or Type II fine, at the option of the District, pursuant to Section 72.06, below.

F. Violation Concerning Recycled Water Service. In addition to any fine, revocation, suspension or penalty imposed under Section 26 in connection with any violation of said Section, including permit suspension or revocation under Section 26.07.C, the District may (i) suspend or terminate water and or sewer service to the property, the owner and/or the operator; (ii) require payment by the owner for any damage to the District facilities, reimbursement to District of costs and expenses, or fines imposed on the District in connection with such violation; or (iii) prosecute the responsible party under any applicable provision of this Code, the Water Code or the Penal Code. Additionally, any violation concerning recycled water service is subject to either a Type I or Type II fine, at the option of the District, pursuant to Section 72.06, below.

G. Violation Concerning Sewer Service. In addition to any other remedy, fine or penalty provided by this Code or applicable law, failure to comply with any requirements of sewer service, including requirements for the preservation of public health, safety and welfare and including, but not limited to, the requirements established under Article II, Chapter 2, Sections 50 to 56.04 of this Code, as hereafter amended or as supplemented by other District Rules and Regulations for Sewer Service, the California Health and Safety Code, the California Code of Regulations, Titles 17 and 22, and Water

Agency Standards. Furthermore, may be prosecuted as set forth in Section 73.01 of this Code. Additionally, any violation concerning sewer service is subject to a Type I or Type II fine, at the option of the District, pursuant to Section 72.06, below.

H. Theft, Fraud, or Misappropriation. In addition to any other remedy, fine or penalty provided by this Code or applicable law, any violation involving theft, fraud or misappropriation of District water, services, or property is subject to a Type I or Type II fine, at the option of the District, pursuant to Section 72.06, below.

#### 72.04 VIOLATIONS OF CONSERVATION OR OTHER WATER USE RESTRICTION PROVISIONS

The District has established and published conservation measures set forth in Section 39 of the Code. Commencing with declared Level 2 conditions, the District may assess water shortage rates and charges previously adopted. In addition, after notice of the declared water shortage level is given as required by law, any person who uses, causes to be used, or permits the use of water in violation of such requirements (other than a person who qualifies for an applicable exemption, if any) may be assessed damages, penalties and fines.

A. Additional provisions concerning use restriction violations. In addition to payment of actual damages, the following may apply to a violation of any water conservation or water use restriction measure:

1. A change on the account holder shall not cause the account to revert to pre-violation status unless the new account holder provides evidence that it is not related to the violator and had no responsibility for the prior account.

2. The District may reduce, suspend or terminate service to any parcel immediately and without further notice if the violation involves or results in water waste, as set for in Section 72.03(B), above.

3. Willful violations of mandatory conservation measures described in Section 39 of this Code may be enforced by terminating service to the property at which the violation occurs, as provided by Section 356 of the California Water Code.

B. Prosecution for violations of conservation measures. Pursuant to Section 377 and 71644 of the California Water Code, each violation of the District's Conservation Ordinance, set forth in Section 39 of this Code, may be prosecuted as a misdemeanor, punishable by imprisonment in the County jail for no more than thirty (30) days or by a fine, as set forth in subsection (C), below.

C. Assessment of fines for violations of conservation or water use restriction provisions. Any responsible party who fails to comply with any conservation or use restriction measure is subject to the assessment of an administrative Type I fine, added to account, pursuant to Section 72.06, below.

72.05 VIOLATIONS INVOLVING DISTRICT REAL  
PROPERTY

A. Removal, Disposition and Costs. The District has absolute discretion to determine the corrective action required in connection with any violation involving District real property, including requiring the owner of any unauthorized encroachment or improvement to remove it or taking action to remove it immediately and without notice. Any improvements or uses placed within or on any District property or right of way are subject to the following:

1. Costs and Damages. All costs and damages shall be the responsibility of the customer and any other responsible party. Furthermore, the District shall not be liable for costs to repair or replace any unauthorized encroachment or improvement, or any property, improvement or thing used in connection with, supported by or attached thereto.

2. Burden of proof. The burden shall be on the user to prove to the District's satisfaction, the authority, scope and extent of any right to access, improve or use the District's property. Only written evidence in the form of an agreement, deed, statute, recorded or official map or plat, governmental regulation or other right may be used to establish such claim of right.

B. Notice. In connection with any improvement or use that does not constitute a health hazard and does not interfere with the District's use of its property, the District will give written notice of up to sixty (60) days, at the discretion of the General Manager, to cease, terminate, eliminate or remove the offending improvement, structure or use. Any written notice will be given to the responsible party or posted at the property where the trespass or encroachment occurs. If the responsible party is not the owner of any real property affected by the violation, the District will also give notice to the owner of record at the address on record with the assessor's office via personal delivery, certified mail return receipt requested or via Fed-Ex.

C. Immediate action. In connection with any improvement that constitutes a health hazard or interferes with the District's use of any District property, the District will take any immediate action deemed necessary by the General Manager.

D. Fines. In addition to all other remedies provided under this Article or under applicable law, the District may impose a fine as provided in Section 72.06. Additionally, the District may impose a fine up to either the amount specified on any sign, or a Type I or Type II fine, at the option of the District, in connection with any trespass on District property in violation of a sign prohibiting trespassing, pursuant to Section 72.06, below.

E. Separate violation. A separate violation will accrue for each day after the deadline to cease, terminate, eliminate or remove the trespass or encroachment, as set forth in the notice.

## 72.06 ADMINISTRATIVE FINES

Any administrative fines established herein shall be in the nature of civil penalties and shall be additional and cumulative to any other fines, damages or any other charges established by the District and are also separate from and cumulative to any other civil or criminal penalty, fine or remedy. In connection with each violation, the District may assess a fine up to the amount specified in the schedule of fines for the type of fine being imposed.

Each day during which a violation is in effect constitutes a separate violation and violations are cumulative while the account is in the name of the original violator or any person that participated in or benefited from the violation. Except where the violation creates an immediate danger to health or safety, the person responsible for the continuing violation will be provided a reasonable period of time to correct or otherwise remedy the violation(s) prior to the imposition of administrative fines.

A. Assessment of Fines for Technical Violations of Other Code Provisions. Any person who engages in a violation of any provision of this Code is subject to the assessment of a separate administrative Type I Fine, unless subject to a more severe fine as set forth in this Code.

B. Assessment of Separate Fines.

Nothing in this code or the limits specified per violation shall prevent the imposition of separate fines for each separate violation committed during a single act. For example, in connection with a violation concerning sewer service that involves a trespass on any portion of the District's real property, separate fines may be assessed for the trespass, the damage to District personal property, the damage to District real property; the damage to the sewer system and the activity resulting on all the damages.

C. Types of Fines. The amount for each type of fine specified below may increase automatically to reflect any higher amount authorized by law or regulation. The District has determined to establish two types of fines based on the nature of the violation, as follows:

1. Type I Fine. Any violation that does not have the potential to endanger the health or safety of the public. The fine will not exceed the amount specified in the Section 36900(b) of the California Government Code or Appendix A for a first, second, third or each additional violation of that same ordinance or requirement within a twelve-month period.

2. Type II Fine. Any violation that has the potential to endanger the health or safety, including, but not limited to, unauthorized or illegal connections, meter tampering, water theft, , or knowingly filing a false statement or report required by a local health officer . The fine will not exceed the amount specified on Appendix A per each day the violation is identified or continues.

D. Collection of Fines. Any fines assessed by the District are payable directly to the District, are due upon issuance or as otherwise indicated on the notice or bill, and are delinquent 30 calendar days from the due date.

E. Notice of Administrative Fine; Content. Notice of an administrative fine pursuant to this section will contain the following information: (i) a brief description of the violation(s); (ii) the date and location of the violation(s); (iii) a brief description of corrective action(s) required, as appropriate; (iv) a statement explaining that each day the violation continues constitutes a new violation; (v) in the case of violations creating an immediate danger to health or safety, the amount of civil penalty assessed or, in all other cases, the amount of civil penalty to be assessed if the violation(s) are not corrected within the time provided by the notice; (vi) a statement of the procedure for payment and the consequences of failure to pay; (vii) contact information for the District employee that should be contacted to discuss the notice and provide evidence of compliance; and (viii) a brief statement describing the responsible party's right to request further review, pursuant to subsection (F), below.

F. Option for Board Review . Persons receiving a Notice of Administrative Fine may request Board review. The request for Board consideration must be in writing, must be received by the District Secretary within ten (10) calendar days from the date of the notice and must include contact information, an explanation of the basis for the request, and any supporting documentation said person(s) wish to provide to the Board for review and consideration. District staff will review the petitioner's request and will make a recommendation to the Board in light of its investigation. The District will provide notice of the date, time and place for Board consideration by electronic means, facsimile or first class mail sent to the return addressee indicated on the written request.

G. Any fines assessed pursuant to the Notice of Administrative Fines must be timely paid notwithstanding the filing of a request for Board review.

*At the time of Board review, the petitioner may, address the Board and respond to the charges to show good cause why the fine should not be imposed; however, the customer is not entitled to a full judicial-type hearing with cross examination, sworn testimony, etc. In accordance with the provisions of Government Code Section 53069.4, the Board's determination shall be final and conclusive, and shall be deemed confirmed, if not appealed within 20 calendar days to the Superior Court of the County of San Diego.*

## SECTION 73. ADDITIONAL DISTRICT REMEDIES

Each day during which a violation commences or continues shall constitute a separate violation which may be so prosecuted. In addition to, or on lieu of any damages, fines or other remedies provided in any other section of this Code, at the District's sole and absolute discretion, the District may enforce any other remedies available to it in law or equity.

### 73.01 OTHER REMEDIES OF DISTRICT

A. Collection of Unpaid Bills on Tax Roll. Pursuant to the provisions of the Health and Safety Code, commencing with Section 5470, the District may cause delinquent charges for services to be collected on the tax roll in the same manner as its general taxes.

B. Costs of Suit. Any person who violates any provision of this Code of Ordinance shall be liable for costs of any civil suit required to enforce the District's rights, including but not limited to reasonable attorney's fees in accordance with Civil Code Section 1882.2. The provisions of Civil Code Section 1882 *et seq.* are incorporated herein by reference. This Article shall be interpreted so as to be consistent with Civil Code Sections 1882 *et seq.*

C. Reward. In accordance with Government Code Section 53069.5, the District may offer and pay a reward, in an amount determined by the District, for information leading to the determination of the identity of, and the apprehension of, any person whose willful misconduct results in injury or death to any person or who willfully damages or destroys any property of the District or any property of any other local agency or state or federal agency located within the boundaries of the District. The person who has willfully damaged or destroyed such property shall be liable for the amount of any reward paid pursuant to this section.

D. Parental liability for Acts of Minors. If a violation is due to the acts of a minor child, the minor and his or her parents or guardians, as applicable, shall be jointly and severally liable to the maximum extent allowed by law, including parental liability pursuant to Section 1714.1 of the California Code of Civil Procedure, as hereafter amended or renumbered.

E. Backflow testing; Prosecution. A person is guilty of a misdemeanor in connection with the violation of any provision of the California Code of Regulations concerning backflow testing, including non-compliance with any order to test, knowingly filing a false statement or report concerning any information required by the District or failure to use a person qualified to conduct the testing. Such misdemeanor is punishable by a fine of up to \$500 or by imprisonment not exceeding 30 days. Each day of a violation is a separate offense.

F. Sewer Service Violation; Prosecution. Pursuant to Section 71689.27 of the Water Code of the State of California, upon conviction of a violation of any ordinance or provision of this Code concerning the sewer system the person shall be punished by being imprisoned in the county jail.

G. Theft of Utility Services, Water or Waterworks; Prosecution. Pursuant to Sections 498, 624 and 625 of the Penal Code of the State of California, theft of District facilities or theft of water or other utility services, including theft through unauthorized connections, may be prosecuted as a crime.

H. Prosecution of Code Violations. The District may, at its option, prosecute or cause to be prosecuted any violation of this Code of Ordinance or any other Ordinance of the District as a misdemeanor, pursuant to Section 71600 of the California Water Code.

I. Receipt or Purchase of Stolen Property; Prosecution. Pursuant to Section 496a of the Penal Code of the State of California, purchase or receipt of stolen property belonging to the water system, may be prosecuted as a crime.

J. Junk Dealers and Recyclers; Remedies. To the extent provided by law, including the provisions of AB844, approved by the Governor and chaptered in September of 2008, the District will pursue remedies available through or against any junk dealer or recycler that purchases any District property without prior written authorization from District.

#### 73.02 NOTICE TO DISTRICT CONCERNING VIOLATIONS

Any person noticing or discovering an unauthorized connection to the District's sewer, water or recycled water system from a parcel owned or occupied by such person must notify the District immediately. If the unauthorized connection affects a parcel owned by the person, he or she must remove the unauthorized connection immediately and must notify the District. If the person rents or leases the affected parcel, the person shall provide the District the name and contact information of the owner of the parcel.

#### 73.03 SEVERABILITY

If any portion of any chapter, section, subsection, paragraph, sentence, clause, or phrase of this Article is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, independent and severable provision and such holding shall not affect the validity of the remaining portions hereof.

Juan M. Calderon  
617 Diamond dr.  
Chula Vista ca. 91911  
(619) 799-0055

Octubre 21 2015

Otar water district.

Yo Juan Calderon escribo esta carta para pedir una disculpa por haber puesto un iman en el medidor d' agua que esta Ubicado en la calle 617 diamond dr. Chula Vista ca. 91911.

Se que tengo que pagar por mi falta pero les pido tengan consideración ya que mi condición de desahilitado e independiente no me permite pagar esa cantidad de dinero sin descuidar mi estado de salud.

Por eso les pido que reduzcan la multa. Lamento mucho lo ocurrido y estoy sumamente arrepentido y avergonzado E aprendido mi leccion y prometo nunca más volverlo hacer.

Gracias de antemano Sinceramente

Juan M. Calderón.

Juan M. Calderon  
617 Diamond Dr.  
Chula Vista, Ca 91911  
619-799-0055

October 21, 2015

Otay Water District

I, Juan Calderon, am writing this letter to ask for forgiveness for placing a magnet on the water meter that is located at 617 Diamond Dr., Chula Vista, Ca 91911.

I know I must pay for this offense but I am asking for your consideration since my disabled condition and dependent (?) does not allow me to pay this amount of money without neglecting my health.

That is why I ask that you lower the amount of the fine. I am very sorry and ashamed for what happened and I have learned my lesson and promise never to do it again.

Thank you in advance.

Sincerely,

Juan M. Calderon



## STAFF REPORT

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	January 6, 2016
SUBMITTED BY:	Rita Bell, Finance Manager	PROJECT:	DIV.NO. All
APPROVED BY: (Chief)	<input checked="" type="checkbox"/> Joseph R. Beachem, Chief Financial Officer <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	As a Result of the Rate Increase Imposed by the City of San Diego, Adopt Ordinance No. 552 Amending Appendix A of the Code of Ordinances with the 4.1% Water Rate Increase Approved by the Board on November 18, 2015, to be Effective on March 1, 2016		

### **GENERAL MANAGER'S RECOMMENDATION:**

That the Board adopt Ordinance No. 552 amending Appendix A of the Code of Ordinances with the approved water rate increase to be effective on March 1, 2016.

### **PURPOSE:**

As a result of the rate increase imposed by the City of San Diego, adopt Ordinance No. 552 amending Appendix A of the Code of Ordinances with the proposed 4.1% water rate increase approved by the Board on November 18, 2015, to be effective March 1, 2016. Additionally, there is one correction to the sewer fees for new account with no consumption history.

### **BACKGROUND:**

On November 17, 2015, the City of San Diego approved an increase in the recycled water rate of 116%, which will take effect January 1, 2016. District officials, as well as many South Bay and East County leaders, vigorously fought this rate increase. This increase was not anticipated in the FY 2016 budget preparation, and would have put tremendous pressure on the District's financial standing had the Board not decided to pass this increase along on March 1, 2016.

Additionally, the District has experienced reduced water sales as a result of the drought and the Governor's mandate to reduce water usage by at least 20 percent. In spite of additional budget cuts,

the dramatic increase in the recycled water cost and the loss in water sales due to mandate and conservation, have put the District in the probable position of violating its bond covenants by year end. The approval of the rate increase of 4.1% effective March 1, 2016 is expected to put the District back on a path to a strong financial position. This Staff Report makes the necessary changes to the Appendix A of the Code of Ordinances to implement the Board adopted increase. Notices of this water rate increase will be sent to customers as bill inserts in the month of January 2016.

### **DISCUSSION:**

After the November 18<sup>th</sup> vote to increase the water rates by an additional 4.1%, staff analyzed how the increase should be incorporated into the existing rates. Because the MWD/CWA fixed fee, energy fee, and government fee are all tied to other cost factors, those fees are not being modified. The remaining fees are the fixed system fees and the volumetric usage fees. The system fee is most closely tied to the fixed cost of running the District, and as such is not the most appropriate fee to increase. Additionally, with the loss of water sales the fixed revenues, even with the recommended increase on the usage fees, will still exceed the BMP 1.4 recommendation of not exceeding 30%, coming in at 36.7%. On the other hand, the usage fee is directly tied to the variable cost of water. The increase in the city's recycled water rate and the loss of water sales are both usage related, so these fees are being adjusted accordingly.

### **Relative Position to Other Districts**

Annually, the District performs a survey of the District's rates compared to other water providers in the county. With recent changes by other water providers and with the District's additional 4.1% water rate increase, the District moves from the 10<sup>th</sup> lowest to the 12<sup>th</sup> lowest water rate of the 22 agencies in the county. This comparison is made using 13 units of usage, the District's average. Interestingly, in this same comparison, the City of San Diego with their 17% potable water rate increase, has moved from the 13<sup>th</sup> lowest to the 8<sup>th</sup> highest provider in the region.

### **Internal Cost Cutting**

By managing staffing, automating processes, and implementing Best Management Practices, the District has become more efficient and cost effective. The District has reduced staffing by 21%, vehicles and equipment by 17%, and fuel consumption by 36% since 2007.

In addition to increasing the water rate an additional 4.1% to offset the city's 116% in the recycled water rate and the higher than anticipated water conservation, staff have identified an additional

\$1.1 million of operational budget cuts and/or deferrals to offset this necessary rate increase.

**FISCAL IMPACT:**  Joseph R. Beachem, Chief Financial Officer

Average water rate increases of 4.1% for water services billed beginning March 1, 2016, and may include water used as early as February 1, 2016, depending on the billing cycle.

**STRATEGIC OUTLOOK:**

The District ensures its continued financial health through long-term financial planning and debt planning.

**LEGAL IMPACT:**

None.

Attachments:

- A) Ordinance No. 552
  - Exhibit 1 - Appendix A Strike-through
  - Exhibit 2 - Appendix A Proposed

ORDINANCE NO. 552

AN ORDINANCE OF THE BOARD OF DIRECTORS OF  
THE OTAY WATER DISTRICT  
AMENDING APPENDIX A  
OF THE DISTRICT'S CODE OF ORDINANCES

BE IT ORDAINED by the Board of Directors of Otay Water District that the District's Code of Ordinances Appendix A be amended as per Exhibit 1 to this resolution.

NOW, THEREFORE, BE IT RESOLVED that the new proposed Appendix A (Exhibit 2) of the Code of Ordinances shall become effective March 1, 2016.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting duly held this 6th day of January 2016, by the following roll call vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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President

ATTEST:

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District Secretary

Otay Water District  
Appendix A

Section #	Code #	Fee Description	Meter Size	Charges		
9	9.04 A.1.	District Annexation Processing Fee		\$763.83		
	9.04 B.	Annexation Fees for Water Annexations into Otay Water District Boundaries		District-wide Annexation Fee		
			3/4"	\$1,840.10		
			1"	\$4,600.25		
			1-1/2"	\$9,200.50		
			2"	\$14,720.80		
			3"	\$29,441.60		
			4"	\$46,002.50		
			6"	\$92,005.00		
			8"	\$147,208.00		
			10"	\$211,611.50		
	9.04 C.4.	Annexation Fees for Annexations to Sewer Improvement Districts per EDU		\$1,054.15		
10	10.01	Waiver Request		\$50.00		
23	23.04	Backflow Certification				
		- Second Notification		\$10.00		
		- Third Notification		\$25.00		
		- Reconnection (service resumed)		\$50.00		
		- Initial Filing Fee (New applicants for addition to the list of approved backflow prevention device testers)		\$25.00		
		- Renewal Filing Fee (to remain on list of approved backflow prevention device testers)	Annually	\$10.00		
25	25.03 A.	Set-up Fees for Accounts		\$10.00		
25	25.03 C.	Monthly Fixed System Charges, MWD & CWA Charges <sup>(1)</sup>	Meter Size	System Charge	MWD & CWA Fixed Charge	Total Fixed Charge
			3/4"	\$18.91	\$16.84	\$35.75
			1"	\$26.71	\$31.24	\$57.95
(1) All Water used in December and billed in January 2016.						

Section #	Code #	Fee Description	Meter Size	Charges		
25	25.03 C.	Monthly Fixed System Charges, MWD & CWA Charges (continued) <sup>(1)</sup>	1-1/2"	\$46.22	\$70.66	\$116.88
			2"	\$69.61	\$120.17	\$189.78
			3"	\$132.02	\$255.60	\$387.62
			4"	\$202.24	\$409.32	\$611.56
			6"	\$397.31	\$837.89	\$1,235.20
			8"	\$631.37	\$1,353.09	\$1,984.46
			10"	\$904.44	\$1,947.62	\$2,852.06
25	25.03 E.1.(b)	Domestic Residential Water Rates <sup>(1)</sup> (The Conservation Tier discount applies toward the first five units of water when overall consumption is ten units or less.)	Conservation Tier	Unit	Charge	
				0 - 5	\$1.99	
				6-10	\$3.10	
				11-22	\$4.03	
				23 or more	\$6.20	
25	25.03 E.2.(b)	Multiple Residential Water Rates - Per Dwelling Unit <sup>(1)</sup>		0-4	\$3.06	
				5-9	\$3.96	
				10 or more	\$6.12	
25	25.03 E.3.(b)	Business and Publicly-Owned Water Rates <sup>(1)</sup>	under 10"	0-185	\$3.27	
				186-1,400	\$3.32	
				1,401 or more	\$3.37	
			10" & larger	0-7,426	\$3.27	
				7,427-14,616	\$3.32	
				14,617 or more	\$3.37	
25	25.03 E.4.(c)	Irrigation and Commercial Agricultural Using Potable Water Rates <sup>(1)</sup>	1" & smaller	0-54	\$4.45	
				55-199	\$4.50	
				200 or more	\$4.56	
			1.5" & 2"	0-144	\$4.45	
				145-355	\$4.50	
				356 or more	\$4.56	
			3" & larger	0-550	\$4.45	
				551-1,200	\$4.50	
				1,201 or more	\$4.56	
(1) All Water used in December and billed in January 2016.						

Section #	Code #	Fee Description	Meter Size		Charges			
25	25.03 E.5.(c)	Recycled Water <sup>(1)</sup> (Landscape Irrigation and Certain Non-Irrigation Purposes Rates)	3/4" - 1"	0-32	\$3.80			
				33-75	\$3.86			
				76 or more	\$3.94			
			1.5" & 2"	0-130	\$3.80			
				131-325	\$3.86			
				326 or more	\$3.94			
			3" & 4"	0-440	\$3.80			
				441-1,050	\$3.86			
				1,051 or more	\$3.94			
			6" & larger	0-4,000	\$3.80			
				4,001-10,000	\$3.86			
				10,001 or more	\$3.94			
25	25.03 E.6.(c)	Recycled Commercial <sup>(1)</sup>	under 10"	0-173	\$2.77			
				174-831	\$2.82			
				832 or more	\$2.86			
			10" & larger	0-7,426	\$2.77			
				7,427-14,616	\$2.82			
				14,617 or more	\$2.86			
25	25.03 E.7.(b)	Potable Temporary and Construction Water Service Rates <sup>(1)</sup>	1" & smaller	0-54	\$8.90			
				55-199	\$9.00			
				200 or more	\$9.12			
			1.5" & 2"	0-144	\$8.90			
				145-355	\$9.00			
				356 or more	\$9.12			
			3" & larger	0-550	\$8.90			
				551-1,200	\$9.00			
				1,201 or more	\$9.12			
			25	25.03 E.8.(b)	Recycled Temporary and Construction Water Service Rates <sup>(1)</sup>	3/4" - 1"	0-32	\$7.60
							33-75	\$7.72
							76 or more	\$7.82

(1) All Water used in December and billed in January 2016.

Section #	Code #	Fee Description	Meter Size		Charges					
25	25.03 E.8.(b)	Recycled Temporary and Construction Water Service Rates (continued) <sup>(1)</sup>	1.5" & 2"	0-130	\$7.60					
				131-325	\$7.72					
				326 or more	\$7.82					
						3" & 4"	0-440	\$7.60		
							441-1,050	\$7.72		
							1,051 or more	\$7.82		
						6" & larger	0-4,000	\$7.60		
							4,001-10,000	\$7.72		
							10,001 or more	\$7.82		
			25	25.03 E.10.(b)	Tank Trucks Water Rates <sup>(1)</sup>	1" & smaller	0-54	\$8.90		
							55-199	\$9.00		
							200 or more	\$9.12		
						1.5" & 2"	0-144	\$8.90		
							145-355	\$9.00		
							356 or more	\$9.12		
						3" & larger	0-550	\$8.90		
							551-1,200	\$9.00		
							1,201 or more	\$9.12		
25	25.03 E.11.(c)	Application Fee for Water Service Outside District Boundaries						\$500.00		
25	25.03 E.11.(d)	Water Rate for Service Outside District Boundaries <sup>(1)</sup>				1" & smaller	0-54	\$8.90		
							55-199	\$9.00		
			200 or more	\$9.12						
						1.5" & 2"	0-144	\$8.90		
							145-355	\$9.00		
							356 or more	\$9.12		
						3" & larger	0-550	\$8.90		
							551-1,200	\$9.00		
							1,201 or more	\$9.12		
			25	25.03 E.12.(b)	Application Fee for Water Service Outside an Improvement District			\$275.00		

(1) All Water used in December and billed in January 2016.

Section #	Code #	Fee Description	Meter Size	Charges	
25	25.03 E.12.(c)	Water Rate for Service Outside Improvement District <sup>(1)</sup>	1" & smaller	0-54	\$8.90
				55-199	\$9.00
				200 or more	\$9.12
			1.5" & 2"	0-144	\$8.90
				145-355	\$9.00
				356 or more	\$9.12
			3" & larger	0-550	\$8.90
				551-1,200	\$9.00
				1,201 or more	\$9.12
25	25.03 E.13.(c)	Fire Service Monthly Charge	3" or less	\$24.69	
			more than 4"	\$33.27	
25	25.03 E.14.(b)	Additional Water Service for Property Not Subject to District Taxes	per unit	\$0.37	
25	25.03 E.15.(b)	Interim Service Water Rate in Improvement District 7 <sup>(1)</sup>	1" & smaller	0-54	\$8.90
				55-199	\$9.00
				200 or more	\$9.12
			1.5" & 2"	0-144	\$8.90
				145-355	\$9.00
				356 or more	\$9.12
			3" & larger	0-550	\$8.90
				551-1,200	\$9.00
				1,201 or more	\$9.12
25	25.03 F.	Energy Charges for Pumping Water <sup>(1)</sup>	Per 100 ft of lift over 450 ft per unit	\$0.05	
25	25.04 A.	Deposits for Non-Property Owners	3/4"	\$75.00	
			1"	\$150.00	
			1-1/2"	\$200.00	
(1) All Water used in December and billed in January 2016.					

Section #	Code #	Fee Description	Meter Size	Charges
25	25.04 A.	Deposits for Non-Property Owner (continued)	2"	\$360.00
			3"	\$800.00
			4"	\$1,350.00
			6"	\$3,300.00
			8"	\$4,400.00
			10"	\$5,500.00
28	28.01 B.1.	Capacity Fees and Zone Charge		District-wide Capacity Fee
		- All IDs excluding Triad	3/4"	\$8,644.79
			1"	\$21,611.98
			1-1/2"	\$43,223.95
			2"	\$69,158.32
			3"	\$138,316.64
			4"	\$216,199.75
			6"	\$432,239.50
			8"	\$691,583.20
			10"	\$994,150.85
		- TRIAD	3/4"	\$6,485.76
			1"	\$16,214.40
			1 -1/2"	\$32,428.80
			2"	\$51,886.08
			3"	\$103,772.16
			4"	\$162,144.00
			6"	\$324,288.00
			8"	\$518,860.80
			10"	\$745,862.40
28	28.01 B.2.	New Water Supply Fee		
		- All IDs including Triad	3/4"	\$1,070.85
			1"	\$2,677.13
			1-1/2"	\$5,354.25
			2"	\$8,566.80
			3"	\$17,133.60
			4"	\$26,771.25
			6"	\$53,542.50
			8"	\$85,668.00
			10"	\$123,147.75

Section #	Code #	Fee Description	Meter Size	Charges			Meter Box/Vault (if Needed)
				Meter Cost	Installation	Total	
28	28.02	Installation and Water Meter Charges	Meter Size	Meter Cost	Installation	Total	Meter Box/Vault (if Needed)
		- Potable (Non-Irrigation)	3/4" x 7.5"	\$228.40	\$108.38	\$336.78	\$92.01
			3/4" x 9"	\$243.18	\$108.38	\$351.56	\$92.01
			1"	\$294.73	\$108.38	\$403.11	\$92.01
			1.5"	\$479.05	\$108.38	\$587.43	\$208.60
			2"	\$686.43	\$108.38	\$794.81	\$208.60
			3"	\$2,139.18	\$652.57	\$2,791.75	\$3,720.99
			4"	\$3,715.41	\$652.57	\$4,367.98	\$3,720.99
			6"	\$6,417.52	\$1,030.78	\$7,448.30	\$3,720.99
			8"	\$8,018.21	\$1,580.61	\$9,598.82	\$5,338.03
			10"	\$11,531.68	\$1,580.61	\$13,112.29	\$5,338.03
		- Potable/Recycled Irrigation	3/4" x 7.5"	\$228.40	\$108.38	\$336.78	\$234.49
			3/4" x 9"	\$243.18	\$108.38	\$351.56	\$234.49
			1"	\$294.73	\$108.38	\$403.11	\$234.49
			1.5"	\$479.05	\$108.38	\$587.43	\$234.49
			2"	\$686.43	\$108.38	\$794.81	\$234.49
			3"	\$1,480.52	\$652.57	\$2,133.09	\$3,720.99
			4"	\$2,882.36	\$652.57	\$3,534.93	\$3,720.99
			6"	\$5,189.18	\$1,030.78	\$6,219.96	\$3,720.99
			8"	\$6,912.91	\$1,580.61	\$8,493.52	\$5,338.03
			10"	\$9,809.95	\$1,580.61	\$11,390.56	\$5,338.03
		- Combined Fire and Domestic	4"	\$8,839.28	\$652.57	\$9,491.85	\$3,720.99
			6"	\$11,764.32	\$1,030.78	\$12,795.10	\$3,720.99
			8"	\$17,104.46	\$1,580.61	\$18,685.07	\$5,338.03
			10"	\$23,341.94	\$1,580.61	\$24,922.55	\$5,338.03
31	31.02 D.1.	Requirement of Temporary Meter for Service		minimum/per day	\$25.00		
31	31.03 A.1.	Requirement of Deposit for Temporary Meters					
			3/4"		\$156.85		
			1"		\$184.78		
			1-1/2"		\$379.62		
			2"		\$2,046.00		
			4"		\$1,986.00		
			6"		\$2,465.00		

Section #	Code #	Fee Description	Meter Size	Charges
31	31.03 A.1.	Requirement of Deposit for Temporary Meters (continued)		
		- Construction Trailer Temporary Meter	2"	\$2,046.00
		- Tank Truck Temporary Meter (Ordinance No. 372)	2"	\$850.00
31	31.03 A.4.	Temporary Meter Install & Removal		\$128.00
31	31.03 A.5.	Temporary Meter Move Fee (includes backflow certification)	3/4" - 2"	\$64.00
			3" and larger No backflow test	\$64.00
33	33.07 A.	Customer Request for Meter Test (Deposit)	5/8", 3/4" & 1"	\$25.00
			1-1/2" & 2 "	\$50.00
			3" & Larger	\$125.00
34	34.01 D.2.	Returned Check Charges		\$25.00
34	34.02 B.	Late Payment Charge		5% of Delinquent Balance
34	34.02 G.1.(d)	Delinquency Tag		\$10.00
34	34.02 G.3.(a)	Meter "Turn-On" Charge	During regular business hours	\$35.00
34	34.02 G.3.(b)	Meter "Turn-On" Charge	After regular business hours	\$65.00
53	53.03 A.1.	Sewer Capacity Fee per EDU for parcels within a Sewer ID		\$4,192.63
53	53.03 A.2.	Sewer Capacity Fee per EDU for parcels not within a Sewer ID		\$6,557.39
53	53.03 B.1.	Sewer Connection Fee - Russell Square		\$7,500.00
53	53.03 B.2.	Monthly Sewer Service Charge - Russell Square		\$200.00
53	53.10 & 11	Set-up Fees for Accounts		\$10.00
53	53.10	Residential Sewer Usage Fee <sup>(2)</sup>	Rate multiplied by winter average units	\$2.46

<sup>(2)</sup> Sewer billed beginning January 1, 2016.

Section #	Code #	Fee Description	Meter Size	Charges
53	53.10	Residential Sewer System Fee <sup>(2)</sup>	5/8", 3/4" & larger	\$17.19
53	53.10 A.	Residential Sewer Without Consumption History <sup>(2)</sup>	5/8", 3/4" & larger	\$46.46
53	53.10 B.	Multi-Residential Usage Fee - Sewer Without Consumption History <sup>(2)</sup>		\$29.27
53	53.10 B.2.	Multi-Residential Usage Fee - Sewer <sup>(2)</sup>	Rate multiplied by winter average units	\$2.46
53	53.10 B. 2.	Multi-Residential System Fee - Sewer <sup>(2)</sup>	.75"	\$27.07
			1"	\$39.86
			1.5"	\$71.82
			2"	\$110.17
			3"	\$199.66
			4"	\$327.51
			6"	\$647.12
			8"	\$1,030.67
			10"	\$1,478.12
53	53.11	Commercial and Institutional Sewer Strength Factors	Low Strength 1	
			Medium Strength 2	
			High Strength 4	
53	53.11	Monthly Usage Fee for Commercial and Institutional Sewer <sup>(2)</sup>	Rate multiplied by annual avg. units	
			Low Strength	\$2.46
			Medium Strength	\$3.53
			High Strength	\$5.63
53	53.11	Monthly System Fee for Commercial and Institutional Sewer <sup>(2)</sup>	.75"	\$27.07
			1"	\$39.86
			1.5"	\$71.82
			2"	\$110.17
			3"	\$199.66
			4"	\$327.51
			6"	\$647.12
			8"	\$1,030.67
			10"	\$1,478.12

<sup>(2)</sup> Sewer billed beginning January 1, 2016.

Section #	Code #	Fee Description	Meter Size	Charges
60	60.03	Issuance of Availability Letters for Water and/or Sewer Service		\$75.00
72	72.04 A.1.	Locking or Removing Damaged or Tampered Meters		
		- To Pull and Reset Meter	3/4" - 2"	\$170.00
		- Broken Curbstop or Tabs	3/4" - 1"	\$192.00
		- If Customer uses Jumper	3/4" - 1"	\$149.00
		- Broken Lock/Locking Device	3/4" - 1"	\$56.00
		- Cap Lock (Welded)	3/4" - 1"	\$158.00
		- Broken Curbstop or Tabs	1.5" - 2"	\$265.00
		- To Pull and Reset Meter	3"	\$351.00
		- To Pull and Reset Meter	4"	\$454.00
		- To Pull and Reset Meter	6"	\$454.00
		- To Pull and Reset Meter	8"	\$600.00
		- To Pull and Reset Meter	10"	\$600.00
72	72.05 D. A.	Type I Fine		
		- First Violation		\$100.00
		- Second Violations		\$200.00
		- Third or each additional violation of that same ordinance or requirement within a twelve-month period		\$500.00
		Type II Fine	Will not exceed per each day the violation is identified or continues.	\$5,000.00
		Type III Fine	Fine up to amount specified per each day the violation is identified or continues.	\$500.00
		Type IV Fine	Fine up to amount specified per each day the violation is identified or continues.	\$500.00

Section #	Code #	Fee Description	Meter Size	Charges		
State Water Code	#71630 & Annual Board Resolution #4142	Water Availability/Standby Annual Special Assessment Charge	Less than one-acre all I.D.s & Outside an I.D.	\$10.00		
			Per acre in I.D. 1, 5, & Outside an I.D.	\$10.00		
			Per acre in I.D. 2,3,7,9,10,19,20,22,25, & 27	\$30.00		
			Less than one-acre Outside I.D. and greater than one mile from District facilities.	\$3.00		
			Per acre for outside I.D. & greater than one mile from District facilities.	\$3.00		
State Water Code	#71630 & Annual Board Resolution #4142	Sewer Availability/Standby Annual Special Assessment Charge	Less than one acre I.D. 4, 14, & 18	\$10.00		
			Per acre I.D. 4, 14, & 18	\$30.00		
Annual Board Resolution		General Obligation Bond Annual Tax Assessment	Per \$1000 of assessed value for I.D. 27	\$0.005		

**Policies**

5	Copies of Identifiable Public Records		\$0.10/page		
	Cassette Tape Duplication		\$2.00/tape		
	Yearly Subscription Service for Agendas and Ratified Minutes		\$20.00/year or \$0.50/meeting		
	Yearly Subscription Service for Board Packet and Ratified Minutes		\$100.00/year for first copy and \$200.00/year for each copy thereafter		

Otay Water District  
Appendix A

Section #	Code #	Fee Description	Meter Size	Charges		
9	9.04 A.1.	District Annexation Processing Fee		\$763.76		
	9.04 B.	Annexation Fees for Water Annexations into Otay Water District Boundaries		District-wide Annexation Fee		
			3/4"	\$1,924.07		
			1"	\$4,810.18		
			1-1/2"	\$9,620.35		
			2"	\$15,392.56		
			3"	\$30,785.12		
			4"	\$48,101.75		
			6"	\$96,203.50		
			8"	\$153,925.60		
			10"	\$221,268.05		
	9.04 C.4.	Annexation Fees for Annexations to Sewer Improvement Districts per EDU		\$1,102.25		
10	10.01	Waiver Request		\$50.00		
23	23.04	Backflow Certification				
		- Second Notification		\$10.00		
		- Third Notification		\$25.00		
		- Reconnection (service resumed)		\$50.00		
		- Initial Filing Fee (New applicants for addition to the list of approved backflow prevention device testers)		\$25.00		
		- Renewal Filing Fee (to remain on list of approved backflow prevention device testers)	Annually	\$10.00		
25	25.03 A.	Set-up Fees for Accounts		\$10.00		
25	25.03 C.	Monthly Fixed System Charges, MWD & CWA Charges <sup>(1)</sup>	Meter Size	System Charge	MWD & CWA Fixed Charge	Total Fixed Charge
			3/4"	\$18.91	\$16.84	\$35.75
			1"	\$26.71	\$31.24	\$57.95
<sup>(1)</sup> All Water used in February and billed in March 2016.						

Section #	Code #	Fee Description	Meter Size	Charges		
25	25.03 C.	Monthly Fixed System Charges, MWD & CWA Charges (continued) <sup>(1)</sup>	1-1/2"	\$46.22	\$70.66	\$116.88
			2"	\$69.61	\$120.17	\$189.78
			3"	\$132.02	\$255.60	\$387.62
			4"	\$202.24	\$409.32	\$611.56
			6"	\$397.31	\$837.89	\$1,235.20
			8"	\$631.37	\$1,353.09	\$1,984.46
			10"	\$904.44	\$1,947.62	\$2,852.06
25	25.03 E.1.(b)	Domestic Residential Water Rates <sup>(1)</sup>		Unit	Charge	
		(The Conservation Tier discount applies toward the first five units of water when overall consumption is ten units or less.)	Conservation Tier	0 - 5	\$2.13	
				6-10	\$3.32	
				11-22	\$4.32	
				23 or more	\$6.65	
25	25.03 E.2.(b)	Multiple Residential Water Rates - Per Dwelling Unit <sup>(1)</sup>		0-4	\$3.28	
				5-9	\$4.25	
				10 or more	\$6.56	
25	25.03 E.3.(b)	Business and Publicly-Owned Water Rates <sup>(1)</sup>	under 10"	0-185	\$3.51	
				186-1,400	\$3.56	
				1,401 or more	\$3.62	
			10" & larger	0-7,426	\$3.51	
				7,427-14,616	\$3.56	
				14,617 or more	\$3.62	
25	25.03 E.4.(c)	Irrigation and Commercial Agricultural Using Potable Water Rates <sup>(1)</sup>	1" & smaller	0-54	\$4.78	
				55-199	\$4.83	
				200 or more	\$4.89	
			1.5" & 2"	0-144	\$4.78	
				145-355	\$4.83	
				356 or more	\$4.89	
			3" & larger	0-550	\$4.78	
				551-1,200	\$4.83	
				1,201 or more	\$4.89	
<sup>(1)</sup> All Water used in February and billed in March 2016.						

Section #	Code #	Fee Description	Meter Size		Charges			
25	25.03 E.5.(c)	Recycled Water <sup>(1)</sup> (Landscape Irrigation and Certain Non-Irrigation Purposes Rates)	3/4" - 1"	0-32	\$4.08			
				33-75	\$4.14			
				76 or more	\$4.20			
			1.5" & 2"	0-130	\$4.08			
				131-325	\$4.14			
				326 or more	\$4.20			
			3" & 4"	0-440	\$4.08			
				441-1,050	\$4.14			
				1,051 or more	\$4.20			
			6" & larger	0-4,000	\$4.08			
				4,001-10,000	\$4.14			
				10,001 or more	\$4.20			
25	25.03 E.6.(c)	Recycled Commercial <sup>(1)</sup>	under 10"	0-173	\$2.97			
				174-831	\$3.03			
				832 or more	\$3.07			
			10" & larger	0-7,426	\$2.97			
				7,427-14,616	\$3.03			
				14,617 or more	\$3.07			
25	25.03 E.7.(b)	Potable Temporary and Construction Water Service Rates <sup>(1)</sup>	1" & smaller	0-54	\$9.56			
				55-199	\$9.66			
				200 or more	\$9.78			
			1.5" & 2"	0-144	\$9.56			
				145-355	\$9.66			
				356 or more	\$9.78			
			3" & larger	0-550	\$9.56			
				551-1,200	\$9.66			
				1,201 or more	\$9.78			
			25	25.03 E.8.(b)	Recycled Temporary and Construction Water Service Rates <sup>(1)</sup>	3/4" - 1"	0-32	\$8.16
							33-75	\$8.28
							76 or more	\$8.40

<sup>(1)</sup> All Water used in February and billed in March 2016.

Section #	Code #	Fee Description	Meter Size		Charges		
25	25.03 E.8.(b)	Recycled Temporary and Construction Water Service Rates (continued) <sup>(1)</sup>	1.5" & 2"	0-130	\$8.16		
				131-325	\$8.28		
				326 or more	\$8.40		
			3" & 4"	0-440	\$8.16		
				441-1,050	\$8.28		
				1,051 or more	\$8.40		
			6" & larger	0-4,000	\$8.16		
				4,001-10,000	\$8.28		
				10,001 or more	\$8.40		
25	25.03 E.10.(b)	Tank Trucks Water Rates <sup>(1)</sup>	1" & smaller	0-54	\$9.56		
				55-199	\$9.66		
				200 or more	\$9.78		
			1.5" & 2"	0-144	\$9.56		
				145-355	\$9.66		
				356 or more	\$9.78		
			3" & larger	0-550	\$9.56		
				551-1,200	\$9.66		
				1,201 or more	\$9.78		
25	25.03 E.11.(c)	Application Fee for Water Service Outside District Boundaries			\$500.00		
25	25.03 E.11.(d)	Water Rate for Service Outside District Boundaries <sup>(1)</sup>	1" & smaller	0-54	\$9.56		
				55-199	\$9.66		
				200 or more	\$9.78		
			1.5" & 2"	0-144	\$9.56		
				145-355	\$9.66		
				356 or more	\$9.78		
			3" & larger	0-550	\$9.56		
				551-1,200	\$9.66		
				1,201 or more	\$9.78		
25	25.03 E.12.(b)	Application Fee for Water Service Outside an Improvement District			\$275.00		

<sup>(1)</sup> All Water used in February and billed in March 2016.

Section #	Code #	Fee Description	Meter Size	Charges	
25	25.03 E.12.(c)	Water Rate for Service Outside Improvement District <sup>(1)</sup>	1" & smaller	0-54	\$9.56
				55-199	\$9.66
				200 or more	\$9.78
			1.5" & 2"	0-144	\$9.56
				145-355	\$9.66
				356 or more	\$9.78
			3" & larger	0-550	\$9.56
				551-1,200	\$9.66
				1,201 or more	\$9.78
25	25.03 E.13.(c)	Fire Service Monthly Charge	3" or less	\$24.69	
			more than 4"	\$33.27	
25	25.03 E.14.(b)	Additional Water Service for Property Not Subject to District Taxes	per unit	\$0.37	
25	25.03 E.15.(b)	Interim Service Water Rate in Improvement District 7 <sup>(1)</sup>	1" & smaller	0-54	\$9.56
				55-199	\$9.66
				200 or more	\$9.78
			1.5" & 2"	0-144	\$9.56
				145-355	\$9.66
				356 or more	\$9.78
			3" & larger	0-550	\$9.56
				551-1,200	\$9.66
				1,201 or more	\$9.78
25	25.03 F.	Energy Charges for Pumping Water <sup>(1)</sup>	Per 100 ft of lift over 450 ft per unit	\$0.072	
25	25.04 A.	Deposits for Non-Property Owners	3/4"	\$75.00	
			1"	\$150.00	
			1-1/2"	\$200.00	
<sup>(1)</sup> All Water used in February and billed in March 2016.					

Section #	Code #	Fee Description	Meter Size	Charges
25	25.04 A.	Deposits for Non-Property Owner (continued)	2"	\$360.00
			3"	\$800.00
			4"	\$1,350.00
			6"	\$3,300.00
			8"	\$4,400.00
			10"	\$5,500.00
28	28.01 B.1.	Capacity Fees and Zone Charge		District-wide Capacity Fee
		- All IDs excluding Triad	3/4"	\$8,644.79
			1"	\$21,611.98
			1-1/2"	\$43,223.95
			2"	\$69,158.32
			3"	\$138,316.64
			4"	\$216,119.75
			6"	\$432,239.50
			8"	\$691,583.20
			10"	\$994,150.85
		- TRIAD	3/4"	\$6,485.76
			1"	\$16,214.40
			1 -1/2"	\$32,428.80
			2"	\$51,886.08
			3"	\$103,772.16
			4"	\$162,144.00
			6"	\$324,288.00
			8"	\$518,860.80
			10"	\$745,862.40
28	28.01 B.2.	New Water Supply Fee		
		- All IDs including Triad	3/4"	\$1,070.85
			1"	\$2,677.13
			1-1/2"	\$5,354.25
			2"	\$8,566.80
			3"	\$17,133.60
			4"	\$26,771.25
			6"	\$53,542.50
			8"	\$85,668.00
			10"	\$123,147.75

Section #	Code #	Fee Description	Meter Size	Charges			Meter Box/Vault (if Needed)
				Meter Cost	Installation	Total	
28	28.02	Installation and Water Meter Charges	Meter Size	Meter Cost	Installation	Total	Meter Box/Vault (if Needed)
		- Potable (Non-Irrigation)	3/4" x 7.5"	\$228.40	\$108.38	\$336.78	\$92.01
			3/4" x 9"	\$243.18	\$108.38	\$351.56	\$92.01
			1"	\$294.73	\$108.38	\$403.11	\$92.01
			1.5"	\$479.05	\$108.38	\$587.43	\$208.60
			2"	\$686.43	\$108.38	\$794.81	\$208.60
			3"	\$2,139.18	\$652.57	\$2,791.75	\$3,720.99
			4"	\$3,715.41	\$652.57	\$4,367.98	\$3,720.99
			6"	\$6,417.52	\$1,030.78	\$7,448.30	\$3,720.99
			8"	\$8,018.21	\$1,580.61	\$9,598.82	\$5,338.03
			10"	\$11,531.68	\$1,580.61	\$13,112.29	\$5,338.03
		- Potable/Recycled Irrigation	3/4" x 7.5"	\$218.43	\$103.65	\$322.08	\$221.90
			3/4" x 9"	\$243.18	\$103.65	\$346.83	\$234.49
			1"	\$281.86	\$103.65	\$385.51	\$221.90
			1.5"	\$458.14	\$103.65	\$561.79	\$221.90
			2"	\$656.47	\$103.65	\$760.12	\$221.90
			3"	\$1,415.91	\$624.09	\$2,040.00	\$3,521.08
			4"	\$2,756.56	\$624.09	\$3,380.65	\$3,521.08
			6"	\$4,962.70	\$985.80	\$5,948.50	\$3,521.08
			8"	\$6,611.21	\$1,511.63	\$8,122.84	\$5,051.24
			10"	\$9,381.81	\$1,511.63	\$10,893.44	\$5,051.24
		- Combined Fire and Domestic	4"	\$8,453.50	\$624.09	\$9,077.59	\$3,521.08
			6"	\$11,250.88	\$985.80	\$12,236.68	\$3,521.08
			8"	\$16,357.96	\$1,511.63	\$17,869.59	\$5,051.24
			10"	\$22,323.21	\$1,511.63	\$23,834.84	\$5,051.24
31	31.02 D.1.	Requirement of Temporary Meter for Service		minimum/per day	\$25.00		
31	31.03 A.1.	Requirement of Deposit for Temporary Meters					
			3/4"		\$156.85		
			1"		\$184.78		
			1-1/2"		\$379.62		
			2"		\$2,046.00		
			4"		\$1,986.00		
			6"		\$2,465.00		

Section #	Code #	Fee Description	Meter Size	Charges
31	31.03 A.1.	Requirement of Deposit for Temporary Meters (continued)		
		- Construction Trailer Temporary Meter	2"	\$2,046.00
		- Tank Truck Temporary Meter (Ordinance No. 372)	2"	\$850.00
31	31.03 A.4.	Temporary Meter Install & Removal		\$128.00
31	31.03 A.5.	Temporary Meter Move Fee (includes backflow certification)	3/4" - 2"	\$64.00
			3" and larger No backflow test	\$64.00
33	33.07 A.	Customer Request for Meter Test (Deposit)	5/8", 3/4" & 1"	\$25.00
			1-1/2" & 2 "	\$50.00
			3" & Larger	\$125.00
34	34.01 D.2.	Returned Check Charges		\$25.00
34	34.02 B.	Late Payment Charge		5% of Delinquent Balance
34	34.02 G.1.(d)	Delinquency Tag		\$10.00
34	34.02 G.3.(a)	Meter "Turn-On" Charge	During regular business hours	\$35.00
34	34.02 G.3.(b)	Meter "Turn-On" Charge	After regular business hours	\$65.00
53	53.03 A.1.	Sewer Capacity Fee per EDU for parcels within a Sewer ID		\$4,237.30
53	53.03 A.2.	Sewer Capacity Fee per EDU for parcels not within a Sewer ID		\$6,627.25
53	53.03 B.1.	Sewer Connection Fee - Russell Square		\$7,500.00
53	53.03 B.2.	Monthly Sewer Service Charge - Russell Square		\$200.00
53	53.10 & 11	Set-up Fees for Accounts		\$10.00
53	53.10	Residential Sewer Usage Fee <sup>(2)</sup>	Rate multiplied by winter average units	\$2.46

<sup>(2)</sup> Sewer billed beginning January 1, 2016.

Section #	Code #	Fee Description	Meter Size	Charges
53	53.10	Residential Sewer System Fee <sup>(2)</sup>	5/8", 3/4" & larger	\$17.19
53	53.10 A.	Residential Sewer Without Consumption History <sup>(2)</sup>	5/8", 3/4" & larger	\$40.19
53	53.10 B.	Multi-Residential Usage Fee - Sewer Without Consumption History <sup>(2)</sup>		\$29.27
53	53.10 B.2.	Multi-Residential Usage Fee - Sewer <sup>(2)</sup>	Rate multiplied by winter average units	\$2.46
53	53.10 B. 2.	Multi-Residential System Fee - Sewer <sup>(2)</sup>	.75"	\$27.07
			1"	\$39.86
			1.5"	\$71.82
			2"	\$110.17
			3"	\$199.66
			4"	\$327.51
			6"	\$647.12
			8"	\$1,030.67
			10"	\$1,478.12
53	53.11	Commercial and Institutional Sewer Strength Factors	Low Strength 1	
			Medium Strength 2	
			High Strength 4	
53	53.11	Monthly Usage Fee for Commercial and Institutional Sewer <sup>(2)</sup>	Rate multiplied by annual avg. units	
			Low Strength	\$2.46
			Medium Strength	\$3.53
			High Strength	\$5.63
53	53.11	Monthly System Fee for Commercial and Institutional Sewer <sup>(2)</sup>	.75"	\$27.07
			1"	\$39.86
			1.5"	\$71.82
			2"	\$110.17
			3"	\$199.66
			4"	\$327.51
			6"	\$647.12
			8"	\$1,030.67
			10"	\$1,478.12

<sup>(2)</sup> Sewer billed beginning January 1, 2016.

Section #	Code #	Fee Description	Meter Size	Charges
60	60.03	Issuance of Availability Letters for Water and/or Sewer Service		\$75.00
72	72.04 A.1.	Locking or Removing Damaged or Tampered Meters		
		- To Pull and Reset Meter	3/4" - 2"	\$170.00
		- Broken Curbstop or Tabs	3/4" - 1"	\$192.00
		- If Customer uses Jumper	3/4" - 1"	\$149.00
		- Broken Lock/Locking Device	3/4" - 1"	\$56.00
		- Cap Lock (Welded)	3/4" - 1"	\$158.00
		- Broken Curbstop or Tabs	1.5" - 2"	\$265.00
		- To Pull and Reset Meter	3"	\$351.00
		- To Pull and Reset Meter	4"	\$454.00
		- To Pull and Reset Meter	6"	\$454.00
		- To Pull and Reset Meter	8"	\$600.00
		- To Pull and Reset Meter	10"	\$600.00
72	72.05 D. A.	Type I Fine		
		- First Violation		\$100.00
		- Second Violations		\$200.00
		- Third or each additional violation of that same ordinance or requirement within a twelve-month period		\$500.00
		Type II Fine	Will not exceed per each day the violation is identified or continues.	\$5,000.00
		Type III Fine	Fine up to amount specified per each day the violation is identified or continues.	\$500.00
		Type IV Fine	Fine up to amount specified per each day the violation is identified or continues.	\$500.00

Section #	Code #	Fee Description	Meter Size	Charges
State Water Code	#71630 & Annual Board Resolution #4142	Water Availability/Standby Annual Special Assessment Charge	Less than one-acre all I.D.s & Outside an I.D.	\$10.00
			Per acre in I.D. 1, 5, & Outside an I.D.	\$10.00
			Per acre in I.D. 2,3,7,9,10,19,20,22,25, & 27	\$30.00
			Less than one-acre Outside I.D. and greater than one mile from District facilities.	\$3.00
			Per acre for outside I.D. & greater than one mile from District facilities.	\$3.00
State Water Code	#71630 & Annual Board Resolution #4142	Sewer Availability/Standby Annual Special Assessment Charge	Less than one acre I.D. 4, 14, & 18	\$10.00
			Per acre I.D. 4, 14, & 18	\$30.00
Annual Board Resolution		General Obligation Bond Annual Tax Assessment	Per \$1000 of assessed value for I.D. 27	\$0.005

**Policies**

5	Copies of Identifiable Public Records		\$0.10/page
	Cassette Tape Duplication		\$2.00/tape
	Yearly Subscription Service for Agendas and Ratified Minutes		\$20.00/year or \$0.50/meeting
	Yearly Subscription Service for Board Packet and Ratified Minutes		\$100.00/year for first copy and \$200.00/year for each copy thereafter



# Agenda Item 18c

## STAFF REPORT

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	January 6, 2016
SUBMITTED BY:	Kevin Koeppen, Finance Manager	W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)	Joseph Beachem, Chief Financial Officer		
APPROVED BY: (Chief):	<input checked="" type="checkbox"/> Joseph R. Beachem, Chief Financial Officer		
	<input checked="" type="checkbox"/> German Alvarez, Assistant General Manager		
	<input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Rejection of the Donice and Donita Blalock Claim		

### **GENERAL MANAGER'S RECOMMENDATION:**

That the Board reject the claim submitted by Donice and Donita Blalock, 1621 Hillsdale Road, El Cajon, CA 92019, received October 19, 2015, requesting reimbursement of an estimated \$300,000 for cleanup, demolition, abatement, remediation, code upgrades, cost to repair, landscaping, hardscaping, business interruption, emotional distress and attorney fees and costs due to water damage at their residence caused by an October 7, 2015 main break.

### **COMMITTEE ACTION:** \_\_\_\_\_

This items was not taken to Committee.

### **PURPOSE:**

To request that the Board reject the claim submitted by Donice and Donita Blalock, requesting reimbursement of an estimated \$300,000 for water damages incurred at their residence.

### **ANALYSIS:**

On October 7, 2015 a 12-inch water main broke resulting in flooding at Hillsdale Road in El Cajon. Otay staff became aware of the main break at 9:30am on October 7, 2015 and responded immediately to isolate the area. The Blalocks and their attorney, John T. Richards, believe that the District should be held responsible for damages to the Blalock's property as a result of the break.

SDRMA has provided a good faith offer of \$50,000 for remediation of damages to the Blalock's property and a good faith payment of \$25,000 to the Blalocks. The Blalocks have prepared their own estimate, which they have provided to SDRMA, totaling approximately \$300,000. In SDRMA's opinion the Blalock's claim includes damages that were not a direct result of the main break and losses the Blalocks have, to date, have been unsubstantiated. Those losses include, but are not limited to, property that was in disrepair prior to the main break and unsubstantiated business losses.

SDRMA requested that Otay issue a Notice of Rejection to John T. Richards and the Blalocks rejecting the claim based on the nature and extent of the claim exceeding what SDRMA's experts state was damaged as a result of the main break.

It is recommended that the claim in the amount of approximately \$300,000, be denied. This action is necessary in order to begin the statute of limitations for bringing any legal action in this matter.

**FISCAL IMPACT:**         Joe Beachem, Chief Financial Officer

None.

**STRATEGIC GOAL:**

This item supports a strategic objective of maintaining and protecting District assets and property.

**LEGAL IMPACT:**

None.

Attachment:

A - Claim submitted by Donice and Donita Blalock

**JOHN T. RICHARDS**

A PROFESSIONAL LAW CORPORATION

101 WEST BROADWAY  
SUITE #1950  
SAN DIEGO, CA 92101  
(619) 237-9800  
(619) 238-9914 FX  
JTRLAW@AOL.COM

December 11, 2015

**Sent via U.S. Mail**

Otay Water District  
Attention: Claims  
2554 Sweetwater Springs Boulevard  
Spring Valley, Ca 91977-7299

Re: Donice & Donita Blalock  
1621 Hillside Rd  
El Cajon, CA 92109  
DOI: October 7, 2015

To whom it may concern:

This office has been retained by Donice & Donita Blalock to handle all aspects of their claim against the Otay Water District for damages to their home and person which occurred on October 7, 2015 when a main water line ruptured sending enormous amounts of water throughout their property. This caused significant property damage, personal injury, and emotional distress to my clients.

It is my understanding that an initial claim has been formally made by my clients. Attached as "**Exhibit A**" is a true and correct copy of my clients' claim, which I understood has already been filed. If it has not, consider this letter the filing of that initial claim.

In addition to the information on aforementioned claim, please take notice that Donice & Donita Blalock intend to pursue causes of action for both public and private Nuisance, Trespass, Negligence, as well as Negligent Infliction of Emotional Distress. In addition to the damages to their property, please take notice that Donice & Donita Blalock intend to make claims for cleanup, demolition, abatement, remediation, code upgrades, cost to repair, landscaping, hardscaping, personal injury, emotional distress and attorney fees and costs. This notice is being given pursuant to the Tort Claims Act codified in Government Code § 810 et seq. as well as any State, County, or local requirements.

2015 DEC 11 10 26 AM  
MAIL ROOM

Blalock  
-Page 2-  
December 11, 2015

Please direct any future contact and communication regarding this claim to this office. If you intend to claim any deficiencies the Government Tort Claim of my clients, please notify of us those deficiencies immediately so they may be timely remedied.

Thank you for your attention to this matter.

Very Truly Yours,

A handwritten signature in black ink, appearing to read "J. Richards", written over the printed name below.

John T. Richards

*Hand Delivered  
10/19/15*

**CLAIM AGAINST  
OTAY WATER DISTRICT**

1. Claimant(s) Name(s): DONICE & DONITA BLALOCK \_\_\_\_\_

2. Claimant(s) Address(es): 1621 HILLSDALE RD EL CAJON, CA 92019 \_\_\_\_\_

3. Telephone Number(s): 619-442-9133 OR 619-994-9133 \_\_\_\_\_

4. Address for Notices (if different from above): SAME \_\_\_\_\_

5. Incident or Occurrence which gives rise to claim:

a) Date: OCTOBER 7, 2015 Time: +/-8:30 AM

b) Location: HILLSDALE RD EL CAJON CA 92019

c) Name of the person(s) injured and description of personal injury(ies), if any:

\_\_\_\_\_  
\_\_\_\_\_

d) Describe the property, injury, damage or loss, if any:

BLAST OF WATER CUT DOWN 43 YR GROWTH BOTTLE BRUSH PLANTS, BROKE LIMBS IN BREADFRUIT TRE E. AS WELL AS ELM TREE, COVERED LAWN WITH DEBRIS AND SILT WHICH WILL HAVE TO BE ADDRESSED...CLOGGED WITH DEBRIS AND SILT, FRENCH DRAIN WITH SUMP WELL....PERMIATED STUCCO WALLS, WET DRY WALL INTERIORS AND FLOODED INTERIOR OF DWELLING, CAUSING WATER TO FLOW UNDER WALL FOOTINGS, CARPETING, FLOORING, ETC. ON THE NORTH SIDE OF THE HOUSE WETTING THE CONTENTS, ADDITIONALLY THE FLOW OF WATER PAST THE FRONT OF THE HOUSE PUSHED OVER A RETAINING WALL AND CHAINLINK FENCE NOW LEANS, WITH THE WEIGHT OF THE WATER....CAUSING UP TO 12" FLOW OF WATER THROUGH PLANT HOUSE, CASCADING OVER STEPS, UNDER CRAWL SPACE, AS WELL AS THE LOWER AREA, WHICH FLOWED THROUGH A KOIPOND AT 12" WASHING KOI OUT, KILLING THEM WITH THE CHEMISTRY OF THE WATER \*(CHLORIMINES) AND CAUSING GREAT BRUISING AND CONTUSION ON THE REMAING 4 FISH OUT OF A POND 20. ...5 FOUND, OTHERS WILL BE BURIED WITH THE SEVERITY OF THE FLOW OF WATER AND DEBRIS, WEASHING OVE R STORED EQUIPMENT FOR BUSINESS, FLOODING OUT PUMPS, FILTERS, LINERS, PRESSURE WASHERS, TRASH PUMPS, FEED , IN BARN LOSS OF EGG PRODUCTION, AND PECAN NUT CROP...SWAMPED WELLS, CAUSING DAMAGE TO SPRINKLER SYSTEMS AND HEADS, DUE TO SILT AND CONTAMINATION FROM THE CAT 3 WATER EVENT. ...SWAMPED SEPTIC TANK, WHICH HAD JUST BEEN PUMPED 1-2 MONTHS AGO...AS WE CLEANUP, DISCOVERY IS STILL EMMINENT.

e) Name(s) of District employees believed to be involved, if any. Specify the particular act or omission you claim caused the injury or damage. Include a statement explaining why you feel the District or its employees were at fault.

f) NEGLEGENCE ON MAINTENANCE OF MAIN WATER, ALREADY 2 INCIDENCES THE PAST 2 MONTHS, A TEMPORARY FIX WAS MADE, AND THE BREAK

WAS AT THE SAME SECTION OF THE LINE WHICH WAS "FIXED" THE PRIOR 2  
TIMES.

6. Name, address and telephone number of witness(es) to the incident:

DONITA BLALOCK, DONICE BLALAOCK, SAN MIGUEL FIRE DEPT. ENG 22, Mrs. DEAN  
(MICHAEL ANN ) GABRELCIK 579-7552, 1612 HILLSDAEL RD. SHANE POSTEHER 994-7613

CHANNELS 10,7, 8, 6, 5.

7. Amount claimed, if under \$10,000. **Be sure to attach invoices or other documentation reflecting the amount of damage, cost or loss, including medical bills or reports if claiming personal injury costs or losses.**

a) Amount claimed as of date of claim: \$ UNDETERMINED AS YET \_\_\_\_\_

b) Estimated amount of any prospective injury,  
damage or loss: \$ UNDETERMINED AS YET \_\_\_\_\_

c) Total amount claimed: \$ UNDETERMINED AS YET \_\_\_\_\_

d) Explain how the claim amount was calculated:

UNDETERMINED AS YET

If the amount is more than \$10,000, please indicate whether your case would be an unlimited or limited civil case (see Government Code Section 910(f)):

XX Unlimited Civil (Claim over \$25,000)

\_\_\_\_\_ Limited Civil (Claim less than \$25,000)

8. Any additional information that might be helpful in considering this claim. If the claim involves medical treatment, please provide the names, address and telephone number of any doctors and/or hospitals providing treatment. If the claim relates to an automobile accident or incident, you may be asked to provide information concerning your vehicle and driver's insurance.

*(If additional space is needed to provide your information, please attach additional sheets indicating the paragraph(s) to which the additional information pertains)*

**Warning:** Presentation of a false claim is a felony (Penal Code Section 72). Pursuant to CCP Sections 128.5 and 1038, the District may seek to recover all costs of defense in the event an action is filed which is later determined

not to have been brought in good faith and with reasonable cause.

I have read the statements made in the above claim and I know the same to be true of my own knowledge, except as to those matters stated upon information or belief, and as to such matters I believe that same to be true. I certify under penalty of perjury that the foregoing is true and correct.

Date:

Oct 16 2015

*Kevin Blalock*  
Claimant or Authorized Representative

*Right to Amend  
Upon  
Discovery  
D&B*



# AGENDA ITEM 19a

## STAFF REPORT

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	January 6, 2016
SUBMITTED BY:	Mark Watton, General Manager	W.O./G.F. NO:	DIV. NO.
APPROVED BY:	<input checked="" type="checkbox"/> Susan Cruz, District Secretary <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Board of Directors 2016 Calendar of Meetings		

### **GENERAL MANAGER'S RECOMMENDATION:**

At the request of the Board, the attached Board of Director's meeting calendar for 2016 is being presented for discussion.

### **PURPOSE:**

This staff report is being presented to provide the Board the opportunity to review the 2016 Board of Director's meeting calendar and amend the schedule as needed.

### **COMMITTEE ACTION:**

N/A

### **ANALYSIS:**

The Board requested that this item be presented at each meeting so they may have an opportunity to review the Board meeting calendar schedule and amend it as needed.

### **STRATEGIC GOAL:**

N/A

### **FISCAL IMPACT:**

None.

### **LEGAL IMPACT:**

None.

Attachment: Calendar of Meetings for 2016

**Board of Directors, Workshops  
and Committee Meetings  
2016**

**Regular Board Meetings:**

January 6, 2016  
February 3, 2016  
March 2, 2016  
April 6, 2016  
May 4, 2016  
June 1, 2016  
July 6, 2016  
August 3, 2016  
September 7, 2016  
October 5, 2016  
November 2, 2016  
December 7, 2016

**Special Board or Committee Meetings (3<sup>rd</sup>  
Wednesday of Each Month or as Noted)**

January 20, 2016  
February 17, 2016  
March 16, 2016  
April 20, 2016  
May 18, 2016  
June 15, 2016  
July 20, 2016  
August 17, 2016  
September 21, 2016  
October 19, 2016  
November 16, 2016  
December 21, 2016

**SPECIAL BOARD MEETINGS:**

**BOARD WORKSHOPS:**

# AGENDA ITEM 20a



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2016
SUBMITTED BY:	Dan Martin Engineering Manager	PROJECT:	VARIOUS DIV. NO. ALL
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief of Engineering <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Informational Item - First Quarter Fiscal Year 2016 Capital Improvement Program Report		

### **GENERAL MANAGER'S RECOMMENDATION:**

No recommendation. This is an informational item only.

### **COMMITTEE ACTION:**

Please see Attachment A.

### **PURPOSE:**

To update the Board about the status of all CIP project expenditures and to highlight significant issues, progress, and milestones on major projects.

### **ANALYSIS:**

To keep up with growth and to meet our ratepayers' expectations to adequately deliver safe, reliable, cost-effective, and quality water, each year the District staff prepares a Six-Year CIP Plan that identifies the District's infrastructure needs. The CIP is comprised of four categories consisting of backbone capital facilities, replacement/renewal projects, capital purchases, and developer's reimbursement projects.





## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Informational Item - First Quarter Fiscal Year 2016 Capital Improvement Program Report
VARIOUS	

### COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee (Committee) reviewed this item at a Committee Meeting held on December 8, 2015, and the following comments were made:

- Staff provided a PowerPoint presentation to the Committee and indicated that the expenditures through the first quarter of FY 2016 totaled approximately \$2.1 million, which is about 18% of the District's fiscal year budget.
- Staff indicated that the District's FY 2015 CIP budget consists of 80 projects that total \$11.4 million and is divided into four categories:
  - o Capital Facilities= \$3.1 million
  - o Replacement/Renewal= \$7.2 million
  - o Capital Purchases= \$1.1 million
  - o Developer Reimbursement= \$1.0 thousand
- The PowerPoint presentation included the following:
  - o Total Life-to-Date Expenditures
  - o CIP Budget Forecast vs. Expenditures
  - o Major CIP Projects
  - o CIP Projects in Construction
  - o Construction Contract Status of projects, contract amount with allowances, net change orders, and percent of project completion
  - o Consultant Contract Status of contract amounts, approve payments to date, change orders, dates when contracts were signed and the end date of contracts
- Staff provided an update of the following construction projects that were active during the first quarter:

- o 850-3 Reservoir Interior Coating and Upgrades (P2542) that was put into service on November 30, 2015.
  - o 944-1, 944-2, and 458-2 Reservoir Interior/Exterior Coating and Upgrades (P2531, P2532, P2535). It was indicated that currently the coating work for the 944-1 and 458-2 Reservoirs is complete and that the Reservoirs are in the testing phase. It was also indicated that delivery of this project is behind schedule and that staff is assessing liquidated damages in accordance with the provisions of the consultant's contract. A final reconciliation/change order will be performed and brought to the January committee then February board meeting for consideration. In response to a question from the Committee, staff stated that deductions for liquidated damages have been made on the contractor's progress payments to compensate for the liquidated damages.
  - o RWCWRF - Return Activated Sludge (RAS) Pump Replacement (R2111) is estimated to be completed by December 2015.
  - o SR-11 Utility Relocations Sequence I (P2453) that was substantially completed in November 2015.
- Staff highlighted that during the first quarter of FY 2016 the Change Orders with Allowance Credit equaled to 0.1%.
  - In response to a question by the Committee, staff stated that Lee & Ro is involved with the North/South Interconnection Project. Staff indicated that they are working with Steve Ro and David Watson on this project.
  - The Committee inquired about staffs' perception of going over the fiscal year amount established for a CIP project, but staying within the overall CIP project budget to attain the goal of reaching 100% of actual expenditures of the FY 2016 CIP Budget and completing projects in a timely manner. Staff stated the District's goal is to stay on or under the approved fiscal year budget. However, staff indicated that on a case by case basis staff would consider advancing a project if the project is required to resolve a critical maintenance issue and the project could be delivered within the approved overall project budget.

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

**FISCAL YEAR 2016  
FIRST QUARTER REPORT  
(Expenditures through 09/30/2015)  
(\$000)**

**Attachment B**

CIP No.	Description	Project Manager	FISCAL YEAR-TO-DATE, 09/30/15				LIFE-TO-DATE, 09/30/15				Comments
			FY 2016 Budget	Expenses	Balance	Expense to Budget %	Budget	Expenses	Balance	Expense to Budget %	
<b>CAPITAL FACILITY PROJECTS</b>											
P2040	Res - 1655-1 Reservoir 0.5 MG	Cameron	\$ 25	\$ -	\$ 25	0%	\$ 2,200	\$ 478	\$ 1,722	22%	Planning for this project has just begun. <sup>1</sup>
P2083	PS - 870-2 Pump Station Replacement	Marchioro	350	50	300	14%	15,000	1,370	13,630	9%	On target. Q1 expense slower compared to Q2 through Q4 since consultant (Carollo) amendment processed during Q1.
P2267	36-Inch Main Pumpouts and Air/Vacuum Ventilation Installations	Marchioro	50	11	39	22%	735	421	314	57%	On target.
P2325	PL-10" to 12" Oversize, 1296 Zone, PB Road-Rolling Hills Hydro PS/PB Bndy	Beppler	1	1	-	100%	22	1	21	5%	Developer reimbursement request associated with this project under review in Q1.
P2451	Otay Mesa Desalination Conveyance and Disinfection System	Posada	350	105	245	30%	30,000	3,364	26,636	11%	Expect to spend 75% of Fiscal Year budget or \$265,000 total for the Fiscal Year.
P2466	Regional Training Facility	Coburn-Boyd	8	1	7	13%	300	288	12	96%	On track.
P2469	Information Technology Network and Hardware	Kerr	175	-	175	0%	1,684	1,887	(203)	112%	For this Fiscal Year, \$174,800 will be spent, then the CIP will be closed. <sup>1</sup>
P2470	Financial System Enhancements	Kerr	100	26	74	26%	1,765	1,693	72	96%	Purchased software for Customer Service and anticipate spending \$25K-\$30K for Eden Payroll and Self-Service Module later this Fiscal Year.
P2486	Asset Management Plan Condition Assessment and Data Acquisition	Zhao	75	-	75	0%	1,015	859	156	85%	The hiring of a consultant has been put on hold.
P2511	Otay Interconnect Pipeline	Marchioro	50	413	(363)	826%	2,601	2,498	103	96%	FY 2016 expense currently projected at \$420K rather than \$50K. Purchase of Caltrans parcels was on hold during FY 2016 budget development cycle.
P2537	Operations Yard Property Acquisition Improvements	Beppler	450	25	425	6%	775	191	584	25%	Construction is expected to be completed this Fiscal Year and is estimated at \$500K.
P2540	Work Order Management System Replacement	Kerr	60	146	(86)	243%	500	443	57	89%	Payment for work scheduled for Q4 FY 2015 held until Contractor completed delivery of system in Q1 of FY 2016. Overall project is within budget.
P2541	624 Pressure Zone PRSs	Marchioro	525	9	516	2%	750	234	516	31%	On target. Q1 expense slower compared to Q2 through Q4 since contractor (CCL) has not yet broken ground. Linked to R2108.
P2547	District Administration Vehicle Charging Stations	Beppler	1	-	1	0%	60	11	49	18%	Little activity expected this Fiscal Year.
P2549	Fuel System Upgrade	Payne	30	-	30	0%	30	-	30	0%	To be completed in the 3rd QTR.
P2551	Blossom Lane Helix WD and Otay WD Interconnection	Beppler	150	2	148	1%	193	10	183	5%	Construction completion anticipated in early 2016. Invoices from HWD may total \$170K.
P2552	South Barcelona Helix WD and Otay WD Interconnection	Beppler	150	2	148	1%	200	10	190	5%	Invoices from HWD may total \$170K.
P2554	640/340 PRS at Energy Way and Nirvana Avenue	Marchioro	1	-	1	0%	400	-	400	0%	No progress anticipated in FY 2016.
P2555	Administration and Operations Parking Lot Improvements	Cameron	10	8	2	80%	500	8	492	2%	Project has been accelerated.
P2561	Res - 711-3 Reservoir Cover/Liner Replacement	Marchioro	5	-	5	0%	1,800	-	1,800	0%	No progress anticipated in FY 2016.
P2562	Res - 571-1 Reservoir Cover/Liner Replacement	Marchioro	1	-	1	0%	2,600	-	2,600	0%	No progress anticipated in FY 2016.
P2563	Res - 870-1 Reservoir Cover/Liner Replacement	Marchioro	1	-	1	0%	1,000	-	1,000	0%	No progress anticipated in FY 2016.
P2568	Technology Business Processes Improvement	Kerr	40	25	15	63%	115	25	90	22%	Anticipate spending another \$10K-\$20K for solutions for business process improvements.
P2569	Metro Ethernet Implementation/ District Facilities - Pilot	Kerr	100	-	100	0%	100	-	100	0%	This project will commence in the 3rd QTR.
P2570	SCADA Equipment & Infrastructure Enhancement	Kerr	-	-	-	0%	300	-	300	0%	No expenditures anticipated in FY 2016.
P2571	Datacenter Network Enhancement & Replacement of Infrastructure Componets	Kerr	-	-	-	0%	200	-	200	0%	No expenditures anticipated in FY 2016.
P2572	Enterprise Resource Planning (ERP) Replacement	Kerr	-	-	-	0%	250	-	250	0%	No expenditures anticipated in FY 2016.
R2077	RecPL - 24-Inch, 860 Zone, Alta Road - Alta Gate/Airway	Beppler	5	-	5	0%	2,850	2,810	40	99%	Little activity scheduled this Fiscal Year.
R2107	RWCWRF Screening Compactor and Chlorine Injectors Enclosure	Vaclavek	7	3	4	43%	215	180	35	84%	No further expenses projected for FY 2016. Project is complete.
R2108	Res - 927-1 Reservoir Cover Replacement	Marchioro	10	-	10	0%	1,090	1,082	8	99%	On target. Final warranty inspection scheduled for 3rd QTR.
R2110	RecPS - 944-1 Optimization and Pressure Zone Modifications	Marchioro	25	4	21	16%	200	88	112	44%	FY 2016 expense currently projected at \$45K rather than \$25K. Linked to P2541.
R2114	Large Recycle Pump Replacement at the RWCWRF 927-1 Pump Station	Anderson	40	-	40	0%	120	89	31	74%	No additional funds will be spent this Fiscal Year.
R2117	RWCWRF Disinfection System Improvements	Beppler	110	5	105	5%	2,500	109	2,391	4%	Waiting on results of IPR/DPR study on plant before making a decision on next step. Do not expect to spend the full Fiscal Year budget.

<sup>1</sup> Spending in Fiscal Year 2016 will be within the fiscal year-to-date budget amount. However, due to clerical errors during the budget preparation, the prior year's spending for CIPs P2040 and P2469 was understated. Staff has identified additional controls to prevent future inaccuracies and will correct these two CIPs in the upcoming budget process.

**FISCAL YEAR 2016  
FIRST QUARTER REPORT  
(Expenditures through 09/30/2015)  
(\$000)**

**Attachment B**

CIP No.	Description	Project Manager	FISCAL YEAR-TO-DATE, 09/30/15				LIFE-TO-DATE, 09/30/15				Comments
			FY 2016 Budget	Expenses	Balance	Expense to Budget %	Budget	Expenses	Balance	Expense to Budget %	
R2118	Steele Canyon Sewer PS Chopper Pump	Beppler	40	-	40	0%	40	-	40	0%	Engineering/OPS working on pump selection.
R2119	Treatment Plant Automation & Security Upgrades	Beppler	50	-	50	0%	200	-	200	0%	No activity to date; budget still adequate.
R2121	Res - 944-1 Reservoir Cover/Liner Replacement	Marchioro	25	13	12	52%	1,400	13	1,387	1%	On target.
R2122	Emergency Recycled Water Fire Hydrant Installations	Cameron	75	11	64	15%	75	11	64	15%	Project is on schedule; gathering Agency requirements.
S2043	RWCWRF Sludge Handling System	Beppler	1	-	1	0%	47	40	7	85%	Little activity scheduled this Fiscal Year.
	<b>Total Capital Facility Projects</b>	<b>Total:</b>	<b>3,096</b>	<b>860</b>	<b>2,236</b>	<b>28%</b>	<b>73,832</b>	<b>18,213</b>	<b>55,619</b>	<b>25%</b>	
	<b>REPLACEMENT/RENEWAL PROJECTS</b>										
P2382	Safety and Security Improvements	Ramirez	300	63	237	21%	2,667	2,321	346	87%	\$63K in District-wide system upgrades were completed by the end of Q1 FY 2016. Project phases will continue into FY 2016. It is anticipated that the remaining balance of \$237K will be expensed in phase projects during the remainder of FY 2016.
P2453	SR-11 Utility Relocations	Marchioro	5	97	(92)	1940%	2,250	1,515	735	67%	FY 2016 expense projected at \$180K, rather than \$5K. Construction contract not completed in FY 2015 as anticipated. Overall project within budget.
P2485	SCADA Communication System and Software Replacement	Segura	75	45	30	60%	2,014	1,455	559	72%	This project is on target. Estimated to expend 100% of the budgeted CIP.
P2493	624-2 Reservoir Interior/Exterior Coating	Cameron	55	2	53	4%	1,675	1,538	137	92%	Project is in the warranty period; expenditures planned for the 4th QTR.
P2494	Multiple Species Conservation Plan	Coburn-Boyd	87	2	85	2%	950	848	102	89%	Rate of contract completion estimated to increase in Q2, Q3, and Q4.
P2495	San Miguel Habitat Management/Mitigation Area	Coburn-Boyd	120	16	104	13%	2,100	1,156	944	55%	On track.
P2496	Otay Lakes Road Utility Relocations	Martin	20	-	20	0%	325	282	43	87%	Final punch list items pending from City.
P2504	Regulatory Site Access Road and Pipeline Relocation	Cameron	50	-	50	0%	900	329	571	37%	Project is driven by County Fire.
P2507	East Palomar Street Utility Relocation	Cameron	25	10	15	40%	940	704	236	75%	Project is complete; processing reimbursement.
P2508	Pipeline Cathodic Protection Replacement Program	Marchioro	150	4	146	3%	725	188	537	26%	Pace anticipated to accelerate during Q2 through Q3.
P2515	870-1 Reservoir Paving	Beppler	15	4	11	27%	510	509	1	100%	Project construction complete. Project was accepted on February 11, 2015 and has a one year warranty.
P2518	803-3 Reservoir Interior/Exterior Coating	Cameron	20	-	20	0%	700	638	62	91%	Project is in the warranty period, expenditures planned for the 3rd QTR.
P2519	832-2 Reservoir Interior/Exterior Coating	Cameron	20	1	19	5%	750	663	87	88%	Project is in the warranty period, expenditures planned for the 3rd QTR.
P2520	Motorola Mobile Radio Upgrade	Martinez	30	-	30	0%	135	77	58	57%	Anticipate spending in the 3rd QTR.
P2529	711-2 Reservoir Interior & Exterior Coating	Cameron	600	20	580	3%	790	35	755	4%	Project is on schedule, construction to begin in the 2nd QTR.
P2530	711-1 Reservoir Interior & Exterior Coating	Cameron	800	21	779	3%	1,040	37	1,003	4%	Project is on schedule, construction to begin in the 2nd QTR.
P2531	944-1 Reservoir Interior & Exterior Coating	Cameron	205	79	126	39%	390	90	300	23%	Project is behind schedule. Contractor is being assessed liquidated damages.
P2532	944-2 Reservoir Interior & Exterior Coating	Cameron	101	48	53	48%	946	935	11	99%	Reservoir in service. Contractor to complete punch list items; associated with P2531.
P2533	1200-1 Reservoir Interior & Exterior Coating	Cameron	5	-	5	0%	565	-	565	0%	Project is on schedule, expenditures planned for the 4th QTR.
P2534	978-1 Reservoir Interior & Exterior Coating	Cameron	-	-	-	0%	325	-	325	0%	No expenditures for FY 2016.
P2535	458-2 Reservoir Interior & Exterior Coating & Upgrades	Cameron	294	205	89	70%	839	579	260	69%	Project is behind schedule. Contractor is being assessed liquidated damages.
P2538	Administration and Operations Building Fire Sprinkler Replacement Program	Cameron	5	1	4	20%	110	65	45	59%	Project is on schedule.
P2539	South Bay Bus Rapid Transit (BRT) Utility Relocations	Cameron	100	5	95	5%	940	835	105	89%	SANDAG driven project.
P2542	850-3 Reservoir Interior Coating	Cameron	230	240	(10)	104%	530	385	145	73%	Construction contract acceptance anticipated in Q2.
P2543	850-1 Reservoir Interior/Exterior Coating	Cameron	-	-	-	0%	575	-	575	0%	No expenditures for FY 2016.

**FISCAL YEAR 2016  
FIRST QUARTER REPORT  
(Expenditures through 09/30/2015)  
(\$000)**

**Attachment B**

CIP No.	Description	Project Manager	FISCAL YEAR-TO-DATE, 09/30/15				LIFE-TO-DATE, 09/30/15				Comments	
			FY 2016 Budget	Expenses	Balance	Expense to Budget %	Budget	Expenses	Balance	Expense to Budget %		
P2544	850-2 Reservoir Interior/Exterior Reservoir Coating	Cameron	5	-	5	0%	940	-	940	0%	Project is on schedule, expenditures planned for the 4th QTR.	
P2545	980-1 Reservoir Interior Exterior Coating	Cameron	950	9	941	1%	1,495	9	1,486	1%	Project is on schedule. Construction to begin in the 3rd QTR.	
P2546	980-2 Reservoir Interior/Exterior Coating	Cameron	-	-	-	0%	1,450	-	1,450	0%	No expenditures for FY 2016.	
P2550	Fuel Island Upgrade	Payne	75	-	75	0%	75	-	75	0%	To be completed in the 3rd QTR.	
P2553	Heritage Road Bridge Replacement and Utility Relocation	Cameron	10	-	10	0%	1,200	-	1,200	0%	City of Chula Vista driven project.	
P2557	520 Res Recirculation Pipeline Chemical Supply and Analyzer Feed Replacement Project	Beppler	1	-	1	0%	100	-	100	0%	Little activity scheduled this Fiscal Year.	
P2558	Additional Pump Station Fuel Storage	Rahders	25	-	25	0%	25	-	25	0%	Will be expensed by end of 3rd QTR.	
P2559	Pressure Vessel Repair and Replacement Program	Marchioro	50	15	35	30%	300	15	285	5%	On target.	
P2564	Administration Carpet Replacement Program	Payne	65	-	65	0%	215	-	215	0%	To be completed in the 3rd QTR.	
P2565	803-2 Reservoir Interior/Exterior Coating & Upgrades	Cameron	-	-	-	0%	725	-	725	0%	No expenditures for FY 2016.	
P2566	520-2 Reservoir Interior/Exterior Coating & Upgrades	Cameron	-	-	-	0%	1,790	-	1,790	0%	No expenditures for FY 2016.	
P2567	1004-2 Reservoir Interior/Exterior Coating & Upgrades	Cameron	-	-	-	0%	565	-	565	0%	No expenditures for FY 2016.	
R2109	Sweetwater River Wooden Trestle Improvement for the Recycled Water Forcemain	Beppler	400	15	385	4%	516	135	381	26%	Construction to begin in Q2. Construction completion anticipated in Q4 of FY 2016.	
R2111	RWCWRF - RAS Pump Replacement	Beppler	250	23	227	9%	600	173	427	29%	Construction completion anticipated in Q2 of FY 2016. Projected to exceed FY 2016 budget, but not total project budget.	
R2112	450-1 Disinfection Facility Rehabilitation	Cameron	40	56	(16)	140%	265	207	58	78%	Project is in the Warranty period.	
R2116	RecPL - 14-Inch, 927 Zone, Forcemain Assessment and Repair	Marchioro	225	39	186	17%	1,750	405	1,345	23%	On target.	
R2120	RWCWRF Filtered Water Storage Tank Improvements	Beppler	10	-	10	0%	500	-	500	0%	No activity to date; budget appears to be adequate.	
S2012	San Diego County Sanitation District Outfall and RSD Outfall Replacement	Beppler	50	-	50	0%	1,935	1,020	915	53%	District will receive invoice from the County late in the 4th QTR.	
S2024	Campo Road Sewer Main Replacement	Beppler	500	172	328	34%	5,500	776	4,724	14%	Completion of design services expected this Fiscal Year. Estimated costs are within budget.	
S2027	Rancho San Diego Pump Station Rehabilitation	Beppler	320	5	315	2%	3,500	78	3,422	2%	Project design is complete. Expect to see invoices for design only from County this Fiscal Year.	
S2033	Sewer System Rehabilitation	Beppler	900	58	842	6%	6,000	1,629	4,371	27%	Rancho San Diego-Phase 1 project is out for bids in Q1. Construction scheduled for Q3 and Q4. Expect to spend allocated budget.	
<b>Total Replacement/Renewal Projects</b>			<b>Total:</b>	<b>7,188</b>	<b>1,255</b>	<b>5,933</b>	<b>17%</b>	<b>53,137</b>	<b>19,631</b>	<b>33,506</b>	<b>37%</b>	
<b>CAPITAL PURCHASE PROJECTS</b>												
P2282	Vehicle Capital Purchases	Rahders	556	-	556	0%	5,191	3,105	2,086	60%	\$405K encumbered which will be expensed in 3rd QTR. \$151K will be expensed by end of 4th QTR.	
P2285	Office Equipment and Furniture Capital Purchases	Payne	15	-	15	0%	589	536	53	91%	To be completed by the end of the 4th QTR.	
P2286	Field Equipment Capital Purchases	Rahders	50	-	50	0%	1,808	1,303	505	72%	Will be expensed by end of 3rd QTR.	
P2366	APCD Engine Replacements and Retrofits	Rahders	535	-	535	0%	3,835	2,535	1,300	66%	Anticipate a 10% savings. CP 22 will be purchased in 2nd QTR; CP17 will be purchased during the 4th QTR.	
<b>Total Capital Purchase Projects</b>			<b>Total:</b>	<b>1,156</b>	<b>-</b>	<b>1,156</b>	<b>0%</b>	<b>11,423</b>	<b>7,479</b>	<b>3,944</b>	<b>65%</b>	
<b>DEVELOPER REIMBURSEMENT PROJECTS</b>												
P2556	HWY 94 Upsized Utility Relocations at Melody Lane	Beppler	1	-	1	0%	250	-	250	0%	Little activity scheduled this Fiscal Year.	
<b>Total Developer Reimbursement Projects</b>			<b>Total:</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>0%</b>	<b>250</b>	<b>-</b>	<b>250</b>	<b>0%</b>	
89	<b>GRAND TOTAL</b>		<b>\$ 11,441</b>	<b>\$ 2,115</b>	<b>\$ 9,326</b>	<b>18%</b>	<b>\$ 138,642</b>	<b>\$ 45,323</b>	<b>\$ 93,319</b>	<b>33%</b>		

# Otay Water District Capital Improvement Program

Fiscal Year 2016  
First Quarter  
(through September 30, 2015)



850-3 (3.0 MG) New Center Support Structure

# Background

The approved CIP Budget for Fiscal Year 2016 consists of 80 projects that total \$11.4 million. These projects are broken down into four categories.

- |                            |                 |
|----------------------------|-----------------|
| 1. Capital Facilities      | \$ 3.1 million  |
| 2. Replacement/Renewal     | \$ 7.2 million  |
| 3. Capital Purchases       | \$ 1.1 million  |
| 4. Developer Reimbursement | \$ 1.0 thousand |

Overall expenditures through the First Quarter of Fiscal Year 2016 totaled \$2.1 million, which is approximately 18% of the Fiscal Year budget.

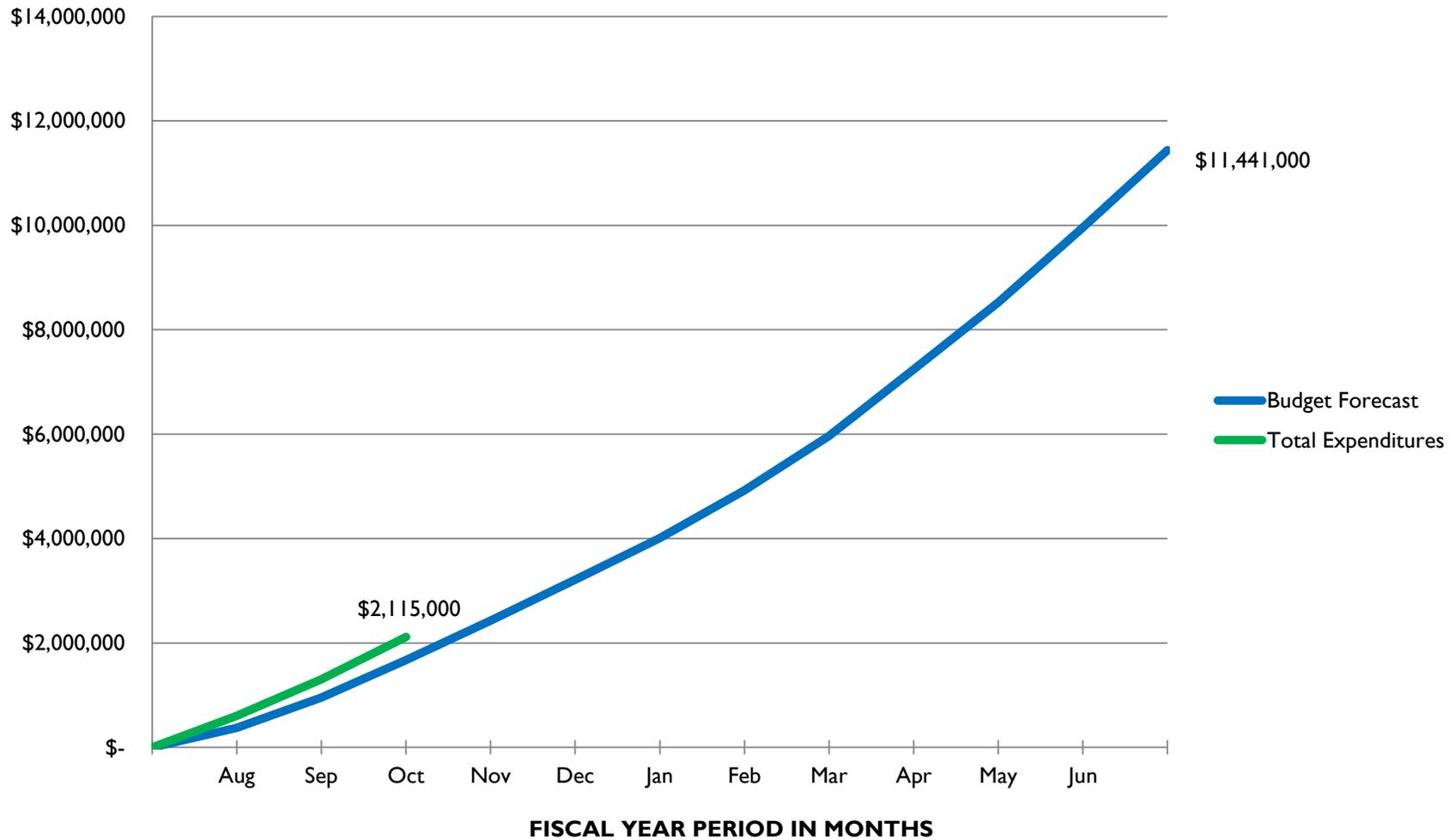
# Fiscal Year 2016

## First Quarter Update

(\$1,000)

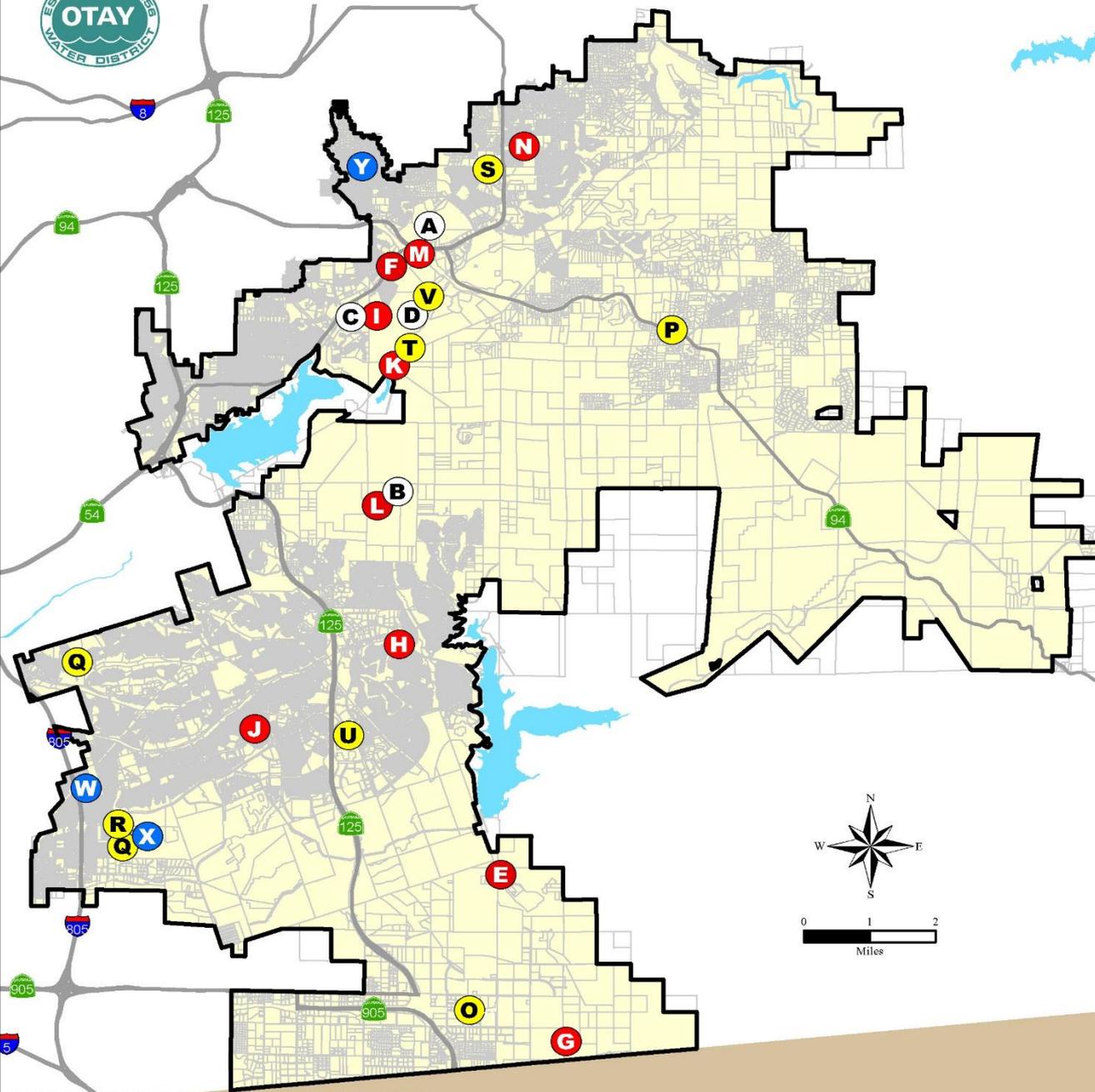
CIP CAT	Description	FY 2016 Budget	FY 2016 Expenditures	% FY 2016 Budget Spent	Total Life-to-Date Budget	Total Life-to-Date Expenditures	% Life-to-Date Budget Spent
1	<b>Capital Facilities</b>	\$3,096	\$860	28%	\$73,832	\$18,213	25%
2	<b>Replacement/ Renewal</b>	\$7,188	\$1,255	17%	\$53,137	\$19,631	37%
3	<b>Capital Purchases</b>	\$1,156	\$0	0%	\$11,423	\$7,479	65%
4	<b>Developer Reimbursement</b>	\$1	\$0	0%	\$250	\$0	0%
	<b>Total:</b>	\$11,441	\$2,115	18%	\$138,642	\$45,323	33%

# Fiscal Year 2016 First Quarter CIP Budget Forecast vs. Expenditures





# MAJOR CIP PROJECTS Fiscal Year 2016 - 1st Quarter



## PLANNING - 4

- (A)** P2504 - Regulatory Site Access Road & Pipeline Relocation
- (B)** P2545 - 980-1 Reservoir Interior/Exterior Coating
- (C)** P2547 - District Administration Vehicle Charging Stations
- (D)** R2117 - RWCWRF Contact Basin Expansion

## DESIGN - 10

- (E)** P2083 - 870-2 Pump Station Replacement
- (F)** P2267 - 36-Inch Main Pumpouts and Air/Vac Installations
- (G)** P2451 - Otay Mesa Conveyance and Disinfection System
- (H)** P2530/P2529 - 711-1 & 711-2 Reservoir Interior/Exterior Coating
- (I)** P2537 - Operations Yard Property Acquisition Improvements
- (J)** P2539 - South Bay Bus Rapid Transit (BRT) Utility Relocations
- (K)** R2116 - 14-Inch Forcemain Assessment and Repair
- (L)** R2121 - 944-1R Reservoir Cover and Liner Replacement
- (M)** S2024 - Campo Road Sewer Main Replacement
- (N)** S2033 - Rancho San Diego Basin Sewer Rehab - Phase 1

## CONSTRUCTION - 8

- (O)** P2453 - SR-11 Utility Relocations
- (P)** P2531/P2532 - 944-1 & 944-2 Reservoir Interior/Exterior Coating
- (Q)** P2541 - 624PZ Pressure Reducing Stations
- (R)** P2535 - 458-2 Reservoir Interior/Exterior Coating
- (S)** P2542 - 850-3 Reservoir Interior Coating
- (T)** R2109 - Sweetwater River Trestle Improvements
- (U)** R2110 - 944-1 Optimization and Pressure Zone Modifications
- (V)** R2111 - RAS Pump Replacement

## COMPLETED - 3

- (W)** P2507 - East Palomar Street Utility Relocation
- (X)** R2112 - 450-1 Disinfection Facility Rehabilitation
- (Y)** S2033 - Calavo Basin Sewer Rehab - Phase 1

# CIP Projects in Construction

- 850-3 Reservoir Interior Coating & Upgrades (P2542)
- Remove and Replace Deteriorating Reservoir Coatings.
- Structural Modifications to Increase Service Life.
- \$0.53M Budget
- Start: May 2015
- Estimated Completion: November 2015



850-3 (3.0 MG) Completed Interior Coating



850-3 (3.0 MG) Door Sheet Installation

# CIP Projects in Construction

- 944-1, 944-2, & 458-2 Reservoir Interior/Exterior Coating & Upgrades (P2531, P2532, P2535)
- Remove and Replace Deteriorating Reservoir Coatings.
- Structural Modifications to Increase Service Life.
- \$2.18M Budget
- Start: November 2014
- Estimated Completion: December 2015



458-2 (1.75 MG) Blasting Roof In Containment



944-1 (0.3 MG) Interior Reservoir Blasting Progress

# CIP Projects in Construction

- RWCWRF – Return Activated Sludge (RAS) Pump Replacement (R2111)
- Replace 3 RAS Pumps, motors, variable frequency drives, and associated electrical and piping work.
- \$0.60M Budget
- Start: February 2015
- Estimated Completion: December 2015



RAS Pumps Waste Piping Modifications



Pre-Installation Pipe Coating Progress

# CIP Projects in Construction

- SR-II Utility Relocations Sequence I (P2453)
- Relocate Existing Water Facilities to support SR-II Construction.
- \$2.25M Budget
- Start: February 2014
- Estimated Completion: November 2015



SR-II Connection Work for 18-inch Waterline

# Construction Contract Status

## FY 2016 CIP CONSTRUCTION PROJECTS

CIP NO.	PROJECT TITLE	CONTRACTOR	BASE BID AMOUNT	CONTRACT AMOUNT W/ ALLOWANCES	NET CHANGE ORDERS LTD*		CURRENT CONTRACT AMOUNT	TOTAL EARNED TO DATE	% CHANGE ORDERS W/ ALLOWANCE CREDIT**	% COMPLETE	EST. COMP. DATE
					PROJECT TOTAL	%					
<b>P2453-002103</b>	SR-11 Potable Water Utility Relocations - Sequence 1	Coffman Specialties, Inc.	\$947,380	\$992,380	\$39,480	4.2%	\$986,860	\$949,703	-0.6%	96.2%	<b>November 2015</b>
<b>P2531 P2532 P2535</b>	944-1, 944-2, & 458-2 Reservoirs Interior/Exterior Coating & Upgrades	Olympus and Associates Inc.	\$1,146,008	\$1,206,008	\$90,309	7.9%	\$1,296,317	\$1,008,733	7.5%	77.8%	<b>December 2015</b>
<b>R2111</b>	RWCWRF RAS Pumps Replacement	Cora Constructors Inc.	\$295,315	\$315,315	\$0	0.0%	\$295,315	\$113,965	-6.3%	38.6%	<b>December 2015</b>
<b>R2112</b>	450-1 Disinfection Facility Rehabilitation	Fordyce Construction, Inc.	\$108,350	\$128,350	(\$360)	-0.3%	\$107,990	\$107,990	-15.9%	100.0%	<b>Completed August 2015</b>
<b>S2033</b>	Calavo Basin Sewer Rehabilitation Phase 1	Arrieta Construction Inc.	\$521,890	\$529,490	(\$34,531)	-6.6%	\$494,959	\$494,959	-6.5%	100.0%	<b>Completed August 2015</b>
<b>P2542</b>	850-3 Reservoir Interior Coating	Abhe & Svoboda Inc.	\$336,720	\$366,720	\$25,410	7.5%	\$392,130	\$261,836	6.9%	66.8%	<b>November 2015</b>
<b>R2109</b>	Sweetwater River Trestle Improvements	Fordyce Construction, Inc.	\$153,740	\$173,740	\$0	0.0%	\$153,740	\$0	-11.5%	0.0%	<b>March 2016</b>
<b>P2541 R2110</b>	624 Zone PRSs & 944-R PRS Improvements	CCL Contracting Inc.	\$445,209	\$455,209	\$0	0.0%	\$445,209	\$0	-2.2%	0.0%	<b>March 2016</b>
		<b>TOTALS:</b>	<b>\$3,954,612</b>	<b>\$4,167,212</b>	<b>\$120,309</b>	<b>3.0%</b>	<b>\$4,172,521</b>	<b>\$2,937,186</b>	<b>0.1%</b>		

\*NET CHANGE ORDERS DO NOT INCLUDE ALLOWANCE ITEM CREDITS. IT'S A TRUE CHANGE ORDER PERCENTAGE FOR THE PROJECT

\*\*THIS CHANGE ORDER RATE INCLUDES THE CREDIT FOR UNUSED ALLOWANCES

# Consultant Contract Status

Consultant	CIP No.	Project Title	Original Contract Amount	Total Change Orders	Revised Contract Amount	Approved Payment To Date	% Change Orders	% Project Complete	Date of Signed Contract	End Date of Contract
<b>PLANNING</b>										
ATKINS	Varies	2015 WATER FACILITIES MASTER PLAN UPDATE	\$ 434,731.00	\$ -	\$ 434,731.00	\$ 271,627.23	0.0%	62.5%	1/28/2014	12/31/2016
CAROLLO ENGINEERS, INC.	VARIES	2015 INTEGRATED WATER RESOURCES PLAN UPDATE	\$ 99,993.00	\$ 6,300.00	\$ 106,293.00	\$ 42,778.87	6.3%	40.2%	11/17/2014	6/30/2016
CH2M HILL ENGINEERS INC	Varies	2015 URBAN WATER MANAGEMENT PLAN UPDATE	\$ 49,839.00		\$ 49,839.00	\$ -	0.0%	0.0%	9/10/2015	6/30/2018
WATER SYSTEMS CONSULTING INC	VARIES	AS-NEEDED HYDRAULIC MODELING FY15/16	\$ 175,000.00	\$ -	\$ 175,000.00	\$ 51,439.00	0.0%	29.4%	7/15/2014	6/30/2016
<b>DESIGN</b>										
AECOM	P2451	OTAY MESA CONVEYANCE AND DISINFECTION SYSTEM (DESIGN ENGINEER)	\$ 3,910,297.00	\$(131,859.00)	\$ 3,778,438.00	\$1,254,374.24	-3.4%	33.2%	1/6/2011	6/30/2018
ARCADIS U.S., INC.	P2434, P2511	VALUE ENGINEERING AND CONSTRUCTIBILITY REVIEW	\$ 153,628.00	\$ -	\$ 153,628.00	\$ 70,208.73	0.0%	45.7%	1/24/2012	6/30/2016
ARCADIS U.S. INC	VARIES	AS-NEEDED DESIGN FY 15-16	\$ 300,000.00	\$ -	\$ 300,000.00	\$ 138,182.90	0.0%	46.1%	9/11/2014	6/30/2016
ATKINS	Varies	AS-NEEDED ENGINEERING DESIGN SERVICES FY12-13	\$ 175,000.00	\$ -	\$ 175,000.00	\$ 157,396.56	0.0%	89.9%	10/26/2011	6/30/2016
BROWNSTEIN HYATT FARBER SCHRECK	P2451	OTAY MESA CONVEYANCE AND DISINFECTION SYSTEM (BINATIONAL WATER AND RELATED ISSUES)	\$ 100,000.00	\$ -	\$ 100,000.00	\$ 3,240.69	0.0%	3.2%	7/1/2015	6/30/2017
BSE ENGINEERING INC	Varies	AS-NEEDED ELECTRICAL SERVICES	\$ 100,000.00	\$ -	\$ 100,000.00	\$ 29,859.62	0.0%	29.9%	7/1/2012	6/30/2016
CAROLLO ENGINEERS INC	P2083	DESIGN/CONSTRUCTION FOR 870-2 PS	\$ 624,910.00	\$ 29,000.00	\$ 653,910.00	\$ 346,101.40	4.6%	52.9%	10/11/2013	12/31/2017
HDR ENGINEERING INC	Varies	CORROSION SERVICES FY14-FY16	\$ 684,750.00	\$ 45,000.00	\$ 729,750.00	\$ 597,283.01	6.6%	81.8%	11/22/2013	12/31/2015
LEE & RO INC	P2511	OTAY INTERCONNECT PIPELINE	\$ 2,769,119.00	\$ -	\$ 2,769,119.00	\$1,111,674.73	0.0%	40.1%	11/4/2010	12/31/2015
MICHAEL D.KEAGY REAL ESTATE	Varies	AS-NEEDED APPRAISAL SERVICES FY13-14	\$ 45,000.00	\$ -	\$ 45,000.00	\$ 39,500.00	0.0%	87.8%	9/17/2012	6/30/2016



# Consultant Contract Status

Consultant	CIP No.	Project Title	Original Contract Amount	Total Change Orders	Revised Contract Amount	Approved Payment To Date	% Change Orders	% Project Complete	Date of Signed Contract	End Date of Contract
NINYO & MOORE	Varies	GEOTECHNICAL SERVICES	\$ 175,000.00	\$ -	\$ 175,000.00	\$ 37,595.00	0.0%	21.5%	4/9/2015	6/30/2018
PIPELINE INSPECTION & CONDITION ANALYSIS CORPORATION	R2116	INSPECTION AND CONDITION ASSESSMENT OF THE RALPH W. CHAPMAN WATER RECYCLING FACILITY 14-INCH FORCE MAIN	\$ 302,092.00	\$ -	\$ 302,092.00	\$ 87,500.00	0.0%	29.0%	12/18/2014	4/30/2016
PSOMAS	VARIES	AS-NEEDED DESIGN FY 15-16	\$ 300,000.00	\$ -	\$ 300,000.00	\$ 20,472.63	0.0%	6.8%	9/11/2014	6/30/2016
RFYEAGER	Varies	AS-NEEDED CORROSION ENGINEERING AND RESERVOIR COATING INSPECTION	\$ 175,000.00	\$ -	\$ 175,000.00	\$ 86,604.00	0.0%	49.5%	2/9/2015	12/31/2016
RICK ENGINEERING COMPANY	S2024	CAMPO ROAD SEWER MAIN REPLACEMENT PROJECT	\$ 805,705.00	\$ -	\$ 805,705.00	\$ 462,731.07	0.0%	57.4%	5/27/2014	12/31/2017
RICK ENGINEERING COMPANY	Varies	TRAFFIC ENGINEERING SERVICES FY 16-18	\$ 175,000.00	\$ -	\$ 175,000.00	\$ 4,838.00	0.0%	2.8%	7/1/2015	6/30/2018
SILVA SILVA CONSULTING	P2451	OTAY MESA CONVEYANCE AND DISINFECTION SYSTEM (BINATIONAL WATER AND RELATED ISSUES)	\$ 115,000.00	\$ -	\$ 115,000.00	\$ 60,289.05	0.0%	52.4%	5/1/2014	6/30/2016
<b>CONSTRUCTION SERVICES</b>										
AIRX UTILITY SURVEYORS	Varies	AS-NEEDED SURVEYING SERVICES FY 14-15	\$ 175,000.00	\$ 45,000.00	\$ 220,000.00	\$ 191,519.25	25.7%	87.1%	9/18/2013	6/30/2016
AIRX UTILITY SURVEYORS	Varies	UTILITY LOCATING SERVICES FY 16-18	\$ 350,000.00		\$ 350,000.00	\$ -	0.0%	0.0%	10/12/2015	6/30/2018
ALYSON CONSULTING	Varies	CONSTRUCTION MGMT/INSPECTION FY 13-15	\$ 350,000.00	\$ 35,000.00	\$ 385,000.00	\$ 365,213.75	10.0%	94.9%	10/24/2012	12/31/2015
ALYSON CONSULTING	Varies	CONSTRUCTION MGMT/INSPECTION FY 16-17	\$ 350,000.00	\$ -	\$ 350,000.00	\$ 6,120.00	0.0%	1.7%	7/1/2015	6/30/2017
MICHAEL BAKER INT'L INC	P2083	870-2 PS CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES	\$ 853,457.00	\$ -	\$ 853,457.00	\$ 27,220.50	0.0%	3.2%	7/30/2014	12/31/2017



# Consultant Contract Status

Consultant	CIP No.	Project Title	Original Contract Amount	Total Change Orders	Revised Contract Amount	Approved Payment To Date	% Change Orders	% Project Complete	Date of Signed Contract	End Date of Contract
<b>ENVIRONMENTAL</b>										
HELIX ENVIRONMENTAL	VARIES	MAINTENANCE AND MONITORING OF THE SAN MIGUEL HABITAT MANAGEMENT AREA AND CIP ASSOCIATED MITIGATION PROJECTS	\$ 476,173.00	\$ -	\$ 476,173.00	\$ 97,821.99	0.0%	20.5%	12/19/2014	12/31/2017
ICF INTERNATIONAL JONES & STOKES INC	VARIES	AS-NEEDED ENVIRONMENTAL SERVICES FY 15/16/17	\$ 375,000.00	\$ -	\$ 375,000.00	\$ 100,549.92	0.0%	26.8%	7/18/2014	6/30/2017
RECON	P2494	PREPARATION OF THE SUBAREA PLAN	\$ 270,853.00	\$ -	\$ 270,853.00	\$ 220,133.36	0.0%	81.3%	3/28/2008	6/30/2018
<b>WATER RESOURCES</b>										
MICHAEL R. WELCH	Varies	ENGINEERING PLANNING SVCS.	\$ 100,000.00	\$ -	\$ 100,000.00	\$ 9,750.00	0.0%	9.8%	4/9/2014	6/30/2019
<b>PUBLIC SERVICES</b>										
AEGIS	Varies	AS-NEEDED DEVELOPER PROJECTS FY 15-16	\$ 400,000.00	\$ -	\$ 400,000.00	\$ 71,174.56	0.0%	17.8%	2/12/2015	6/30/2017
<b>TOTALS:</b>			\$15,370,547.00	\$ 28,441.00	\$15,398,988.00	\$5,963,200.06	0.2%			



# QUESTIONS?

# AGENDA ITEM 20b



## STAFF REPORT

TYPE MEETING: Regular Board

MEETING DATE: January 6, 2016

PROJECT:

DIV. NO. All

SUBMITTED BY: Kevin Koeppen, Finance Manager

APPROVED BY:  Joseph R. Beachem, Chief Financial Officer  
 German Alvarez, Assistant General Manager  
 Mark Watton, General Manager

SUBJECT: Retiree Healthcare Benefits - Review of the Actuarial Report and Net Cost of the Enhancement of the Retiree Healthcare Benefits

### GENERAL MANAGER'S RECOMMENDATION:

This staff report is an informational item that provides findings to the Board of Directors regarding:

1. The latest actuarial valuation performed as of June 30, 2015.
2. The actuarial evaluation determining the net cost or savings of the Other Post Employment Benefit (OPEB) Plan enhancement versus the increased employee contributions to PERS.

### COMMITTEE ACTION:

See Attachment A.

### PURPOSE:

Every two years the District is required to hire an Actuary to perform a study that determines the cost of the District's OPEB Plan. The District has received the 2015 Actuarial Report prepared by Bartel Associates, LLC. This study is what determines the District's Annual Required Contribution (ARC) which is reported in the District's financial statements. In addition to the typical information found in an actuarial study, Bartel Associates was asked to evaluate the status of the cost and benefit of the increased employee contributions to PERS and the enhancement of the OPEB benefits.

## **ANALYSIS:**

Every two years the District hires an actuarial firm to prepare the OPEB evaluation which is used to determine the Annual Required Contribution. This evaluation has been completed and the findings are presented in this Staff Report.

### **Annual Required Contribution (ARC)**

The Actuary has made a number of assumption changes that have decreased the Actuarial Accrued Liability (AAL) and the Annual Required Contribution. The most significant change is a result of reductions in the estimated medical costs. Actual inflation of medical costs have been lower than what was projected in the previous actuarial study. When compared to the previous actuarial study, these along with other changes have decreased the ARC by \$140,000 in FY 2016, \$136,000 in FY 2017, and reduced the AAL by \$1.8 million. These changes also have a positive effect on the current funding level of the OPEB Trust (Trust).

### **Cost/Savings of Plan and Contribution Changes**

Since the 2011 OPEB change, staff has reported to the Board on two occasions regarding the net savings status. In the 2013 actuarial study the net costs were anticipated to exceed the projected benefit by \$43,000 and the cost was expected to increase slightly over time. In the 2015 actuarial study the net costs of the additional benefit is expected to exceed the projected benefit by \$30,000 for FY 2016. The net cost is expected to decrease over time and provide a net benefit beginning in FY 2017 and remain a benefit in all future years.

In FY 2016, the cost of the benefit enhancement is projected to be \$1,007,000 while the savings from the increased employee PERS contribution is projected to be \$978,000. These net costs to the District, projected by the Actuary, will decrease in FY 2017 and all subsequent years. Beginning in FY 2017 the projected benefit is expected to exceed the projected cost. Beginning in FY 2017 the benefit is estimated to result in a net savings to the District of \$22,000 followed by savings of \$79,000, \$142,000, and \$214,000 in the following three years.

Using the new assumptions, the unrepresented employees continue to have a positive net savings to the District of \$12,000 a year. This savings is expected to grow slightly over time. The net savings of the plan change and contributions for the represented employees remains slightly negative at -\$41,000. However, this impact is expected to become positive in FY 2017 and remain positive in all future years.

### **Funding Status**

In addition to the District funding the ARC for the plan, it has also paid the retiree medical premiums. As a result of these payments of retiree medical premiums not being paid from the Trust, the funding

level is accelerated. The District has continued to budget for these costs and this actuarial study reflects this funding level. With all the assumption changes, the actuarial study shows the Trust funding level increasing from the current 71% to 97% over the six-year budget plan, FY 2016 to FY 2021. The prior actuarial study anticipated the funding level to be 93% by FY 2021.

**Budget Impact**

Staff did not account for a decreasing ARC in the budgeting process as the study occurred after the budget. As a result of this, the District's rate modeling for OPEB funding is greater than the actuarially projected costs in all fiscal years. In the current year, with the assumption changes the budgeted funding is approximately \$140,000 greater than the actuarial projected cost. In the next fiscal year, FY 2017, the projected budget will be greater than the projected cost by \$136,000. Staff will adjust down the future funding projections in the next budget process to match the newest actuarial projected costs. After all assumption and projection changes are factored into the actuarial calculations, the funding level of the Trust is expected to reach 100% by fiscal year 2022.

**FISCAL IMPACT:**             Joe Beachem, Chief Financial Officer

For FY 2016 the updated OPEB costs are below the budgeted OPEB funding by \$140,000.

**STRATEGIC GOAL:**

The District ensures its continued financial health through long-term financial planning.

**LEGAL IMPACT:**

N/A

Attachments:

- A - Committee Action
- B - Actuarial Valuation Report
- C - OPEB Contribution Study



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Retiree Health Care Benefits - Review of the Actuarial Report and Net Cost of the Enhancement of the Retiree Healthcare Benefits
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### COMMITTEE ACTION:

The Finance, Administration, and Communications Committee reviewed this item at a meeting held on December 7, 2015 and the following comments were made:

- Staff is presenting information on two (2) actuarial studies performed by Bartell and Associates related to the District's Other Post Employment Benefit Plan (OPEB).
  - The first study is the Actuarial Report which determines the District's annual contribution and unfunded liability.
  - The second study compares the net change in the OPEB cost due to the 2011 enhancement and the additional employee contributions agreed to at that time.
- Every two (2) years the District is required to have an actuarial study performed to determine the cost of the Annual Required Contribution (ARC). The previous valuation was performed as of June 30, 2013. The valuations presented today were performed as of June 30, 2015 and cover fiscal years 2016 and 2017.
- The first actuarial study presented is for FY2015 and shows a reduction in OPEB costs versus the previous study performed in 2013. The FY2015 actuarial study calculates the FY2016 and FY2017 ARC, when compared to the 2013 study, are decreasing by \$140,000 and \$136,000, respectively. The accrued actuarial liability has decreased \$1.8 million.
- The most significant changes that positively impacted the recent actuarial results were decreases in the medical costs from the 2013 study. This decrease was partially offset by changes in CALPERS' demographics and mortality rates. These changes, combined with accelerated funding, provide a significant positive effect on the future ARC and Trust funding levels.

- The District's plan to continue the accelerated funding, by paying the retiree medical premiums, results in a long-term benefit by significantly reducing the District's ARC payments over time.
  - As a result, the current study projects the funding level to reach 97% over the next six (6) years, which is a 4% increase versus the previous report completed in 2013.
  - The plan is expected to be fully funded by 2023
- When compared to budget, the FY2016 OPEB costs per the actuarial study, are \$140,000 less than budget and the FY2017 OPEB costs are \$136,000 less than budget.
- The District also requested that the actuaries perform an evaluation comparing the cost associated with the 2011 enhanced OPEB plan to the additional employee contributions to PERS.
- While the costs of the OPEB benefit are anticipated to exceed the benefits of the additional employee PERS contribution by \$30,000 in FY2016, the net cost is expected to decrease over time and provide a net benefit beginning in FY2017 and remain a benefit in all future years.
- In response to an inquiry from the committee, staff indicated that in 2011 it was estimated that the District's OPEB fund would have a small financial benefit that would grow over time. In 2013 the OPEB estimate indicated a small financial detriment that would increase over a long period of time. The evaluation this year (2015) shows a couple years of negative financial impact that would then become a fairly sizable positive impact over time. The positive trend will continue in all future years. The additional employee PERS contributions, thus, are funding the enhanced benefit.
- The District's OPEB is currently 70% funded and is expected to be 100% funded in 7 years.
- The committee requested that staff provide training for the members of the board on how to read the actuarial report as they would like to understand the information in the report. Staff will schedule a workshop for the board to review the report with the actuary.

Upon completion of the discussion, the committee supported staffs' recommendation and presentation to the full board as an informational item.



**BARTEL**  
ASSOCIATES, LLC

**OTAY WATER DISTRICT  
RETIREE HEALTHCARE PLAN**

June 30, 2015 GASB 45 Actuarial Valuation  
Preliminary Results

**Bartel Associates, LLC**  
Joseph R. D'Onofrio, Assistant Vice President  
Adam Zimmerer, Actuarial Analyst  
Tak Frazita, Associate Actuary  
**September 10, 2015**

**AGENDA**

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## BENEFIT SUMMARY

**■ Eligibility**  
Service  
Retirement

- Full-time employees who retire directly from District under CalPERS (service or disability)
- Unrepresented retired ≤ 7/15/11; Represented retired ≤ 8/10/11:
  - Hired < 1/1/81 - Age 55 and 5 years of District service
  - Hired ≥ 1/1/81 - Age 55 and age plus District service ≥ 70
- Unrepresented<sup>1</sup> retired > 7/15/11; Represented retired > 8/10/11:
  - Hired < 1/1/13 - Age 55 and 20 years of District service (15 years for Unrepresented)
  - Hired ≥ 1/1/13 - Age 55 & 20 years of District service
- Directors:
  - Elected < 1/1/95 - Age 60 and 12 years of District service<sup>2</sup>
  - Elected ≥ 1/1/95 - Not eligible
- District service for eligibility is continuous service from last hire date
- Medicare eligible retirees and spouses must enroll in Medicare
- Retirees who waive coverage cannot rejoin plan

<sup>1</sup> Includes General Manager.

<sup>2</sup> All current Directors were elected after 1/1/95. There are 2 retired Directors.



## BENEFIT SUMMARY

**■ Medical & Dental**

- 100% of retiree premium for life
- Retired < 12/29/03 - 100% spouse premium for life and 100% eligible dependent premium to age 19
- Retired ≥ 12/29/03 - 88% of spouse premium for life and 88% eligible dependent premium to age 19
- Retiree can pay eligible dependent premium after age 19 as required by law

**■ Medical Plans**

- SDRMA EPO, Gold PPO, HMO 15 available before Medicare eligibility
- Gold PPO available after Medicare eligibility

**■ Life Insurance**

- Retired < 12/29/03 - \$3,000 for retiree to age 65 and \$1,950 from age 65 to age 70
- Retired < 12/29/03 and hired < 1/1/81 - \$1,000 for spouse to retiree age 65 and \$650 from retiree age 65 to retiree age 70
- Directors not eligible



## BENEFIT SUMMARY

■ Survivors

Unrepresented  
Retired < 7/15/11  
Represented  
Retired < 8/10/11  
Directors  
Elected < 1/1/95

- Retired < 12/29/03 and Directors elected < 1/1/95 - 100% spouse premium and 100% eligible dependent premium to age 19
- Retired ≥ 12/29/03 - 88% of spouse premium and eligible dependent premium to age 19
- Spouse coverage after retiree death but not past spouse age 65
- Eligible dependent can pay full premium after age 19 as required by law
- Survivor benefit available to actives eligible to retire

■ Survivors

Unrepresented  
Retired ≥ 7/15/11  
Represented  
Retired ≥ 8/10/11

- 88% of spouse premium for life and eligible dependent premium to age 19
- Spouse coverage after retiree death but not past spouse age 65
- Eligible dependent can pay full premium after age 19 as required by law
- Survivor benefit available to actives eligible to retire



## BENEFIT SUMMARY

■ Disability & Hardship

- Full-time employees who retire directly from District under CalPERS
- Disability - Age 50 to 54 and 10 years of District service
- Hardship:
  - Hired < 1/1/13 - Hardship as determined by the District with 20 years of District service (15 years for Unrepresented)
  - Hired ≥ 1/1/13 - Hardship as determined by the District and 20 years of District service
- Early retirement adjustment to benefit:

<u>Age</u>	<u>Percent</u>
50	70%
51	76%
52	82%
53	88%
54	94%



## FUNDING POLICY

### ■ Funding Policy

- Contribute full ARC with CERBT Investment Strategy #1
- In addition, District pays benefits (cash subsidy and implied subsidy) directly from District assets
- For 2013/14, District prefunded \$69,000 less than full ARC
- Unfunded Liability amortized over 22 years for 2015/16
- Employee CalPERS contributions:

<u>Contribution</u>	<u>Hired &lt; 1/1/13</u>		<u>Hired ≥ 1/1/13</u>	
	<u>Rep</u>	<u>Unrep</u>	<u>Rep</u>	<u>Unrep</u>
CalPERS	8.00%	8.00%	6.25%	6.25%
OPEB	0.75%	0.00%	2.50%	1.75%
Total	8.75%	8.00%	8.75%	8.00%

- Employee contributions not reflected in valuation as portion of CalPERS contribution designated by District for OPEB offsets District OPEB contribution



## FUNDING POLICY

### ■ District Pay-As-You-Go Cost ('000s)

<u>Fiscal Year</u>	<u>Cash Subsidy PayGo</u>	<u>Implied Subsidy PayGo</u>	<u>CERBT PayGo</u>	<u>District PayGo</u>	<u>CAFR PayGo</u>
2014/15	\$929	\$118	\$0	\$1,047	n/a
2013/14	940	116	0	1,056	940
2012/13	809	86	0	895	877

### ■ District Contributions ('000s)

<u>Fiscal Year</u>	<u>Cash Subsidy PayGo</u>	<u>Implied Subsidy PayGo</u>	<u>CERBT Funding</u>	<u>District Contrib</u>	<u>ARC</u>
2014/15	\$929	\$118	\$1,413	\$2,460	\$1,413
2013/14	940	116	1,370	2,426	1,439
2012/13	809	86	1,287	2,182	1,287



**PARTICIPANT SUMMARY**

**Historical Participants**

Participants	6/30/09	6/30/11	6/30/13	6/30/15
<b>■ Actives</b>				
• Count	160	150	137	136 <sup>3</sup>
• Average Age	44.8	46.5	46.5	47.1
• Average Hire Age	36.4	36.3	37.0	37.4
• Ave District Service	8.4	10.2	9.5	9.7
• Average Pay <sup>4</sup>	\$76,634	\$80,784	\$87,366	\$93,146
• Total Payroll (000's)	11,878	12,118	11,969	12,668
<b>■ Retirees</b>				
• Count	69	69	80	79
• Average Age	67.7	68.7	68.5	69.2
• Ave Svc Ret Age	59.0	58.5	58.3	58.4
• Ave Dis Ret Age	n/a	n/a	n/a	52.5
<b>■ Retirees/Actives</b>	43%	46%	58%	58%

<sup>3</sup> 119 hired before 1/1/13 and 17 hired after 1/1/13.

<sup>4</sup> Excludes 5 Directors with no reported pay for 6/30/09.



**PARTICIPANT SUMMARY**

**Active Participants**

Valuation Date	June 30, 2013			June 30, 2015		
Employee Group	Unrep	Rep	Total	Unrep	Rep	Total
<b>■ Count</b>	36	101	137	35	101	136
<b>■ Average Age</b>	48.0	45.9	46.5	48.8	46.5	47.1
<b>■ Average Hire Age</b>	36.4	37.2	37.0	37.5	37.3	37.4
<b>■ Average Service</b>	11.6	8.7	9.5	11.3	9.2	9.7
<b>■ Average Pay</b>	\$123,826	\$74,371	\$87,366	\$132,726	\$79,430	\$93,146
<b>■ Total Payroll (000's)</b>	4,458	7,511	11,969	4,645	8,022	12,668



**PARTICIPANT SUMMARY**

**Active Participants**

Active Participants	6/30/13	6/30/15
<b>■ Unrepresented</b>		
• Executive	7	6
• Confidential	8	8
• Confidential Management	3	3
• Manager	9	9
• Supervisor	<u>9</u>	<u>9</u>
• Total Unrepresented	36	35
<b>■ Represented</b>		
• Administrative	50	51
• Field	<u>51</u>	<u>50</u>
• Total Represented	101	101
<b>■ Total Actives</b>	137	136



**PARTICIPANT SUMMARY**

**Participant Reconciliation**

Participants	Actives	Retirees			
		Service <sup>5</sup>	Disabled	Survivors	Total
<b>■ June 30, 2013</b>	137	80	0	0	80
• Terminations <sup>6</sup>	(11)	-	-	-	-
• New Retirees & Survivors	(5)	4	1	-	5
• Retiree Deaths without Survivor <sup>7</sup>	-	(5)	(0)	(0)	(5)
• Retiree Waived Coverage	-	(1)	(0)	(0)	(1)
• New Hires	15	-	-	-	-
• Data Corrections	0	(1)	1	0	0
<b>■ June 30, 2015</b>	136	77	2	0	79

<sup>5</sup> Includes 5 hardship retirements.

<sup>6</sup> Active employees reported for the 6/30/13 valuation and not reported for the 6/30/15 valuation were assumed to be terminations and deaths before retirement.

<sup>7</sup> Retirees reported for the 6/30/13 valuation and not reported for the 6/30/15 valuation were assumed to be deaths without covered survivors.



**ASSETS**

**Market Value of Plan Assets**

(Amounts in 000's)

Market Value of Assets	2010/11	2011/12	2012/13	2013/14	2014/15
<b>■ Market Value Beginning of Year</b>	\$6,372	\$8,258	\$9,595	\$12,001	\$15,644
• CERBT Contributions	289	1,304	1,287	1,370	1,413
• District PayGo Contributions <sup>8</sup>					
> Cash Subsidy	654	750	809	940	929
> Implied Subsidy	99	91	86	116	118
> Total	753	841	895	1,056	1,047
• Investment Earnings	1,606	43	1,135	2,292	(22)
• District Benefit Payments	(753)	(841)	(895)	(1,056)	(1,047)
• Administrative Expenses	(9)	(10)	(16)	(19)	(16)
<b>■ Market Value End of Year</b>	8,258	9,595	12,001	15,644	17,018
<b>■ Estimated Annual Return<sup>9</sup></b>	24.5%	0.38%	11.2%	18.3%	(0.24%)
<b>■ CERBT #1 Annual Return<sup>10</sup></b>	25.0%	0.15%	11.8%	18.5%	(0.11%)

<sup>8</sup> Benefit payments made directly from District.

<sup>9</sup> Includes the impact of cash flow timing.

<sup>10</sup> Before offset for expenses, currently estimated as 10 bp by CalPERS.



September 10, 2015

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**ASSETS**

**Actuarial Value of Plan Assets**

(Amounts in 000's)

Actuarial Value of Assets	2010/11	2011/12	2012/13	2013/14	2014/15
<b>■ Actuarial Value Beginning of Year</b>	\$6,962	\$7,893	\$9,762	\$11,831	\$14,399
• Contributions	1,042	2,145	2,182	2,426	2,460
• Expected Net Earnings	550	608	739	887	1,083
• Benefit Payments	(753)	(841)	(895)	(1,056)	(1,047)
<b>■ Expected AVA at End of Year</b>	7,801	9,804	11,788	14,088	16,896
• Market Value at End of Year	8,258	9,595	12,001	15,644	17,018
• MVA - Expected AVA	456	(209)	212	1,556	122
• 1/5 of (MVA - Expected AVA)	91	(42)	42	311	24
• Preliminary AVA	7,893	9,762	11,831	14,399	16,920
• Minimum AVA (80% of MVA)	6,606	7,676	9,601	12,515	13,614
• Maximum AVA (120% of MVA)	9,909	11,514	14,401	18,772	20,422
<b>■ Actuarial Value End of Year</b>	7,893	9,762	11,831	14,399	16,920
<b>■ Actuarial Value Est Net Return</b>	9.0%	7.0%	7.7%	9.8%	7.4%
<b>■ AVA/MVA</b>	96%	102%	99%	92%	99%



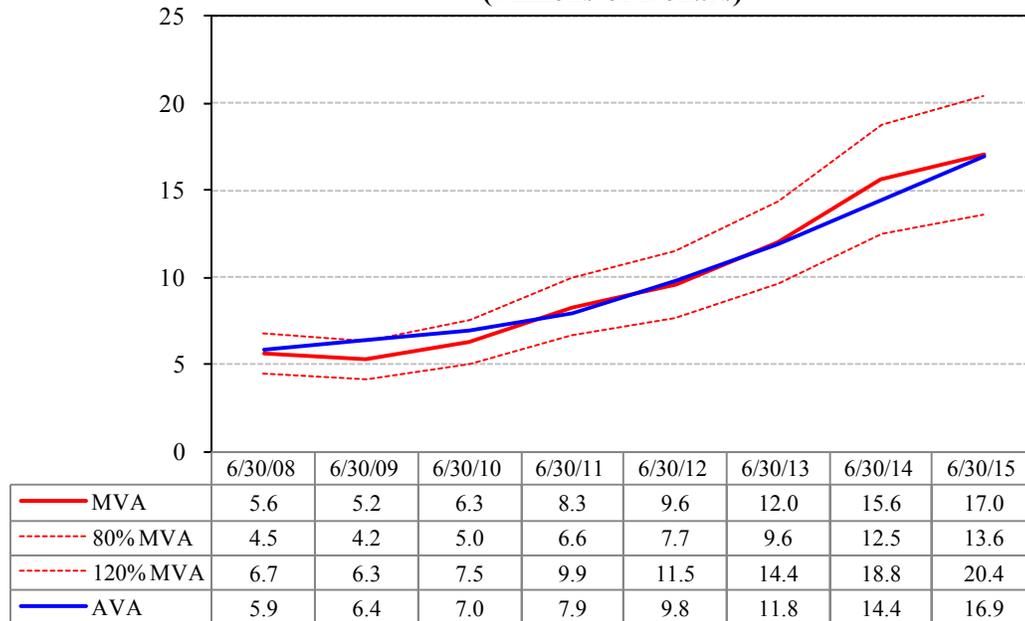
September 10, 2015

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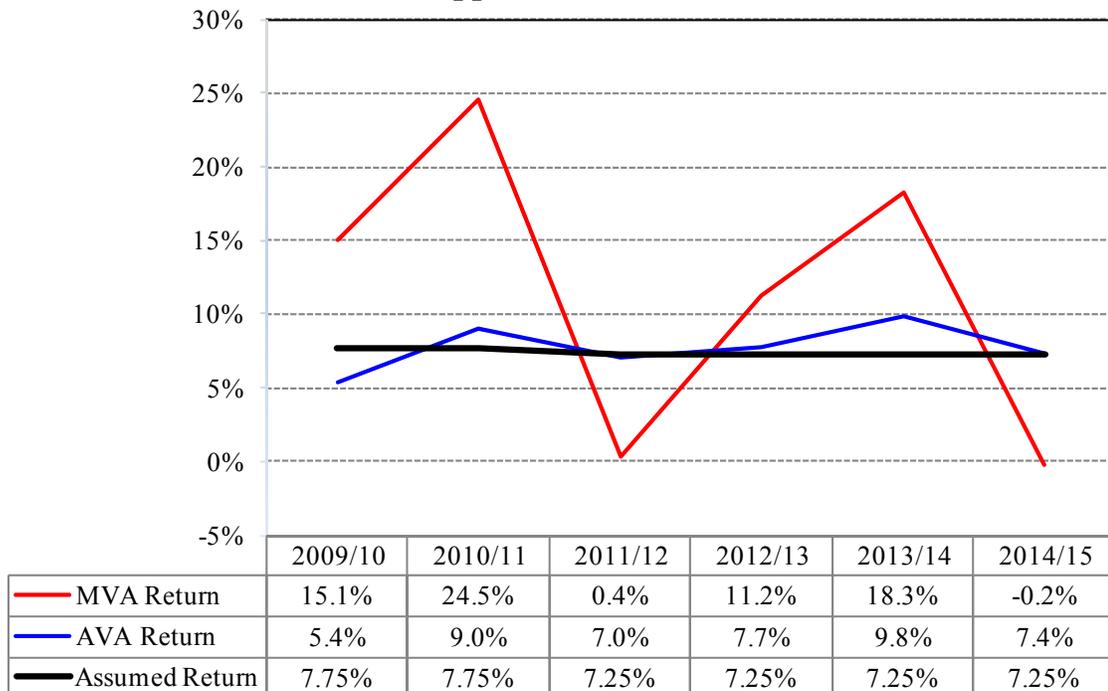
## ASSETS

### Actuarial Value of Assets (Millions of Dollars)



## ASSETS

### Approximate Return on Assets



## ASSUMPTIONS HIGHLIGHTS

Assumption	June 30, 2013 Valuation	June 30, 2015 Valuation
■ Valuation Date	<ul style="list-style-type: none"> <li>• June 30, 2013</li> <li>• 2013/14 &amp; 2014/15 ARCs</li> </ul>	<ul style="list-style-type: none"> <li>• June 30, 2015</li> <li>• 2015/16 &amp; 2016/17 ARCs</li> </ul>
■ Funding Policy	<ul style="list-style-type: none"> <li>• Prefund full ARC with CERBT Fund #1</li> <li>• Additionally, benefit payments from District assets until 100% funded</li> </ul>	<ul style="list-style-type: none"> <li>• Same</li> </ul>
■ Discount Rate	<ul style="list-style-type: none"> <li>• 7.25% - Full ARC funding with CERBT #1</li> </ul>	<ul style="list-style-type: none"> <li>• Same</li> </ul>
■ Merit Payroll Increases	<ul style="list-style-type: none"> <li>• CalPERS 1997-2007 Experience Study</li> <li>• Added to aggregate payroll increase assumption for Normal Cost calculation</li> </ul>	<ul style="list-style-type: none"> <li>• CalPERS 1997-2011 Experience Study</li> <li>• Added to aggregate payroll increase assumption for Normal Cost calculation</li> </ul>

## ASSUMPTIONS HIGHLIGHTS

Assumption	June 30, 2013 Valuation	June 30, 2015 Valuation																																																																														
■ Medical Trend	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Calendar Year</th> <th colspan="2" style="text-align: center;"><u>Increase from Prior Year</u></th> </tr> <tr> <th></th> <th style="text-align: center;"><u>Non-Medicare</u></th> <th style="text-align: center;"><u>Medicare</u></th> </tr> <tr> <th></th> <th colspan="2" style="text-align: center;"><u>All Plans</u></th> </tr> <tr> <th></th> <th colspan="2" style="text-align: center;"><u>Premiums</u></th> </tr> </thead> <tbody> <tr><td>2013</td><td></td><td></td></tr> <tr><td>2014</td><td></td><td></td></tr> <tr><td>2015</td><td style="text-align: center;">8.0%</td><td style="text-align: center;">8.3%</td></tr> <tr><td>2016</td><td style="text-align: center;">7.5%</td><td style="text-align: center;">7.8%</td></tr> <tr><td>2017</td><td style="text-align: center;">7.0%</td><td style="text-align: center;">7.2%</td></tr> <tr><td>2018</td><td style="text-align: center;">6.5%</td><td style="text-align: center;">6.7%</td></tr> <tr><td>2019</td><td style="text-align: center;">6.0%</td><td style="text-align: center;">6.1%</td></tr> <tr><td>2020</td><td style="text-align: center;">5.5%</td><td style="text-align: center;">5.6%</td></tr> <tr><td>2021+</td><td style="text-align: center;">5.0%</td><td style="text-align: center;">5.0%</td></tr> </tbody> </table>	Calendar Year	<u>Increase from Prior Year</u>			<u>Non-Medicare</u>	<u>Medicare</u>		<u>All Plans</u>			<u>Premiums</u>		2013			2014			2015	8.0%	8.3%	2016	7.5%	7.8%	2017	7.0%	7.2%	2018	6.5%	6.7%	2019	6.0%	6.1%	2020	5.5%	5.6%	2021+	5.0%	5.0%	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Calendar Year</th> <th colspan="2" style="text-align: center;"><u>Increase from Prior Year</u></th> </tr> <tr> <th></th> <th style="text-align: center;"><u>Non-Medicare</u></th> <th style="text-align: center;"><u>Medicare</u></th> </tr> <tr> <th></th> <th colspan="2" style="text-align: center;"><u>All Plans</u></th> </tr> <tr> <th></th> <th colspan="2" style="text-align: center;"><u>Premiums</u></th> </tr> </thead> <tbody> <tr><td>2013</td><td></td><td style="text-align: center;">n/a</td></tr> <tr><td>2014</td><td></td><td style="text-align: center;">n/a</td></tr> <tr><td>2015</td><td></td><td style="text-align: center;">Premiums</td></tr> <tr><td>2016</td><td></td><td style="text-align: center;">Premiums</td></tr> <tr><td>2017</td><td style="text-align: center;">7.0%</td><td style="text-align: center;">7.2%</td></tr> <tr><td>2018</td><td style="text-align: center;">6.5%</td><td style="text-align: center;">6.7%</td></tr> <tr><td>2019</td><td style="text-align: center;">6.0%</td><td style="text-align: center;">6.1%</td></tr> <tr><td>2020</td><td style="text-align: center;">5.5%</td><td style="text-align: center;">5.6%</td></tr> <tr><td>2021+</td><td style="text-align: center;">5.0%</td><td style="text-align: center;">5.0%</td></tr> </tbody> </table>	Calendar Year	<u>Increase from Prior Year</u>			<u>Non-Medicare</u>	<u>Medicare</u>		<u>All Plans</u>			<u>Premiums</u>		2013		n/a	2014		n/a	2015		Premiums	2016		Premiums	2017	7.0%	7.2%	2018	6.5%	6.7%	2019	6.0%	6.1%	2020	5.5%	5.6%	2021+	5.0%	5.0%
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■ Dental Trend	<ul style="list-style-type: none"> <li>• 4.0% annually</li> </ul>	<ul style="list-style-type: none"> <li>• Same</li> </ul>																																																																														
■ Dental Claims Cost	<ul style="list-style-type: none"> <li>• Premium x loss ratio                             <ul style="list-style-type: none"> <li>➢ Employee - 90%</li> <li>➢ Spouse - 71%</li> <li>➢ Child - 71%</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Use 100% premium as estimate of future claims cost</li> </ul>																																																																														

## ASSUMPTIONS HIGHLIGHTS

Assumption	June 30, 2013 Valuation	June 30, 2015 Valuation
<ul style="list-style-type: none"> <li>■ Mortality, Termination, Disability, Merit Pay</li> </ul>	<ul style="list-style-type: none"> <li>• CalPERS 1997-2007 Experience Study</li> <li>• Mortality improvement projection Scale AA</li> </ul>	<ul style="list-style-type: none"> <li>• CalPERS 1997-2011 Experience Study</li> <li>• Mortality Improvement Scale MP-2014 modified to converge to ultimate mortality improvement rates in 2022</li> </ul>
<ul style="list-style-type: none"> <li>■ Claims Costs Demographics</li> </ul>	<ul style="list-style-type: none"> <li>• District age and gender demographics</li> </ul>	<ul style="list-style-type: none"> <li>• Pool employee age and gender demographics for each healthcare plan provided by SDRMA</li> <li>• Assumed spouse coverage:                             <ul style="list-style-type: none"> <li>➢ Actives - 80%</li> <li>➢ Retirees &lt; 65 - 80%</li> <li>➢ Retirees ≥ 65 - 65%</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>■ Hardship Retirements</li> </ul>	<ul style="list-style-type: none"> <li>• n/a</li> </ul>	<ul style="list-style-type: none"> <li>• 1% liability load for active obligation</li> </ul>



## ASSUMPTIONS HIGHLIGHTS

Assumption	June 30, 2013 Valuation	June 30, 2015 Valuation
<ul style="list-style-type: none"> <li>■ PPACA High Cost Plan Excise Tax</li> </ul>	<ul style="list-style-type: none"> <li>• n/a</li> </ul>	<ul style="list-style-type: none"> <li>• Excise tax threshold is calculated separately for self and non-self coverage</li> <li>• Non-Medicare eligible and Medicare eligible retirees can be combined</li> <li>• Assume insurer has 35% marginal income tax rate</li> <li>• Valuation uses estimated 1.25% AAL load</li> </ul>



## ASSUMPTIONS HIGHLIGHTS

Assumption	June 30, 2013 Valuation	June 30, 2015 Valuation
<p>■ District Service for Retirement</p>	<ul style="list-style-type: none"> <li>• Hired &lt; 1/1/81 - 5 years of District service</li> <li>• Hired ≥ 1/1/81 &amp; &lt; 7/1/93 and General Manager - Age plus District service ≥ 70</li> <li>• Hired ≥ 7/1/93:                             <ul style="list-style-type: none"> <li>➢ Unrepresented employees:                                     <ul style="list-style-type: none"> <li>- Hired &lt; 1/1/13 - 15 years of District service</li> <li>- Hired ≥ 1/1/13 - 20 years of District service</li> </ul> </li> <li>➢ Represented employees:                                     <ul style="list-style-type: none"> <li>- 20 years of District service</li> <li>- 5 years of District service if employee does not have 15 or 20 years of service at age 65</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Unrepresented employees:                             <ul style="list-style-type: none"> <li>➢ Hired &lt; 1/1/13 - 15 years of District service</li> <li>➢ Hired ≥ 1/1/13 - 20 years of District service</li> </ul> </li> <li>• Represented employees:                             <ul style="list-style-type: none"> <li>➢ 20 years of District service</li> </ul> </li> <li>• 5 years of District service if employee does not have 15 or 20 years of service at age 65</li> </ul>



## ASSUMPTIONS HIGHLIGHTS

Assumption	June 30, 2013 Valuation	June 30, 2015 Valuation
<p>■ Participation at Retirement</p>	<ul style="list-style-type: none"> <li>• Currently covered and waived                             <ul style="list-style-type: none"> <li>➢ Medical - 100%</li> <li>➢ Dental - 80%</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Same</li> </ul>
<p>■ Medical Plan at Retirement</p>	<ul style="list-style-type: none"> <li>• Currently covered:                             <ul style="list-style-type: none"> <li>➢ Current plan election until Medicare eligible</li> <li>➢ PPO after Medicare eligible</li> </ul> </li> <li>• Waived actives - PPO</li> <li>• Waived retirees - n/a</li> </ul>	<ul style="list-style-type: none"> <li>• Same</li> </ul>



VALUATION RESULTS

**Actuarial Obligations**

Actuarial Obligations (Amounts in 000's)	<u>6/30/13 Valuation</u>		<u>6/30/15 Valuation</u>	
	Actual 6/30/13	Projected 6/30/15	Actual 6/30/15	Projected 6/30/16
■ <b>Discount Rate</b>	7.25%	7.25%	7.25%	7.25%
■ <b>Present Value of Benefits</b>				
• Actives	\$16,603	\$ n/a	\$18,001	\$ n/a
• Retirees	<u>13,059</u>	<u>n/a</u>	<u>12,805</u>	<u>n/a</u>
• Total	29,662	31,844	30,806	31,969
■ <b>Actuarial Accrued Liability</b>				
• Actives	9,832	n/a	10,884	n/a
• Retirees	<u>13,059</u>	<u>n/a</u>	<u>12,805</u>	<u>n/a</u>
• Total	22,891	25,527	23,689	25,097
■ <b>Actuarial Value of Assets</b>	<u>11,831</u>	<u>16,559</u>	<u>16,920</u>	<u>19,407</u>
■ <b>Unfunded Actuarial Accrued Liability</b>	11,060	8,968	6,769	5,690
■ <b>Funded Percent</b>	52%	65%	71%	77%
■ <b>Normal Cost</b>	699	745	761	786
■ <b>Pay-As-You-Go Cost</b>	1,045	1,129	1,034	1,081



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VALUATION RESULTS

**Estimated Actuarial Gains & Losses**

(Amounts in 000's)

Actuarial Gains & Losses	NC%	AAL	(AVA)	UAAL
■ <b>6/30/13 Actual</b>	5.8%	\$22,891	\$(11,831)	\$11,060
■ <b>6/30/15 Expected</b>	5.8%	25,527	(16,559)	8,968
■ <b>Experience Losses (Gains)</b>				
• Actual versus expected premiums	(0.7%)	(2,692)	-	(2,692)
• Asset Loss (Gain)	0.0%	-	(361)	(361)
• Demographic & other	0.1%	(899)	-	(899)
■ <b>Assumption Changes</b>				
• CalPERS demographic assumptions	0.1%	532	-	532
• Projected mortality improvement	0.2%	824	-	824
• Hardship retirement assumption	0.1%	105	-	105
• PPACA excise tax	0.2%	292	-	292
■ <b>Total Changes</b>	0.0%	(1,838)	(361)	(2,199)
■ <b>6/30/15 Actual</b>	5.8%	23,689	(16,920)	6,769



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**VALUATION RESULTS**

**Annual Required Contribution (ARC)**

(Amounts in 000's)

Annual Required Contribution	<u>6/30/13 Valuation</u>		<u>6/30/15 Valuation</u>	
	2013/14	2014/15	2015/16	2016/17
■ <b>Discount Rate</b>	7.25%	7.25%	7.25%	7.25%
■ <b>ARC - \$</b>				
• Normal Cost	\$ 699	\$ 722	\$ 761	\$ 786
• UAAL Amortization	<u>739</u>	<u>691</u>	<u>478</u>	<u>414</u>
• Total ARC	1,439	1,413	1,239	1,200
■ <b>Estimated Payroll<sup>11</sup></b>	11,969	12,358	13,080	13,505
■ <b>ARC - %</b>				
• Normal Cost	5.8%	5.8%	5.8%	5.8%
• UAAL Amortization	<u>6.2%</u>	<u>5.6%</u>	<u>3.7%</u>	<u>3.1%</u>
• Total ARC %	12.0%	11.4%	9.5%	8.9%
■ <b>UAAL Amortization Years</b>	24	23	22	21

<sup>11</sup> 2015/16 estimated payroll is 2014/15 reported payroll increased at the aggregate payroll assumption of 3.25% for one year.



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**VALUATION RESULTS**

**Benefit Payment Projection**

(Amounts in 000's)

Fiscal Year	<u>Cash Subsidy</u>			Implied Subsidy	Total Payment
	Current Actives	Current Retirees	Total Cash		
2015/16	\$ 4	\$914	\$ 918	\$116	\$1,034
2016/17	17	944	961	120	1,081
2017/18	38	960	998	114	1,112
2018/19	74	977	1,051	121	1,172
2019/20	122	976	1,098	117	1,215
2020/21	176	980	1,156	114	1,270
2021/22	246	965	1,211	120	1,331
2022/23	326	963	1,289	126	1,415
2023/24	417	951	1,368	135	1,503
2024/25	506	961	1,467	148	1,615



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**VALUATION RESULTS**

**Actuarial Obligations**  
**June 30, 2015 - 7.25% Discount Rate**  
 (Amounts in 000's)

Actuarial Obligations	Cash Subsidy	Implied Subsidy	Total Subsidy
<b>■ Present Value of Benefits</b> <ul style="list-style-type: none"> <li>• Actives</li> <li>• Retirees</li> <li>• Total</li> </ul>	\$16,516 <u>12,188</u> 28,704	\$1,486 <u>618</u> 2,104	\$18,001 <u>12,805</u> 30,806
<b>■ Actuarial Accrued Liability</b> <ul style="list-style-type: none"> <li>• Actives</li> <li>• Retirees</li> <li>• Total</li> </ul>	9,953 <u>12,188</u> 22,141	930 <u>618</u> 1,548	10,884 <u>12,805</u> 23,689
<b>■ Actuarial Value of Assets<sup>12</sup></b>	<u>15,814</u>	<u>1,106</u>	<u>16,920</u>
<b>■ Unfunded Actuarial Accrued Liability</b>	6,327	442	6,769
<b>■ Normal Cost for 2015/16</b>	701	59	761
<b>■ Pay-As-You-Go Cost for 2015/16</b>	918	116	1,034

<sup>12</sup> Allocated in proportion to the Actuarial Accrued Liability for this illustration.



**VALUATION RESULTS**

**Annual Required Contribution (ARC)**  
**2015/16 Fiscal Year - 7.25% Discount Rate**  
 (Amounts in 000's)

Annual Required Contribution	Cash Subsidy	Implied Subsidy	Total Subsidy
<b>■ ARC - \$</b> <ul style="list-style-type: none"> <li>• Normal Cost</li> <li>• UAAL Amortization</li> <li>• Total ARC</li> </ul>	\$ 701 <u>447</u> 1,148	\$59 <u>31</u> 90	\$ 761 <u>478</u> 1,239
<b>■ Estimated Payroll</b>	13,080	13,080	13,080
<b>■ ARC - %</b> <ul style="list-style-type: none"> <li>• Normal Cost</li> <li>• UAAL Amortization</li> <li>• Total ARC</li> </ul>	5.4% <u>3.4%</u> 8.8%	0.5% <u>0.2%</u> 0.7%	5.8% <u>3.7%</u> 9.5%



**VALUATION RESULTS**

**Actuarial Obligations**  
**June 30, 2015 - 7.25% Discount Rate**  
 (Amounts in 000's)

Actuarial Obligations	Unrepresented	Represented	Total
<b>■ Present Value of Benefits</b> <ul style="list-style-type: none"> <li>• Actives</li> <li>• Retirees</li> <li>• Total</li> </ul>	\$5,715 <u>    n/a</u> n/a	\$12,287 <u>    n/a</u> n/a	\$18,001 <u>  12,805</u> 30,806
<b>■ Actuarial Accrued Liability</b> <ul style="list-style-type: none"> <li>• Actives</li> <li>• Retirees</li> <li>• Total</li> </ul>	3,912 <u>    n/a</u> n/a	6,971 <u>    n/a</u> n/a	10,884 <u>  12,805</u> 23,689
<b>■ Actuarial Value of Assets</b>	<u>    n/a</u>	<u>    n/a</u>	<u>  16,920</u>
<b>■ Unfunded AAL</b>	n/a	n/a	6,769
<b>■ Normal Cost for 2015/16</b>	227	533	761
<b>■ PayGo for 2015/16</b>	n/a	n/a	1,034



**VALUATION RESULTS**

**Annual Required Contribution (ARC)**  
**2015/16 Fiscal Year - 7.25% Discount Rate**  
 (Amounts in 000's)

Annual Required Contribution	Unrepresented	Represented	Total
<b>■ ARC - \$</b> <ul style="list-style-type: none"> <li>• Normal Cost</li> <li>• UAAL Amortization</li> <li>• Total ARC</li> </ul>	\$227 <u>    n/a</u> n/a	\$533 <u>    n/a</u> n/a	\$ 761 <u>    478</u> 1,239
<b>■ Estimated Payroll</b>	4,796	8,283	13,080
<b>■ ARC - %</b> <ul style="list-style-type: none"> <li>• Normal Cost</li> <li>• UAAL Amortization</li> <li>• Total ARC</li> </ul>	4.7% <u>    n/a</u> n/a	6.4% <u>    n/a</u> n/a	5.8% <u>  3.7%</u> 9.5%



**VALUATION RESULTS**

**Estimated Net Obligation (NOO)**

Estimated Net OPEB Obligation (Asset) (Amounts in 000's)	CAFR 2013/14	CAFR 2014/15	Estimate 2015/16	Estimate 2016/17
■ <b>Discount Rate</b>	7.25%	7.25%	7.25%	7.25%
■ <b>NOO (Asset) at Beginning of Year</b>	\$(9,345)	\$(10,385)	\$(11,472)	\$(12,528)
■ <b>Annual OPEB Cost</b>				
• Annual Required Contribution	1,439	1,413	1,239	1,200
• Interest on NOO	(678)	(753)	(832)	(908)
• NOO Adjustment	<u>625</u>	<u>713</u>	<u>810</u>	<u>911</u>
• Annual OPEB Cost	1,386	1,373	1,217	1,203
■ <b>Contributions<sup>13</sup></b>				
• Benefit Payments Outside Trust	(940)	(929)	(918)	(961)
• Implied Subsidy Payments Outside Trust	(116)	(118)	(116)	(120)
• Trust Funding	<u>(1,370)</u>	<u>(1,413)</u>	<u>(1,239)</u>	<u>(1,200)</u>
• Total Contributions	(2,426)	(2,460)	(2,273)	(2,281)
■ <b>NOO (Asset) at End of Year</b>	(10,385)	(11,472)	(12,528)	(13,606)
■ <b>NOO Amortization Years</b>	24	23	22	21
■ <b>NOO Amortization Factor</b>	14.96	14.57	14.17	13.75

<sup>13</sup> Estimated contributions for years after 2014/15. Estimated items other than the ARC must be revised when actual contributions are known.



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**VALUATION RESULTS**

**CERBT Investment Strategy Sensitivity**

**June 30, 2015**

(Amounts in 000's)

■ CERBT Investment Strategy	CERBT #1	CERBT #2	CERBT #3
■ <b>Discount Rate</b>	<b>7.25%</b>	<b>6.75%</b>	<b>6.00%</b>
■ <b>Present Value of Benefits</b>	\$30,806	\$33,769	\$39,082
■ <b>Funded Status</b>			
• Actuarial Accrued Liability	23,689	25,401	28,350
• Actuarial Value of Assets	<u>16,920</u>	<u>16,920</u>	<u>16,920</u>
• Unfunded AAL	6,769	8,481	11,430
■ <b>ARC 2015/16</b>			
• Normal Cost	761	861	1,043
• UAAL Amortization	<u>478</u>	<u>571</u>	<u>716</u>
• Total ARC	1,239	1,433	1,759
• ARC % of Payroll	9.5%	11.0%	13.4%



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**VALUATION RESULTS**

**Full ARC Funding Projection - CERBT #1 - 7.25% Discount Rate**

(Amounts in 000's)

Fiscal Year End	Begin Year NOO	ARC	AOC	District Contribution <sup>14</sup>					BOY UAAL	BOY AVA Fund%
				Cash Pmts	IS Pmts	Trust Funding	Trust Reimb	Total Contr		
2016	\$(11,472)	\$1,239	\$1,217	\$918	\$116	\$1,239	\$ 0	\$2,273	\$6,769	71%
2017	(12,528)	1,200	1,203	961	120	1,200	0	2,281	5,690	77%
2018	n/a	1,154	n/a	998	114	1,154	0	2,266	4,551	83%
2019	n/a	1,100	n/a	1,051	121	1,100	0	2,272	3,372	88%
2020	n/a	1,037	n/a	1,098	117	1,037	0	2,252	2,127	93%
2021	n/a	964	n/a	1,156	114	964	(477)	1,757	840	97%
2022	n/a	923	n/a	1,211	120	923	(1,331)	923	0	100%
2023	n/a	952	n/a	1,289	126	952	(1,415)	952	0	100%
2024	n/a	982	n/a	1,368	135	982	(1,503)	982	0	100%
2025	n/a	1,014	n/a	1,467	148	1,014	(1,615)	1,014	0	100%

<sup>14</sup> Assumes District contributes full ARC to trust and additionally pays cash and implied subsidy benefit payments from District assets until AAL is fully funded, at which point District will contribute full ARC to trust and request reimbursement of cash and implied subsidy benefit payments from trust.



**VALUATION RESULTS**

**Funding Projection - CERBT #2 - 6.75% Discount Rate**

(Amounts in 000's)

Fiscal Year End	Begin Year NOO	ARC	AOC	District Contribution <sup>15</sup>					BOY UAAL	BOY AVA Fund%
				Cash Pmts	IS Pmts	Trust Funding	Trust Reimb	Total Contr		
2016	\$(11,472)	\$1,433	\$1,431	\$918	\$116	\$1,433	\$0	\$2,467	\$8,481	67%
2017	(12,508)	1,403	1,429	961	120	1,403	0	2,484	7,393	73%
2018	n/a	1,367	n/a	998	114	1,367	0	2,479	6,243	78%
2019	n/a	1,325	n/a	1,051	121	1,325	0	2,497	5,052	83%
2020	n/a	1,273	n/a	1,098	117	1,273	0	2,488	3,792	88%
2021	n/a	1,212	n/a	1,156	114	1,212	0	2,482	2,487	93%
2022	n/a	1,140	n/a	1,211	120	1,140	(262)	2,209	1,132	97%
2023	n/a	1,078	n/a	1,289	126	1,078	(1,415)	1,078	0	100%
2024	n/a	1,112	n/a	1,368	135	1,112	(1,503)	1,112	0	100%
2025	n/a	1,148	n/a	1,467	148	1,148	(1,615)	1,148	0	100%

<sup>15</sup> Assumes District contributes full ARC to trust and additionally pays cash and implied subsidy benefit payments from District assets until AAL is fully funded, at which point District will contribute full ARC to trust and request reimbursement of cash and implied subsidy benefit payments from trust.



## VALUATION RESULTS

### Funding Projection - CERBT #3 - 6.00% Discount Rate

(Amounts in 000's)

Fiscal Year End	Begin Year NOO	ARC	AOC	District Contribution <sup>16</sup>					BOY UAAL	BOY AVA Fund%
				Cash Pmts	IS Pmts	Trust Funding	Trust Reimb	Total Contr		
2016	\$(11,474)	\$1,759	\$1,789	\$918	\$116	\$1,759	\$0	\$2,793	\$11,430	60%
2017	(12,476)	1,746	1,806	961	120	1,746	0	2,827	10,315	66%
2018	n/a	1,726	n/a	998	114	1,726	0	2,838	9,134	71%
2019	n/a	1,701	n/a	1,051	121	1,701	0	2,873	7,908	77%
2020	n/a	1,668	n/a	1,098	117	1,668	0	2,883	6,610	81%
2021	n/a	1,626	n/a	1,156	114	1,626	0	2,896	5,263	86%
2022	n/a	1,573	n/a	1,211	120	1,573	0	2,904	3,860	90%
2023	n/a	1,508	n/a	1,289	126	1,508	0	2,923	2,405	94%
2024	n/a	1,426	n/a	1,368	135	1,426	(676)	2,253	883	98%
2025	n/a	1,391	n/a	1,467	148	1,391	(1,615)	1,391	0	100%

<sup>16</sup> Assumes District contributes full ARC to trust and additionally pays cash and implied subsidy benefit payments from District assets until AAL is fully funded, at which point District will contribute full ARC to trust and request reimbursement of cash and implied subsidy benefit payments from trust.



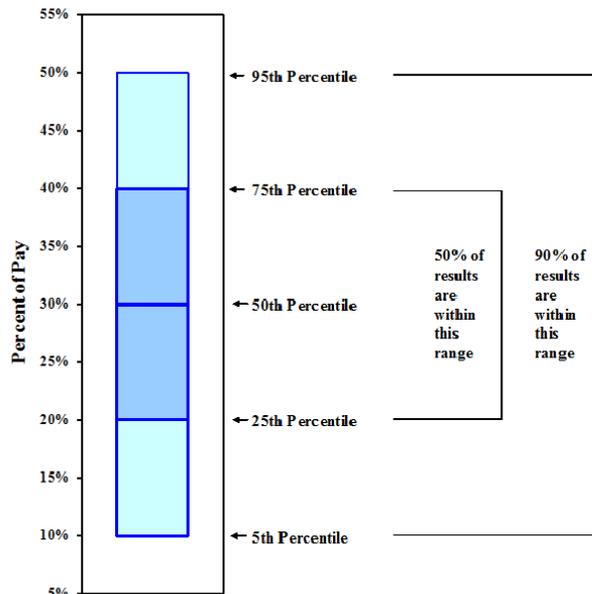
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## BARTEL ASSOCIATES OPEB DATABASE

**Bartel Associates GASB 45 OPEB Database  
Sample Percentile Graph**



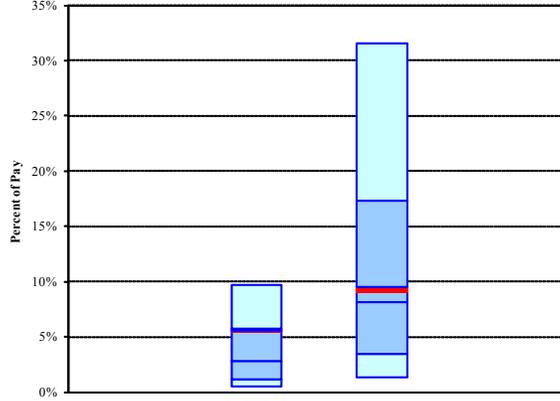
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# BARTEL ASSOCIATES OPEB DATABASE

**Bartel Associates GASB 45 OPEB Database  
Normal Cost & Annual Required Contribution**



	<u>Miscellaneous</u>	
	<u>NC</u>	<u>ARC</u>
95th Percentile	10.1%	32.0%
75th Percentile	6.2%	17.7%
50th Percentile	2.8%	8.1%
25th Percentile	1.2%	3.5%
5th Percentile	0.5%	1.3%
<b>Percent of Pay</b>	<b>5.8%</b>	<b>9.5%</b>
<b>Percentile</b>	<b>72%</b>	<b>56%</b>

Discount Rate = 7.25%, Average Amortization Period = 22.0 Years

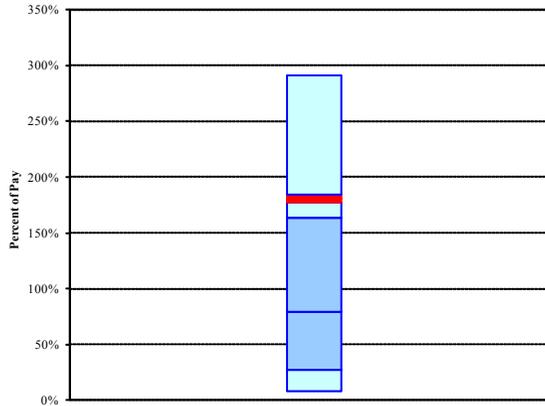


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# BARTEL ASSOCIATES OPEB DATABASE

**Bartel Associates GASB 45 OPEB Database  
Actuarial Accrued Liability**



	<u>Miscellaneous</u>	
95th Percentile	291%	
75th Percentile	164%	
50th Percentile	80%	
25th Percentile	28%	
5th Percentile	8%	
<b>Percent of Pay</b>	<b>181%</b>	
<b>Percentile</b>	<b>81%</b>	

Discount Rate = 7.25%



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### **High Cost Health Coverage Excise Tax**<sup>17</sup>

- Patient Protection and Affordable Care Act (PPACA) enacted in March 2010 imposed a tax on high cost medical coverage (“Cadillac Tax”)
- Non-deductible excise tax of 40% beginning in 2018 applied to healthcare costs exceeding annual dollar thresholds<sup>18</sup>
  - \$10,200 for self-only coverage and \$11,850 for individuals aged 55 to 64
  - \$27,500 for non-self-only coverage and \$30,950 for individuals aged 55 to 64<sup>19</sup>
  - 2018 limits subject to increase if benchmark plan’s 2018 premiums are more than 55% higher than 2010 premiums<sup>20</sup>
  - Thresholds will increase for 2019 with CPI + 1%
  - Thresholds will increase for 2020 and later years with CPI
  - Age/gender adjustment if employer’s demographics are substantially different from national workforce

<sup>17</sup> Employers should consult with their healthcare providers, tax advisors, and legal counsel regarding the applicability of PPACA enacted taxes.

<sup>18</sup> Effective starting with taxable year beginning on or after 1/1/18 of entity liable for tax. Healthcare costs are premiums for fully-insured plans.

<sup>19</sup> Higher thresholds for self and non-self coverage apply if majority of employees are engaged in high risk professions, including law enforcement officers and employees in fire protection activities.

<sup>20</sup> Benchmark plan is Federal Employees Health Benefits Plan (FEHBP) Blue Cross and Blue Shield Standard Option.



### **High Cost Health Coverage Excise Tax**

- Plans not currently subject to tax may become subject in future as medical CPI is expected to outpace general CPI
- Paid by insurers for fully insured plans and by employer or TPA for self-insured plans
- GASB 75 and Actuarial Standards of Practice require taxes and assessments expected to be imposed on benefit payments be included in valuations<sup>21</sup>
- Excise tax included in valuation

<sup>21</sup> GASB Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,” adopted in June 2015 and revised Actuarial Standard of Practice No. 6, “Measuring Retiree Group Benefits Obligations and Determining Retiree Group Benefits Program Periodic Costs or Actuarially Determined Contributions” adopted in May 2014.



**OPEB Accounting Changes**

- OPEB Accounting:
  - GASB Statement No. 75 “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,” approved by GASB Board on June 2, 2015
  - Replaces GASB 45
  - Effective for fiscal years beginning after 6/15/17 (2017/18 for City)
- Major Issues:
  - Net OPEB Liability (UAAL) on balance sheet
  - Expense calculation disconnected from contribution calculation
  - Discount rate is expected trust rate of return when assets sufficient to pay benefits
  - Discount rate is 20-year high-quality municipal bond rate when assets not sufficient
  - Immediate recognition of Total OPEB Liability (AAL) for plan changes
  - Deferred recognition of changes in Total OPEB Liability for gains and losses and assumption changes over average active and inactive average future working lifetime
  - Recognition of investment gains and losses over 5 years
  - Disclosure of asset allocation and expected real rates of return for each asset class
  - Entry age normal cost method
  - Biennial valuations



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**CalPERS CERBT Fund Changes**

- 2010 target asset allocations and 2014 capital market assumptions:
  - Increased volatility
  - Higher expected real returns than 2010 levels
  - CERBT 1 = +15 bp   CERBT 2 = +21 bp   CERBT 3 = +27 bp
- More conservative 2014 target asset allocations:
  - Reduced volatility to approximately 2010 or lower levels
  - Lower expected real returns than 2010 levels
  - CERBT 1 = -10 bp   CERBT 2 = -12 bp   CERBT 3 = -6 bp
- Lower CalPERS assumed inflation and expenses:
  - Assumed inflation reduced from 3.00% to 2.75%
  - Expected administrative expenses lowered from 15 bp to 13 bp
  - Lower expected returns than 2010 levels
  - CERBT 1 = -33 bp   CERBT 2 = -35 bp   CERBT 3 = -29 bp
- No change in recommended funding discount rates:
  - Valuation inflation assumption of 3.00%
  - Margins of adverse deviation relative to CalPERS expected return lower than 2010 levels
  - CERBT 1 = -8 bp   CERBT 2 = -10 bp   CERBT 3 = -4 bp

**CalPERS CERBT #1 Fund Changes**

■ Target Asset Allocation	2010	2010	Change	2014	Change	Change
■ Capital Market Assumptions	2010	2014	CMA	2014	Mix	Total
<b>■ CERBT Target Allocation</b>						
• Public Equity	66%	66%	0%	57%	(9%)	(9%)
• Fixed Income	18%	18%	0%	27%	9%	9%
• TIPS	5%	5%	0%	5%	0%	0%
• REITs	8%	8%	0%	8%	0%	0%
• Commodities	3%	3%	0%	3%	0%	0%
<b>■ Standard Deviation (Volatility)</b>	<b>11.73%</b>	13.07%	1.34%	<b>11.74%</b>	(1.33%)	0.01%
<b>■ Expected Long-Term Return</b>						
• Expected Real Return	4.76%	4.91%	0.15%	4.66%	(0.25%)	(0.10%)
• Inflation Assumption	3.00%	2.75%	(0.25%)	2.75%	(0.00%)	(0.25%)
• Administrative Expenses	<u>(0.15%)</u>	<u>(0.13%)</u>	<u>0.02%</u>	<u>(0.13%)</u>	<u>0.00%</u>	<u>0.02%</u>
• Expected Nominal Net Return	<b>7.61%</b>	7.53%	(0.08%)	<b>7.28%</b>	(0.25%)	(0.33%)



ISSUES

**CalPERS CERBT #2 Fund Changes**

■ Target Asset Allocation	2010	2010	Change	2014	Change	Change
■ Capital Market Assumptions	2010	2014	CMA	2014	Mix	Total
<b>■ CERBT Target Allocation</b>						
• Public Equity	50%	50%	0%	40%	(10%)	(10%)
• Fixed Income	24%	24%	0%	39%	15%	15%
• TIPS	15%	15%	0%	10%	(5%)	(5%)
• REITs	8%	8%	0%	8%	0%	0%
• Commodities	3%	3%	0%	3%	0%	0%
<b>■ Standard Deviation (Volatility)</b>	<b>9.46%</b>	10.58%	1.12%	<b>9.24%</b>	(1.34%)	(0.22%)
<b>■ Expected Long-Term Return</b>						
• Expected Real Return	4.21%	4.42%	0.21%	4.09%	(0.33%)	(0.12%)
• Inflation Assumption	3.00%	2.75%	(0.25%)	2.75%	(0.00%)	(0.25%)
• Administrative Expenses	<u>(0.15%)</u>	<u>(0.13%)</u>	<u>0.02%</u>	<u>(0.13%)</u>	<u>0.00%</u>	<u>0.02%</u>
• Expected Nominal Net Return	<b>7.06%</b>	7.04%	(0.02%)	<b>6.71%</b>	(0.33%)	(0.35%)



ISSUES

**CalPERS CERBT #3 Fund Changes**

■ Target Asset Allocation	2010	2010	Change	2014	Change	Change
■ Capital Market Assumptions	2010	2014	CMA	2014	Mix	Total
<b>■ CERBT Target Allocation</b>						
• Public Equity	32%	32%	0%	24%	(8%)	(8%)
• Fixed Income	42%	42%	0%	39%	(3%)	(3%)
• TIPS	15%	15%	0%	26%	11%	11%
• REITs	8%	8%	0%	8%	0%	0%
• Commodities	3%	3%	0%	3%	0%	0%
<b>■ Standard Deviation (Volatility)</b>	<b>7.27%</b>	8.19%	0.92%	<b>7.10%</b>	(1.09%)	(0.17%)*
<b>■ Expected Long-Term Return</b>						
• Expected Real Return	3.54%	3.81%	0.27%	3.48%	(0.33%)	(0.06%)
• Inflation Assumption	3.00%	2.75%	(0.25%)	2.75%	(0.00%)	(0.25%)
• Administrative Expenses	<u>(0.15%)</u>	<u>(0.13%)</u>	<u>0.02%</u>	<u>(0.13%)</u>	<u>0.00%</u>	<u>0.02%</u>
• Expected Nominal Net Return	<b>6.39%</b>	6.43%	0.04%	<b>6.10%</b>	(0.33%)	(0.29%)



### Preliminary Recommended Discount Rates

- Bartel Associates currently reviewing recommended CERBT discount rates
- Preliminary recommended discount rates based on CalPERS expected nominal returns
- Funding discount rate can include, but need not include, a margin for adverse deviation
- Current funding discount rate of 7.25% includes a 36 bp margin at the 55<sup>th</sup> percentile
- GASB 75 accounting discount rates should be expected return at the 50<sup>th</sup> percentile

### Preliminary Recommended Discount Rates

■ CERBT Investment Strategy	CERBT #1		CERBT #2		CERBT #3	
	2010	2014	2010	2014	2010	2014
■ Target Asset Allocation						
■ Capital Market Assumptions	2010	2014	2010	2014	2010	2014
■ Expected Long-Term Return						
• CalPERS Expected Real Return	4.76%	4.66%	4.21%	4.09%	3.54%	3.48%
• BA Inflation Assumption	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
• CalPERS Admin Expenses	(0.15%)	(0.13%)	(0.15%)	(0.13%)	(0.15%)	(0.13%)
• Expected Nominal Net Return	7.61%	7.53%	7.06%	6.96%	6.39%	6.35%
■ GASB 75 Discount Rate <sup>22</sup>	n/a	7.50%	n/a	7.00%	n/a	6.25%
■ Funding Discount Rate <sup>23</sup>	7.25%	7.25%	6.75%	6.75%	6.00%	6.00%
■ Margin for Adverse Deviation <sup>24</sup>	0.36%	0.28%	0.31%	0.21%	0.39%	0.35%

<sup>22</sup> GASB 75, effective for 2017/18, requires a discount rate equal to the expected return net of investment expenses. Preliminary recommended GASB 75 discount rates shown are rounded to the nearest 0.25%.

<sup>23</sup> Assumes funding discount rate includes a margin for adverse deviation. Funding and reporting will show the same obligations if funding and GASB 75 discount rate are the same.

<sup>24</sup> Relative to CalPERS expected nominal net return.

## NEXT STEPS

### ■ Current Valuation

- Final valuation report
- CERBT actuarial forms

### ■ Next Valuation

- 6/30/17 if no significant changes
- 2017/18 GASB 75 accounting information must use:
  - Measurement date no earlier than 6/30/17
    - Prior fiscal year-end
  - Valuation date no earlier than 12/31/15
    - 30 months prior to fiscal year-end
  - Timing:
    - Cannot use City's 6/30/15 valuation for 2017/18
      - Use 6/30/17 valuation for 2017/18 accounting?
      - Valuation timing?
    - Do 6/30/16 valuation for 2017/18 accounting?
    - Measurement date should be consistently applied from period to period

## EXHIBITS

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Participant Statistics	E-5
Actuarial Assumptions	E-15
Actuarial Methods	E-26
Definitions	E-28

**PREMIUMS**

**2014 Healthcare Monthly Premiums**

Healthcare Plan	Non-Medicare Eligible			Medicare Eligible		
	Single	2-Party	Family	Single	2-Party	Family
EPO	\$702.78	\$1,404.54	\$1,826.82	n/a	n/a	n/a
EPO (OOS)	805.80	1,609.56	2,093.04	n/a	n/a	n/a
Gold PPO	600.78	1,201.56	1,562.64	\$483.48	\$965.94	\$1,512.66
Gold PPO (OOS)	688.50	1,375.98	1,789.08	483.48	965.94	1,512.66
HMO 15	721.14	1,444.32	1,876.80	n/a	n/a	n/a
Dental (self-insured)	41.11	98.65	151.10	41.11	98.65	151.10

**2014 Life Insurance Monthly Premiums**

Participant	Premium
Employee	19¢ per \$1,000
Spouse	60¢ per \$1,000



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**PREMIUMS**

**2015 Healthcare Monthly Premiums**

Healthcare Plan	Non-Medicare Eligible			Medicare Eligible		
	Single	2-Party	Family	Single	2-Party	Family
EPO	\$750.72	\$1,500.42	\$1,951.26	n/a	n/a	n/a
EPO (OOS)	860.88	1,718.70	2,235.84	n/a	n/a	n/a
Gold PPO	641.58	1,283.16	1,668.72	\$441.66	\$883.32	\$1,591.20
Gold PPO (OOS)	735.42	1,469.82	1,911.48	441.66	883.32	1,591.20
HMO 15	795.60	1,593.24	2,069.58	n/a	n/a	n/a
Dental (self-insured)	41.11	98.65	151.10	41.11	98.65	151.10

**2015 Life Insurance Monthly Premiums**

Participant	Premium <sup>25</sup>
Employee	\$1.31 per \$1,000
Spouse	\$1.31 per \$1,000

<sup>25</sup> This is the premium for voluntary life insurance for employees age 65-69. Two retirees age 68 on the valuation date and one spouse are eligible for retire life insurance.



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**PREMIUMS**

**2016 Healthcare Monthly Premiums**

Healthcare Plan	Non-Medicare Eligible			Medicare Eligible		
	Single	2-Party	Family	Single	2-Party	Family
EPO	\$797.64	\$1,595.28	\$2,074.68	n/a	n/a	n/a
EPO (OOS)	941.46	1,880.88	2,445.96	n/a	n/a	n/a
Gold PPO	681.36	1,363.74	1,772.76	\$483.48	\$966.96	\$1,742.16
Gold PPO (OOS)	804.78	1,608.54	2,092.02	483.48	966.96	1,742.16
HMO 15	855.78	1,714.62	2,226.66	n/a	n/a	n/a
Dental (self-insured)	41.11	98.65	151.10	41.11	98.65	151.10

**2016 Life Insurance Monthly Premiums**

Participant	Premium <sup>26</sup>
Employee	\$1.31 per \$1,000
Spouse	\$1.31 per \$1,000

<sup>26</sup> This is the premium for voluntary life insurance for employees age 65-69. Two retirees age 68 on the valuation date and one spouse are eligible for retire life insurance.



**PREMIUMS**

**Monthly Premium Increases**  
**2014 to 2016**

**Actual Increases**

Healthcare Plan	Non-Medicare Eligible			Medicare Eligible		
	Single	2-Party	Family	Single	2-Party	Family
EPO	13.5%	13.6%	13.6%	n/a	n/a	n/a
EPO (OOS)	16.8%	16.9%	16.9%	n/a	n/a	n/a
Gold PPO	13.4%	13.5%	13.4%	0.0%	0.1%	15.2%
Gold PPO (OOS)	16.9%	16.9%	16.9%	0.0%	0.1%	15.2%
HMO 15	18.7%	18.7%	18.6%	n/a	n/a	n/a
Dental (self-insured)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**Expected Increases**

Healthcare Plan	Non-Medicare Eligible			Medicare Eligible		
	Single	2-Party	Family	Single	2-Party	Family
Medical/R <sub>x</sub>	16.1%	16.1%	16.1%	16.7%	16.7%	16.7%
Dental	8.2%	8.2%	8.2%	8.2%	8.2%	8.2%



**PARTICIPANT STATISTICS**

**Medical Plan Participation**  
**Non-Waived Participants**

**June 30, 2015**

Medical Plan	Actives	Retirees	
		< 65	≥ 65
EPO	51%	55%	n/a
Gold PPO	9%	41%	100%
HMO 15	40%	4%	n/a
Total	100%	100%	100%

**June 30, 2013**

Medical Plan	Actives	Retirees	
		< 65	≥ 65
EPO	50%	44%	n/a
Gold PPO	12%	53%	100%
HMO 15	38%	3%	n/a
Total	100%	100%	100%



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**PARTICIPANT STATISTICS**

**Active Medical Coverage**

Medical Plan	Single	2-Party	Family	Waived	Total
EPO	12	12	41		65
Gold PPO	3	3	6		12
HMO 15	13	9	30		52
Waived				7	7
Total	28	24	77	7	136
Election %	22%	19%	60%		
Waived %				5%	



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**PARTICIPANT STATISTICS**

**Retiree Medical Coverage  
Under Age 65**

Medical Plan	Single	2-Party	Family	Waived	Total
EPO	4	10	1		15
Gold PPO	1	10			11
HMO 15	1				1
Waived					0
<b>Total</b>	<b>6</b>	<b>20</b>	<b>1</b>	<b>0</b>	<b>27</b>
Election %	22%	74%	4%		
Waived %				0%	



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**PARTICIPANT STATISTICS**

**Retiree Medical Coverage  
Over Age 65**

Medical Plan	Single	2-Party	Family	Waived <sup>27</sup>	Total
EPO	n/a	n/a	n/a		n/a
Gold PPO	17	31			48
HMO 15	n/a	n/a	n/a		n/a
Waived				4	4
<b>Total</b>	<b>17</b>	<b>31</b>	<b>0</b>	<b>4</b>	<b>52</b>
Election %	35%	65%	0%		
Waived %				8%	

<sup>27</sup> Waived medical coverage but have dental coverage.



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**PARTICIPANT STATISTICS**

**Dental Coverage**

<b>Participant Group</b>	<b>Single</b>	<b>2-Party</b>	<b>Family</b>	<b>Waived</b>	<b>Total</b>
Actives	28	28	80		136
Retirees < 65	4	17		6	27
Retirees ≥ 65	16	28		8	52



**PARTICIPANT STATISTICS**

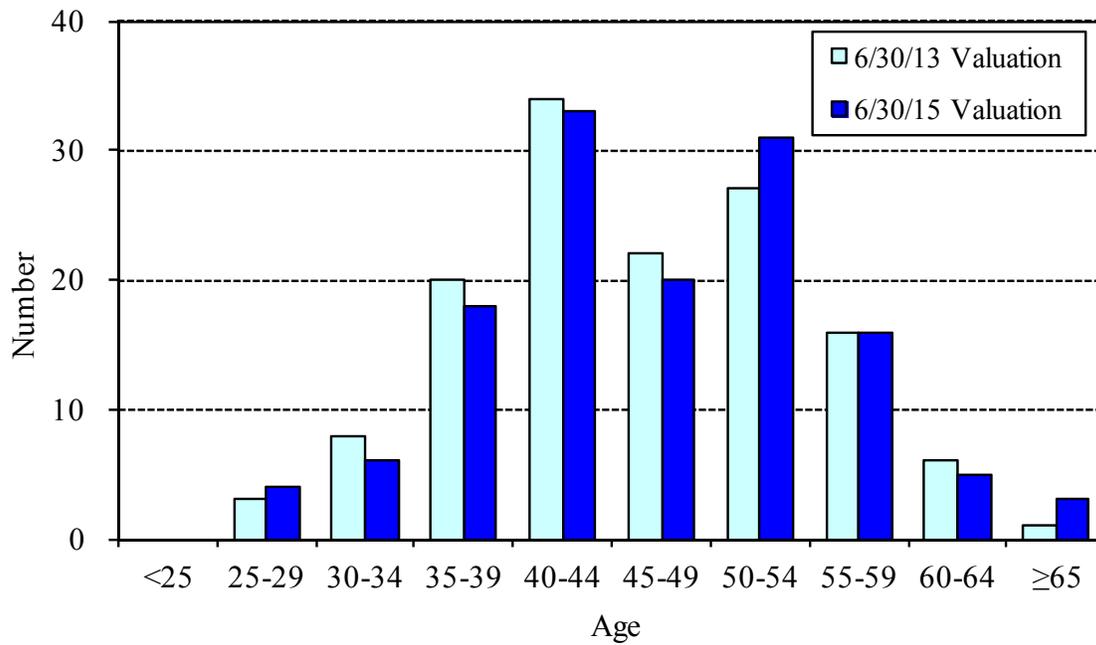
**Actives by Age and Service**

<b>Age</b>	<b>District Service</b>							<b>Total</b>
	<b>&lt; 1</b>	<b>1-4</b>	<b>5-9</b>	<b>10-14</b>	<b>15-19</b>	<b>20-24</b>	<b>≥ 25</b>	
< 25								0
25-29	1	1	2					4
30-34	1	2	2	1				6
35-39	3	7	6	2				18
40-44	3	5	12	9	3	1		33
45-49		4	6	5	5			20
50-54		4	10	7	3	2	5	31
55-59		3	5	6	1	1		16
60-64			2	3				5
≥ 65			2		1			3
<b>Total</b>	8	26	47	33	13	4	5	136



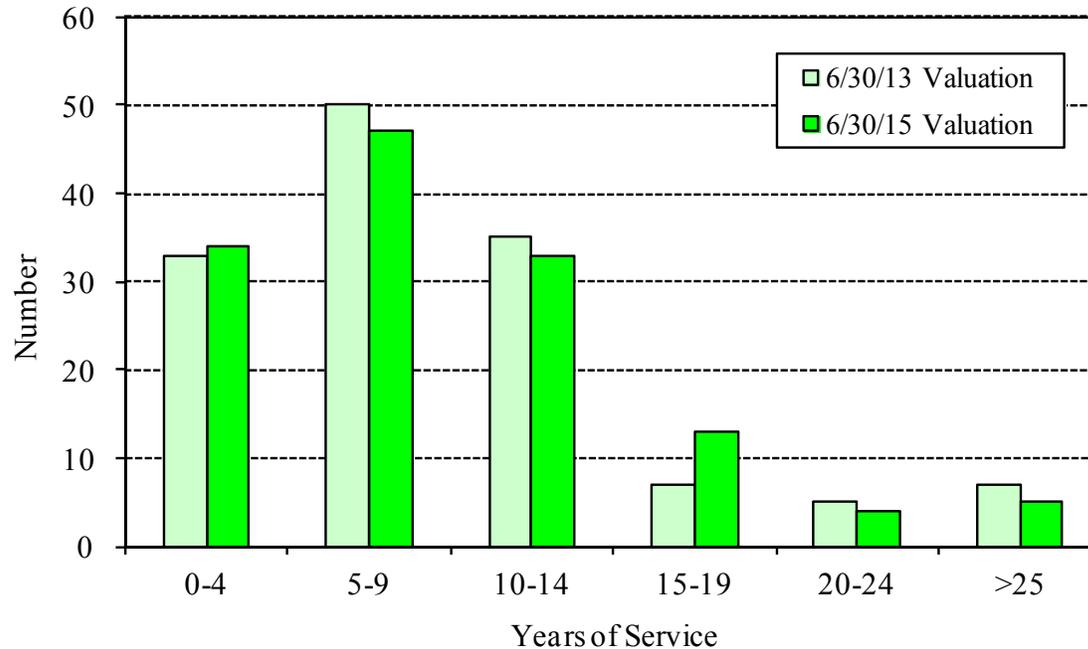
## PARTICIPANT STATISTICS

### Active Age Distribution



## PARTICIPANT STATISTICS

### Active Service Distribution



## PARTICIPANT STATISTICS

### Retiree Healthcare Coverage by Age Group

Age	Single	2-Party	Family	Waived	Total
Under 50					0
50-54		1			1
55-59	3	6	1		10
60-64	3	13			16
65-69	7	16		1	24
70-74	4	7			11
75-79		3		1	4
80-84	1	4			5
Over 85	5	1		2	8
<b>Total</b>	<b>23</b>	<b>51</b>	<b>1</b>	<b>4</b>	<b>79</b>

Average Age	71.2	67.7	58.8	79.6	69.2
Election %	31%	68%	1%		
Waived %				5%	



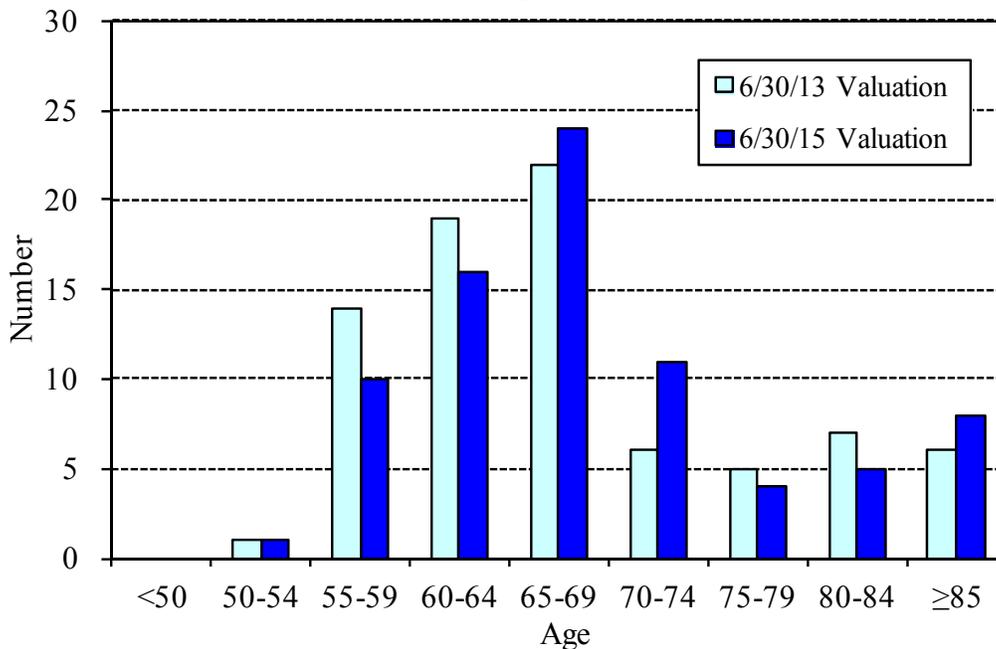
September 10, 2015

E-13



## PARTICIPANT STATISTICS

### Retiree Age Distribution



September 10, 2015

E-14



**ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>June 30, 2013 Valuation</b>	<b>June 30, 2015 Valuation</b>
■ Valuation Date	<ul style="list-style-type: none"> <li>• June 30, 2013</li> <li>• 2013/14 &amp; 2014/15 ARCs</li> <li>• ARC calculated as of beginning of the year with interest to end of year</li> </ul>	<ul style="list-style-type: none"> <li>• June 30, 2015</li> <li>• 2015/16 &amp; 2016/17 ARCs</li> <li>• ARC calculated as of beginning of the year with interest to end of year</li> </ul>
■ Funding Policy	<ul style="list-style-type: none"> <li>• Prefund full ARC with CERBT Fund #1</li> <li>• Additionally, benefit payments from District assets until 100% funded</li> </ul>	<ul style="list-style-type: none"> <li>• Same</li> </ul>
■ Discount Rate	<ul style="list-style-type: none"> <li>• 7.25% - Full ARC funding with CERBT #1</li> </ul>	<ul style="list-style-type: none"> <li>• Same</li> </ul>
■ General Inflation	<ul style="list-style-type: none"> <li>• 3% annually</li> <li>• Basis for aggregate payroll and discount rate assumptions</li> </ul>	<ul style="list-style-type: none"> <li>• Same</li> </ul>



**ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>June 30, 2013 Valuation</b>	<b>June 30, 2015 Valuation</b>
■ Aggregate Payroll Increases	<ul style="list-style-type: none"> <li>• 3.25% annually</li> <li>• Inflation plus 0.25%</li> <li>• For Normal Cost calculation and UAAL amortization</li> </ul>	<ul style="list-style-type: none"> <li>• Same</li> </ul>
■ Merit Payroll Increases	<ul style="list-style-type: none"> <li>• CalPERS 1997-2007 Experience Study</li> <li>• Added to aggregate payroll increase assumption for Normal Cost calculation</li> </ul>	<ul style="list-style-type: none"> <li>• CalPERS 1997-2011 Experience Study</li> <li>• Added to aggregate payroll increase assumption for Normal Cost calculation</li> </ul>
■ CalPERS Service	<ul style="list-style-type: none"> <li>• CalPERS service provided by District</li> </ul>	<ul style="list-style-type: none"> <li>• Same</li> </ul>



**ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>June 30, 2013 Valuation</b>	<b>June 30, 2015 Valuation</b>	
<b>■ Medical Trend</b>	<u>Increase from Prior Year</u>		
	Calendar <u>Non-Medicare</u> <u>Medicare</u> Year	Calendar <u>Non-Medicare</u> <u>Medicare</u> Year	Calendar <u>Non-Medicare</u> <u>Medicare</u> Year
	2013	<u>All Plans</u> Premiums	<u>All Plans</u> Premiums
	2014	Premiums	Premiums
	2015	8.0%	8.3%
	2016	7.5%	7.8%
	2017	7.0%	7.2%
	2018	6.5%	6.7%
	2019	6.0%	6.1%
	2020	5.5%	5.6%
2021+	5.0%	5.0%	
<b>■ Dental Trend</b>	<ul style="list-style-type: none"> <li>• 4.0% annually</li> </ul>	<ul style="list-style-type: none"> <li>• Same</li> </ul>	
<b>■ Dental Claims Cost</b>	<ul style="list-style-type: none"> <li>• Premium x loss ratio               <ul style="list-style-type: none"> <li>➢ Employee - 90%</li> <li>➢ Spouse - 71%</li> <li>➢ Child - 71%</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Use 100% premium as estimate of future claims cost</li> </ul>	



**ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>June 30, 2013 Valuation</b>	<b>June 30, 2015 Valuation</b>
<b>■ PPACA High Cost Plan Excise Tax</b>	<ul style="list-style-type: none"> <li>• n/a</li> </ul>	<ul style="list-style-type: none"> <li>• Excise tax threshold is calculated separately for self and non-self coverage</li> <li>• Non-Medicare eligible and Medicare eligible retirees can be combined</li> <li>• Assume insurer has 35% marginal income tax rate</li> <li>• Valuation uses estimated 1.25% AAL load</li> </ul>
<b>■ Life Insurance Premium Trend</b>	<ul style="list-style-type: none"> <li>• 0%</li> </ul>	<ul style="list-style-type: none"> <li>• Same</li> </ul>



**ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>June 30, 2013 Valuation</b>			<b>June 30, 2015 Valuation</b>			
<b>■ Claims Costs 2016</b>	<ul style="list-style-type: none"> <li>• Sample estimated monthly claims costs</li> </ul>						
		<u>EPO</u>		<u>HMO</u>		<u>PPO</u>	
	<u>Age</u>	<u>M</u>	<u>F</u>	<u>M</u>	<u>F</u>	<u>M</u>	<u>F</u>
	25	\$266	\$558	\$292	\$613	\$223	\$468
	30	313	590	345	648	263	495
	35	393	627	432	689	330	526
	40	441	685	485	753	370	575
	45	515	797	567	876	433	669
	50	654	850	718	935	549	714
	55	845	866	929	952	709	727
60	1,073	924	1,180	1,016	901	776	



**ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>June 30, 2013 Valuation</b>			<b>June 30, 2015 Valuation</b>			
<b>■ Claims Cost Aging Factors</b>	<ul style="list-style-type: none"> <li>• Relative relationship between actual claims costs by age</li> <li>• Used for implied subsidy estimate</li> </ul>						
		<u>M</u>	<u>F</u>				
	<u>Age</u>						
	<30	0.50	1.05				
	30-34	0.65	1.15				
	35-39	0.80	1.20				
	40-44	0.85	1.35				
	45-49	1.05	1.60				
	50-54	1.35	1.60				
	55-59	1.75	1.65				
	60-64	2.20	1.80				
	65-69	2.65	2.25				
	70-74	3.45	2.75				
75-79	4.00	3.25					
80-84	4.25	3.60					
85+	4.45	3.90					
	<ul style="list-style-type: none"> <li>• Same</li> </ul>						



**ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>June 30, 2013 Valuation</b>	<b>June 30, 2015 Valuation</b>
<ul style="list-style-type: none"> <li>■ Claims Costs Demographics</li> </ul>	<ul style="list-style-type: none"> <li>• District age and gender demographics</li> </ul>	<ul style="list-style-type: none"> <li>• Pool employee age and gender demographics for each healthcare plan provided by SDRMA</li> <li>• Assumed spouse coverage:                             <ul style="list-style-type: none"> <li>➢ Actives - 80%</li> <li>➢ Retirees &lt; 65 - 80%</li> <li>Retirees ≥ 65 - 65%</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>■ Mortality, Termination, Disability</li> </ul>	<ul style="list-style-type: none"> <li>• CalPERS 1997-2007 Experience Study</li> <li>• Mortality improvement projection Scale AA</li> </ul>	<ul style="list-style-type: none"> <li>• CalPERS 1997-2011 Experience Study</li> <li>• Mortality Improvement Scale MP-2014 modified to converge to ultimate mortality improvement rates in 2022</li> </ul>



**ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>June 30, 2013 Valuation</b>	<b>June 30, 2015 Valuation</b>
<ul style="list-style-type: none"> <li>■ District Service for Retirement</li> </ul>	<ul style="list-style-type: none"> <li>• Hired &lt; 1/1/81 - 5 years of District service</li> <li>• Hired ≥ 1/1/81 &amp; &lt; 7/1/93 and General Manager - Age plus District service ≥ 70</li> <li>• Hired ≥ 7/1/93:                             <ul style="list-style-type: none"> <li>➢ Unrepresented employees:                                     <ul style="list-style-type: none"> <li>- Hired &lt; 1/1/13 - 15 years of District service</li> <li>- Hired ≥ 1/1/13 - 20 years of District service</li> </ul> </li> <li>➢ Represented employees:                                     <ul style="list-style-type: none"> <li>- 20 years of District service</li> <li>- 5 years of District service if employee does not have 15 or 20 years of service at age 65</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Unrepresented employees:                             <ul style="list-style-type: none"> <li>➢ Hired &lt; 1/1/13 - 15 years of District service</li> <li>➢ Hired ≥ 1/1/13 - 20 years of District service</li> </ul> </li> <li>• Represented employees:                             <ul style="list-style-type: none"> <li>➢ 20 years of District service</li> </ul> </li> <li>• 5 years of District service if employee does not have 15 or 20 years of service at age 65</li> </ul>



**ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>June 30, 2013 Valuation</b>	<b>June 30, 2015 Valuation</b>																																				
<p>■ Service Retirement</p>	<ul style="list-style-type: none"> <li>CalPERS 1997-2007 Experience Study</li> </ul> <table border="0"> <tr> <td align="center"><u>CalPERS</u></td> <td align="center"><u>Misc</u></td> <td align="center"><u>ERA</u></td> </tr> <tr> <td>CalPERS Hire Age</td> <td align="center">35</td> <td></td> </tr> <tr> <td>Hire &lt; 1/1/13</td> <td align="center">2.7%@55</td> <td align="center">58.1</td> </tr> <tr> <td>Hire ≥ 1/1/13</td> <td></td> <td></td> </tr> <tr> <td>➢ Classic Member</td> <td align="center">2.7%@55</td> <td align="center">58.1</td> </tr> <tr> <td>➢ New Member</td> <td align="center">2.0%@62</td> <td align="center">60.9</td> </tr> </table>	<u>CalPERS</u>	<u>Misc</u>	<u>ERA</u>	CalPERS Hire Age	35		Hire < 1/1/13	2.7%@55	58.1	Hire ≥ 1/1/13			➢ Classic Member	2.7%@55	58.1	➢ New Member	2.0%@62	60.9	<ul style="list-style-type: none"> <li>CalPERS 1997-2011 Experience Study</li> </ul> <table border="0"> <tr> <td align="center"><u>CalPERS</u></td> <td align="center"><u>Misc</u></td> <td align="center"><u>ERA</u></td> </tr> <tr> <td>CalPERS Hire Age</td> <td align="center">35</td> <td></td> </tr> <tr> <td>Hire &lt; 1/1/13</td> <td align="center">2.7%@55</td> <td align="center">58.6</td> </tr> <tr> <td>Hire ≥ 1/1/13</td> <td></td> <td></td> </tr> <tr> <td>➢ Classic Member</td> <td align="center">2.7%@55</td> <td align="center">58.1</td> </tr> <tr> <td>➢ New Member</td> <td align="center">2.0%@62</td> <td align="center">60.9</td> </tr> </table>	<u>CalPERS</u>	<u>Misc</u>	<u>ERA</u>	CalPERS Hire Age	35		Hire < 1/1/13	2.7%@55	58.6	Hire ≥ 1/1/13			➢ Classic Member	2.7%@55	58.1	➢ New Member	2.0%@62	60.9
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➢ New Member	2.0%@62	60.9																																				
<p>■ Hardship Retirements</p>	<ul style="list-style-type: none"> <li>n/a</li> </ul>	<ul style="list-style-type: none"> <li>1% liability load for active obligation</li> </ul>																																				
<p>■ Participation at Retirement</p>	<ul style="list-style-type: none"> <li>Currently covered and waived                             <ul style="list-style-type: none"> <li>➢ Medical - 100%</li> <li>➢ Dental - 80%</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Same</li> </ul>																																				



**ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>June 30, 2013 Valuation</b>	<b>June 30, 2015 Valuation</b>
<p>■ Medical Plan at Retirement</p>	<ul style="list-style-type: none"> <li>Currently covered:                             <ul style="list-style-type: none"> <li>➢ Current plan election until Medicare eligible</li> <li>➢ PPO after Medicare eligible</li> </ul> </li> <li>Waived actives - PPO</li> <li>Waived retirees - n/a</li> </ul>	<ul style="list-style-type: none"> <li>Same</li> </ul>
<p>■ Medicare Eligibility</p>	<ul style="list-style-type: none"> <li>100% eligible for Medicare at age 65</li> <li>All Medicare eligibles will elect Part B coverage</li> </ul>	<ul style="list-style-type: none"> <li>Same</li> </ul>
<p>■ Marital Status at Retirement</p>	<ul style="list-style-type: none"> <li>Actives                             <ul style="list-style-type: none"> <li>➢ Married if currently elect 2-party or family coverage</li> <li>➢ Waived - 80% married</li> </ul> </li> <li>Retirees - based on spouse information if provided</li> </ul>	<ul style="list-style-type: none"> <li>Same</li> </ul>



## ACTUARIAL ASSUMPTIONS

Assumption	June 30, 2013 Valuation	June 30, 2015 Valuation
<ul style="list-style-type: none"> <li>■ Spouse &amp; Dependent Coverage at Retirement</li> </ul>	<ul style="list-style-type: none"> <li>• Spouse coverage:                             <ul style="list-style-type: none"> <li>➢ 100% elect CalPERS joint and survivor annuity</li> <li>➢ Coverage assumption same as retiree assumption</li> </ul> </li> <li>• Family coverage:                             <ul style="list-style-type: none"> <li>➢ Current actives -10% until age 65 if assumed married</li> <li>➢ Current retirees - current coverage until age 65</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Same</li> </ul>
<ul style="list-style-type: none"> <li>■ Spouse Age</li> </ul>	<ul style="list-style-type: none"> <li>• Actives - males 3 years older than females</li> <li>• Retirees - males 3 years older than females if spouse birth date not provided</li> </ul>	<ul style="list-style-type: none"> <li>• Same</li> </ul>



## ACTUARIAL METHODS

Method	June 30, 2015 Valuation
<ul style="list-style-type: none"> <li>■ Cost Method</li> </ul>	<ul style="list-style-type: none"> <li>• Entry Age Normal</li> <li>• Normal Cost is a level percentage of payroll</li> <li>• District date of hire used for entry age</li> </ul>
<ul style="list-style-type: none"> <li>■ Actuarial Value of Assets</li> </ul>	<ul style="list-style-type: none"> <li>• Investment gains/losses spread over 5-year rolling period</li> <li>• Not less than 80% nor more than 120% of market value</li> </ul>
<ul style="list-style-type: none"> <li>■ Amortization Method</li> </ul>	<ul style="list-style-type: none"> <li>• Level percent of payroll</li> </ul>
<ul style="list-style-type: none"> <li>■ Amortization Period</li> </ul>	<ul style="list-style-type: none"> <li>• 30-year fixed (closed) period for initial UAAL as of 6/30/07 for 2007/08 ARC</li> <li>• 22-year fixed (closed) period for UAAL as of 6/30/15 for 2015/16 ARC</li> <li>• Amortization period decreases by one year each fiscal year</li> <li>• When amortization period reaches 15 years, new gains and losses will be amortized over a rolling (open) 15-year period and plan and assumption changes will be amortized over fixed (closed) 20-year period</li> </ul>



## ACTUARIAL METHODS

Method	June 30, 2015 Valuation
<p>■ Implied Subsidy</p>	<ul style="list-style-type: none"> <li>• Employer cost for allowing non-Medicare eligible retirees to participate at active rates</li> <li>• Valuation includes an implied subsidy for medical but not dental or life insurance</li> </ul>
<p>■ Future New Entrants</p>	<ul style="list-style-type: none"> <li>• Valuation Results – Closed group, no new hires</li> <li>• Projections – Simplified open group projection:                             <ul style="list-style-type: none"> <li>➢ Actives - Total pay increased in accordance with aggregate payroll assumption</li> <li>➢ Normal Cost - New hires assume to have the same Normal Cost percentage as current actives</li> <li>➢ Retirees - no additional retirees from new hires over 10-year projection period</li> </ul> </li> </ul>



## DEFINITIONS

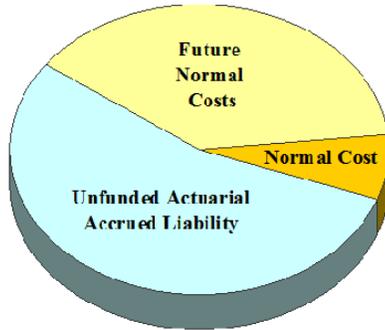
<p>■ GASB 45 Accrual Accounting</p>	<ul style="list-style-type: none"> <li>• Project future employer-provided benefit cash flow for current active employees and current retirees</li> <li>• Discount projected cash flow to valuation date using discount rate and actuarial assumptions to determine present value of benefits (PVB)</li> <li>• Discount rate is expected long-term return on plan assets</li> <li>• Allocate PVB to past, current, and future periods</li> <li>• Normal Cost (NC) is portion of PVB allocated to current fiscal year</li> <li>• Actuarial cost method used for valuation is Entry Age Normal (EAN) Cost method which determines Normal Cost as a level percent of payroll</li> <li>• Actuarial Accrued Liability (AAL) is portion of PVB allocated to prior service with the employer</li> <li>• Unfunded AAL (UAAL) is AAL less Plan Assets</li> <li>• Assets must be in segregated and restricted trust to be considered Plan Assets for GASB 45</li> </ul>
<p>■ PayGo Cost</p>	<ul style="list-style-type: none"> <li>• Cash subsidy is employer pay-as-you-go benefit payments for retirees</li> <li>• Implied subsidy is difference between actual cost of retiree benefits and retiree premiums subsidized by active employee premiums</li> </ul>



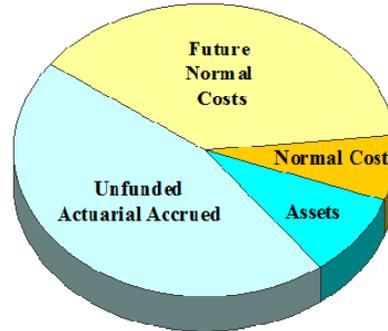
## DEFINITIONS

### Present Value of Benefits

**Present Value of Benefits  
(Without Plan Assets)**



**Present Value of Benefits  
(With Plan Assets)**



## DEFINITIONS

<p>■ Annual Required Contribution (ARC)</p>	<ul style="list-style-type: none"> <li>● GASB 45 contribution is Normal Cost plus amortization of:             <ul style="list-style-type: none"> <li>➢ Initial UAAL and AAL for plan, assumption, and method changes</li> <li>➢ Experience gains and losses (difference between actual experience and that expected from assumptions)</li> <li>➢ Contribution gains and losses (difference between ARC and actual contributions)</li> </ul> </li> </ul>
<p>■ Net OPEB Obligation (NOO)</p>	<ul style="list-style-type: none"> <li>● NOO is accumulated amounts expensed but not funded</li> <li>● Net OPEB Asset if amounts funded exceed those expensed</li> </ul>
<p>■ Annual OPEB Cost (AOC)</p>	<ul style="list-style-type: none"> <li>● Expense for current period including:             <ul style="list-style-type: none"> <li>➢ ARC</li> <li>➢ Interest on NOO</li> <li>➢ Adjustment of NOO</li> </ul> </li> <li>● Adjustment of NOO prevents double counting of expense since ARCs include amortization of prior contribution gains and losses previously expensed</li> </ul>

## DEFINITIONS

■ Terminology  
Used in  
Report

- AAL - Actuarial Accrued Liability
- AOC - Annual OPEB Cost
- ARC - Annual Required Contribution
- AVA - Actuarial Value of Assets
- BOY - Beginning of Fiscal Year
- EAN - Entry Age Normal Cost Method
- GASB 45 - Governmental Accounting Standards Board Statement No. 45
- MVA - Market Value of Assets
- NOO - Net OPEB Obligation
- OPEB - Other (than pensions) Post Employment Benefits
- NC - Normal Cost
- PVB - Present Value of Projected Benefits
- UAAL - Unfunded Actuarial Accrued Liability

## DEFINITIONS



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**B**ARTEL  
ASSOCIATES, LLC

**OTAY WATER DISTRICT  
RETIREE HEALTHCARE PLAN**

June 30, 2015 GASB 45 Actuarial Valuation  
OPEB Contribution Study  
Preliminary Results

**Bartel Associates, LLC**

Joseph R. D'Onofrio, Assistant Vice President  
Adam Zimmerer, Actuarial Analyst  
Tak Frazita, Associate Actuary  
**November 19, 2015**

**CONTENTS**

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Actuarial Assumptions	7
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Study Results	11

## BENEFIT SUMMARY - CURRENT PLAN

**■ Eligibility**  
Service  
Retirement

- Full-time employees who retire directly from District under CalPERS (service or disability)
- Unrepresented retired ≤ 7/15/11; Represented retired ≤ 8/10/11:
  - Hired < 1/1/81 - Age 55 and 5 years of District service
  - Hired ≥ 1/1/81 - Age 55 and age plus District service ≥ 70
- Unrepresented<sup>1</sup> retired > 7/15/11; Represented retired > 8/10/11:
  - Hired < 1/1/13 - Age 55 and 20 years of District service (15 years for Unrepresented)
  - Hired ≥ 1/1/13 - Age 55 & 20 years of District service
- Directors:
  - Elected < 1/1/95 - Age 60 and 12 years of District service<sup>2</sup>
  - Elected ≥ 1/1/95 - Not eligible
- District service for eligibility is continuous service from last hire date
- Medicare eligible retirees and spouses must enroll in Medicare
- Retirees who waive coverage cannot rejoin plan

<sup>1</sup> Includes General Manager.

<sup>2</sup> All current Directors were elected after 1/1/95. There are 2 retired Directors.



November 19, 2015



## BENEFIT SUMMARY - CURRENT PLAN

**■ Medical & Dental**

- 100% of retiree premium for life
- Retired < 12/29/03 - 100% spouse premium for life and 100% eligible dependent premium to age 19
- Retired ≥ 12/29/03 - 88% of spouse premium for life and 88% eligible dependent premium to age 19
- Retiree can pay eligible dependent premium after age 19 as required by law

**■ Medical Plans**

- SDRMA EPO, Gold PPO, HMO 15 available before Medicare eligibility
- Gold PPO available after Medicare eligibility

**■ Life Insurance**

- Retired < 12/29/03 - \$3,000 for retiree to age 65 and \$1,950 from age 65 to age 70
- Retired < 12/29/03 and hired < 1/1/81 - \$1,000 for spouse to retiree age 65 and \$650 from retiree age 65 to retiree age 70
- Directors not eligible



November 19, 2015



**BENEFIT SUMMARY - CURRENT PLAN**

<p>■ Survivors</p> <p>Unrepresented Retired &lt; 7/15/11 Represented Retired &lt; 8/10/11 Directors Elected &lt; 1/1/95</p>	<ul style="list-style-type: none"> <li>• Retired &lt; 12/29/03 and Directors elected &lt; 1/1/95 - 100% spouse premium and 100% eligible dependent premium to age 19</li> <li>• Retired ≥ 12/29/03 - 88% of spouse premium and eligible dependent premium to age 19</li> <li>• Spouse coverage after retiree death but not past spouse age 65</li> <li>• Eligible dependent can pay full premium after age 19 as required by law</li> <li>• Survivor benefit available to actives eligible to retire</li> </ul>
<p>■ Survivors</p> <p>Unrepresented Retired ≥ 7/15/11 Represented Retired ≥ 8/10/11</p>	<ul style="list-style-type: none"> <li>• 88% of spouse premium for life and eligible dependent premium to age 19</li> <li>• Spouse coverage after retiree death but not past spouse age 65</li> <li>• Eligible dependent can pay full premium after age 19 as required by law</li> <li>• Survivor benefit available to actives eligible to retire</li> </ul>



**BENEFIT SUMMARY - CURRENT PLAN**

<p>■ Disability &amp; Hardship</p>	<ul style="list-style-type: none"> <li>• Full-time employees who retire directly from District under CalPERS</li> <li>• Disability - Age 50 to 54 and 10 years of District service</li> <li>• Hardship:             <ul style="list-style-type: none"> <li>➢ Hired &lt; 1/1/13 - Hardship as determined by the District with 20 years of District service (15 years for Unrepresented)</li> <li>➢ Hired ≥ 1/1/13 - Hardship as determined by the District and 20 years of District service</li> </ul> </li> <li>• Early retirement adjustment to benefit:             <table border="1" data-bbox="617 1554 828 1791" style="margin-left: 40px;"> <thead> <tr> <th><u>Age</u></th> <th><u>Percent</u></th> </tr> </thead> <tbody> <tr> <td>50</td> <td>70%</td> </tr> <tr> <td>51</td> <td>76%</td> </tr> <tr> <td>52</td> <td>82%</td> </tr> <tr> <td>53</td> <td>88%</td> </tr> <tr> <td>54</td> <td>94%</td> </tr> </tbody> </table> </li> </ul>	<u>Age</u>	<u>Percent</u>	50	70%	51	76%	52	82%	53	88%	54	94%
<u>Age</u>	<u>Percent</u>												
50	70%												
51	76%												
52	82%												
53	88%												
54	94%												





**ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>June 30, 2015 Valuation</b>	<b>OPEB Contribution Study</b>
<ul style="list-style-type: none"> <li>■ Actuarial Assumptions</li> </ul>	<ul style="list-style-type: none"> <li>• Same as stated in 6/30/15 preliminary actuarial valuation report dated 9/10/15</li> </ul>	<ul style="list-style-type: none"> <li>• Same as stated in 6/30/15 preliminary actuarial valuation report dated 9/10/15 except those listed below for actives hired <math>\geq</math> 7/1/93</li> </ul>
<ul style="list-style-type: none"> <li>■ District Service for Retirement</li> </ul>	<ul style="list-style-type: none"> <li>• Unrepresented employees:                             <ul style="list-style-type: none"> <li>➢ Hired &lt; 1/1/13 - 15 years of District service</li> <li>➢ Hired <math>\geq</math> 1/1/13 - 20 years of District service</li> </ul> </li> <li>• Represented employees:                             <ul style="list-style-type: none"> <li>➢ 20 years of District service</li> </ul> </li> <li>• 5 years of District service if employee does not have 15 or 20 years of service at age 65</li> </ul>	<ul style="list-style-type: none"> <li>• Unrepresented employees:                             <ul style="list-style-type: none"> <li>➢ 15 years of District service</li> </ul> </li> <li>• Represented employees:                             <ul style="list-style-type: none"> <li>➢ 15 years of District service</li> </ul> </li> </ul>



**ACTUARIAL ASSUMPTIONS**

<b>Assumption</b>	<b>June 30, 2015 Valuation</b>	<b>OPEB Contribution Study</b>
<ul style="list-style-type: none"> <li>■ Medical Plan at Retirement</li> </ul>	<ul style="list-style-type: none"> <li>• Currently covered:                             <ul style="list-style-type: none"> <li>➢ Current plan election until Medicare eligible</li> <li>➢ PPO after Medicare eligible</li> </ul> </li> <li>• Waived actives - PPO</li> </ul>	<ul style="list-style-type: none"> <li>• PPO</li> </ul>



**CALPERS MEMBER CONTRIBUTIONS**

CalPERS Member Contributions	Unrepresented		Represented	
	<u>Classic</u>	<u>New</u>	<u>Classic</u>	<u>New</u>
CalPERS Member				
Required CalPERS Member Contributions	8.00%	6.25%	8.00%	6.25%
Additional CalPERS Member Contributions	<u>0.00%</u>	<u>1.75%</u>	<u>0.75%</u>	<u>2.50%</u>
Total CalPERS Member Contributions	8.00%	8.00%	8.75%	8.75%
Prior CalPERS Member Contributions	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>
Member Contributions for OPEB Funding	7.00%	7.00%	7.75%	7.75%



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**CALPERS MEMBER CONTRIBUTIONS**

Fiscal Year End	Estimated Annual CERBT Return	Average Contribution Exposure (Years)	Unrepresented		Represented	
			Annual Member OPEB Contrib	Accumulated Member OPEB Contrib	Annual Member OPEB Contrib	Accumulated Member OPEB Contrib
2012	0.38%	0.37	\$138,652	\$138,847	\$259,304	\$259,669
2013	11.20%	0.33	320,012	485,819	557,397	866,021
2014	18.30%	0.30	309,934	900,684	590,760	1,645,810
2015	(0.24%)	0.39	304,850	1,203,087	603,073	2,244,639



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**STUDY RESULTS**

**Actuarial Obligations - Current Plan**

**June 30, 2015 - 7.25% Discount Rate**

(Amounts in 000's)

Actuarial Obligations	Unrepresented	Represented	Total
■ <b>Present Value of Benefits</b>			
• Actives	\$5,715	\$12,287	\$18,001
• Retirees <sup>3</sup>	<u>3,295</u>	<u>9,510</u>	<u>12,805</u>
• Total	9,010	21,797	30,806
■ <b>Actuarial Accrued Liability</b>			
• Actives	3,912	6,972	10,884
• Retirees	<u>3,295</u>	<u>9,510</u>	<u>12,805</u>
• Total	7,207	16,482	23,689
■ <b>Actuarial Value of Assets<sup>4</sup></b>	<u>5,148</u>	<u>11,772</u>	<u>16,920</u>
■ <b>Unfunded AAL</b>	2,059	4,710	6,769
■ <b>Funded Percent</b>	71%	71%	71%
■ <b>Normal Cost for 2015/16</b>	227	533	761
■ <b>Normal Cost %Pay</b>	4.7%	6.4%	5.8%

<sup>3</sup> Employee group information was not available for retirees. Retiree liability was allocated to Unrepresented and Represented employee groups in proportion to active counts on 6/30/15 (35 Unrepresented and 101 Represented.)

<sup>4</sup> Actuarial Value of Assets was allocated to Unrepresented and Represented employee groups in proportion to AAL.



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**STUDY RESULTS**

**Actuarial Obligations - Prior Plan**

**June 30, 2015 - 7.25% Discount Rate**

(Amounts in 000's)

Actuarial Obligations	Unrepresented	Represented	Total
■ <b>Present Value of Benefits</b>			
• Actives	\$1,292	\$ 2,633	\$ 3,924
• Retirees	<u>3,132</u>	<u>9,039</u>	<u>12,171</u>
• Total	4,424	11,671	16,095
■ <b>Actuarial Accrued Liability</b>			
• Actives	1,064	1,939	3,003
• Retirees	<u>3,132</u>	<u>9,039</u>	<u>12,171</u>
• Total	4,196	10,977	15,173
■ <b>Estimated Plan Assets<sup>5</sup></b>	<u>3,945</u>	<u>9,528</u>	<u>13,473</u>
■ <b>Unfunded AAL</b>	251	1,450	1,701
■ <b>Funded Percent</b>	94%	87%	89%
■ <b>Normal Cost for 2015/16</b>	31	81	112
■ <b>Normal Cost %Pay</b>	0.6%	1.0%	0.9%

<sup>5</sup> Actuarial Value of Assets less estimated accumulated member OPEB contributions.



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**STUDY RESULTS**

**Funding Projection - Current Plan - Unrepresented**

(Amounts in 000's)

<b>Fiscal Year End</b>	<b>Normal Cost</b>	<b>UAAL Amort</b>	<b>Total ARC</b>	<b>Projected Payroll</b>	<b>Member OPEB Contrib</b>	<b>Net District ARC</b>	<b>BOY UAAL</b>	<b>BOY Fund%</b>
2016	\$228	\$145	\$373	\$4,796	\$336	\$ 37	\$2,059	71%
2017	235	129	365	4,952	347	18	1,777	77%
2018	243	111	354	5,113	358	(4)	1,473	82%
2019	251	89	340	5,279	370	(29)	1,150	87%
2020	259	64	323	5,451	382	(58)	795	91%
2021	267	34	302	5,628	394	(92)	407	96%
2022	276	1	277	5,811	407	(129)	15	100%
2023	285	0	285	6,000	420	(135)	0	100%
2024	294	0	294	6,195	434	(140)	0	100%
2025	303	0	303	6,396	448	(144)	0	100%



**STUDY RESULTS**

**Funding Projection - Prior Plan - Unrepresented**

(Amounts in 000's)

<b>Fiscal Year End</b>	<b>Normal Cost</b>	<b>UAAL Amort</b>	<b>Total ARC</b>	<b>Projected Payroll</b>	<b>Member OPEB Contrib</b>	<b>Net District ARC</b>	<b>BOY UAAL</b>	<b>BOY Fund%</b>
2016	\$31	\$18	\$49	\$4,796	\$0	\$49	\$251	94%
2017	32	13	46	4,952	0	46	185	96%
2018	33	8	42	5,113	0	42	112	98%
2019	34	3	37	5,279	0	37	36	99%
2020	35	0	35	5,451	0	35	0	100%
2021	37	0	37	5,628	0	37	0	100%
2022	38	0	38	5,811	0	38	0	100%
2023	39	0	39	6,000	0	39	0	100%
2024	40	0	40	6,195	0	40	0	100%
2025	42	0	42	6,396	0	42	0	100%



**STUDY RESULTS**

**Funding Projection - Difference - Unrepresented**

(Amounts in 000's)

<b>Fiscal Year End</b>	<b>Normal Cost</b>	<b>UAAL Amort</b>	<b>Total ARC</b>	<b>Projected Payroll</b>	<b>Member OPEB Contrib</b>	<b>Net District ARC</b>	<b>BOY UAAL</b>	<b>BOY Fund%</b>
2016	\$ 97	\$127	\$324	n/a	\$336	\$(12)	\$1,807	(23%)
2017	203	116	319	n/a	347	(28)	1,592	(19%)
2018	210	103	312	n/a	358	(46)	1,361	(16%)
2019	217	86	303	n/a	370	(66)	1,114	(12%)
2020	224	64	288	n/a	382	(93)	795	(9%)
2021	230	34	265	n/a	394	(129)	407	(4%)
2022	238	1	239	n/a	407	(167)	0	0%
2023	246	0	246	n/a	420	(174)	0	0%
2024	254	0	254	n/a	434	(180)	0	0%
2025	261	0	261	n/a	448	(186)	0	0%



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**STUDY RESULTS**

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**STUDY RESULTS**

**Funding Projection - Current Plan - Represented**

(Amounts in 000's)

<b>Fiscal Year End</b>	<b>Normal Cost</b>	<b>UAAL Amort</b>	<b>Total ARC</b>	<b>Projected Payroll</b>	<b>Member OPEB Contrib</b>	<b>Net District ARC</b>	<b>BOY UAAL</b>	<b>BOY Fund%</b>
2016	\$534	\$333	\$866	\$8,283	\$642	\$224	\$4,710	71%
2017	551	285	836	8,552	663	173	3,913	78%
2018	569	231	800	8,830	684	116	3,078	83%
2019	587	173	760	9,117	707	54	2,222	89%
2020	606	108	714	9,414	730	(16)	1,332	94%
2021	626	36	663	9,720	753	(91)	433	98%
2022	645	0	645	10,035	778	(133)	0	100%
2023	667	0	667	10,362	803	(136)	0	100%
2024	688	0	688	10,698	829	(141)	0	100%
2025	710	0	710	11,046	856	(146)	0	100%



**STUDY RESULTS**

**Funding Projection - Prior Plan - Represented**

(Amounts in 000's)

<b>Fiscal Year End</b>	<b>Normal Cost</b>	<b>UAAL Amort</b>	<b>Total ARC</b>	<b>Projected Payroll</b>	<b>Member OPEB Contrib</b>	<b>Net District ARC</b>	<b>BOY UAAL</b>	<b>BOY Fund%</b>
2016	\$81	\$102	\$183	\$8,283	\$0	\$183	\$1,450	87%
2017	84	83	167	8,552	0	167	1,144	90%
2018	86	62	148	8,830	0	148	824	93%
2019	89	39	129	9,117	0	129	504	96%
2020	92	13	105	9,414	0	105	161	99%
2021	95	0	95	9,720	0	95	0	100%
2022	98	0	98	10,035	0	98	0	100%
2023	101	0	101	10,362	0	101	0	100%
2024	105	0	105	10,698	0	105	0	100%
2025	108	0	108	11,046	0	108	0	100%



**STUDY RESULTS**

**Funding Projection - Difference - Represented**

(Amounts in 000's)

<b>Fiscal Year End</b>	<b>Normal Cost</b>	<b>UAAL Amort</b>	<b>Total ARC</b>	<b>Projected Payroll</b>	<b>Member OPEB Contrib</b>	<b>Net District ARC</b>	<b>BOY UAAL</b>	<b>BOY Fund%</b>
2016	\$453	\$231	\$683	n/a	\$642	\$ 41	\$3,261	(16%)
2017	467	202	669	n/a	663	6	2,769	(12%)
2018	483	169	652	n/a	684	(32)	2,254	(10%)
2019	498	134	631	n/a	707	(75)	1,718	(7%)
2020	514	95	609	n/a	730	(121)	1,171	(5%)
2021	531	36	568	n/a	753	(186)	433	(2%)
2022	547	0	547	n/a	778	(231)	0	0%
2023	566	0	566	n/a	803	(237)	0	0%
2024	583	0	583	n/a	829	(246)	0	0%
2025	602	0	602	n/a	856	(254)	0	0%



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**STUDY RESULTS**

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**STUDY RESULTS**

**Funding Projection - Current Plan - Total**

(Amounts in 000's)

<b>Fiscal Year End</b>	<b>Normal Cost</b>	<b>UAAL Amort</b>	<b>Total ARC</b>	<b>Projected Payroll</b>	<b>Member OPEB Contrib</b>	<b>Net District ARC</b>	<b>BOY UAAL</b>	<b>BOY Fund%</b>
2016	\$761	\$478	\$1,239	\$13,080	\$978	\$262	\$6,769	71%
2017	786	414	1,200	13,505	1,009	191	5,690	77%
2018	812	342	1,154	13,944	1,042	111	4,551	83%
2019	838	262	1,100	14,397	1,076	24	3,372	88%
2020	865	172	1,037	14,865	1,111	(74)	2,127	93%
2021	894	71	964	15,348	1,147	(183)	840	97%
2022	921	1	923	15,846	1,185	(262)	0	100%
2023	952	0	952	16,361	1,223	(271)	0	100%
2024	982	0	982	16,893	1,263	(281)	0	100%
2025	1,013	0	1,014	17,442	1,304	(290)	0	100%



**STUDY RESULTS**

**Funding Projection - Prior Plan - Total**

(Amounts in 000's)

<b>Fiscal Year End</b>	<b>Normal Cost</b>	<b>UAAL Amort</b>	<b>Total ARC</b>	<b>Projected Payroll</b>	<b>Member OPEB Contrib</b>	<b>Net District ARC</b>	<b>BOY UAAL</b>	<b>BOY Fund%</b>
2016	\$112	\$120	\$232	\$13,079	\$0	\$232	\$1,701	89%
2017	116	96	213	13,504	0	213	1,329	92%
2018	119	70	190	13,943	0	190	936	94%
2019	123	42	166	14,396	0	166	540	97%
2020	127	13	140	14,865	0	140	161	99%
2021	132	0	132	15,348	0	132	0	100%
2022	136	0	136	15,846	0	136	0	100%
2023	140	0	140	16,362	0	140	0	100%
2024	145	0	145	16,893	0	145	0	100%
2025	150	0	150	17,442	0	150	0	100%



**STUDY RESULTS**

**Funding Projection - Difference - Total**

(Amounts in 000's)

<b>Fiscal Year End</b>	<b>Normal Cost</b>	<b>UAAL Amort</b>	<b>Total ARC</b>	<b>Projected Payroll</b>	<b>Member OPEB Contrib</b>	<b>Net District ARC</b>	<b>BOY UAAL</b>	<b>BOY Fund%</b>
2016	\$649	\$358	\$1,007	n/a	\$ 978	\$ 30	\$5,068	(18%)
2017	670	318	987	n/a	1,010	(22)	4,361	(15%)
2018	693	272	964	n/a	1,042	(79)	3,615	(11%)
2019	715	220	934	n/a	1,077	(142)	2,832	(9%)
2020	738	159	897	n/a	1,112	(214)	1,966	(6%)
2021	762	71	832	n/a	1,147	(315)	840	(3%)
2022	785	1	787	n/a	1,185	(398)	0	0%
2023	812	0	812	n/a	1,223	(411)	0	0%
2024	837	0	837	n/a	1,263	(426)	0	0%
2025	863	0	864	n/a	1,304	(440)	0	0%



**STUDY RESULTS**

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# AGENDA ITEM 21



## STAFF REPORT

TYPE		MEETING			
MEETING:	Regular Board	DATE:	January 6, 2016		
SUBMITTED	Mark Watton	W.O./G.F.	N/A	DIV.	N/A
BY:	General Manager	NO:	NO.		
APPROVED BY:	<input checked="" type="checkbox"/> Mark Watton, General Manager				
SUBJECT:	General Manager's Report				

### ADMINISTRATIVE SERVICES:

#### Purchasing and Facilities:

- **Fuel Management System Upgrade** - Orpak USA has been awarded a contract to upgrade the District's fuel authorization and management system. The District's current Orpak system is over 10 years old and in recent months has become unreliable. Staff requested information and a quote from Orpak for the upgrade as well as quotes from two competing replacement systems that are compatible with the District's fuel island dispensing units. The cost of the upgrade is half the cost of the next highest system and provides the same features and benefits of the competing systems.

#### Human Resources:

- **Health Care Reform** - Part of Health Care Reform includes an excise tax to employers for health plans over a certain dollar limit and was set to go into effect on January 1, 2018. Congress recently passed a delay in the start date to the provisions to January 2020.
- **Recruitments/New Hires/Promotions:**
  - o The District is preparing to recruit for a Communications Officer for an upcoming vacancy expected in June 2016 due to a pending retirement. This position is critical to District operations.
  - o The District is also preparing to recruit for a Communications Representative position. The vacant Lead

Customer Service Representative will be used to fund the Communications Representative position.

**Safety & Security:**

- **District Award** - At the 2015 Risk Summit, Target Solutions (TS) presented the District with the '2015 Milestone Award' in recognition for using the Target Solutions online training platform to "help keep employees safe since year 2000."
- **Emergency Preparedness:**
  - WebEOC Training Exercise - Staff completed the December 2015 monthly exercise, which consisted of creating a report from the Water Hub and send it to Water - SDCWA EOC using the messaging tool.
- **Safety Training and Programs:**
  - HAZWOPER Annual Training - The District's HAZWOPER Team completed annual medical physical exams and required regulatory 8-hour hazardous waste operations refresher training.
  - Fire Drill - An unannounced fire drill was completed for Administration, Operations, Warehouse and Fleet Shop buildings. All buildings and departments safely evacuated within 2.5 to 3 minutes (e.g., Engineering evacuated all employees within 86 seconds with the Monitor evacuating in 2.5 minutes right after completing the floor sweep and verifying that everyone was out of the Engineering section). Kudos!
- **Meetings:**
  - EPA's Preparedness Resources for Water and Waste Water Utilities - Staff attended the meeting and among the topics covered included Quality Surveillance and Response Systems Guidance and Tools, and, Emergency Response for Drinking Water and Wastewater Utilities.
  - Water Agencies Emergency Collaboration (WAEC) Q4 Meeting - Staff attended the conference; among the topics covered included:
    - ✓ Introduction of Kelly Wilson, Protective Security Advisor, US Department of Homeland Security. Kelly replaced Pete Owen as of June 2015 as the Protective Security Advisor.
  - County Roads & Public Works Preparation Efforts - The County's preparatory efforts include clearing flood channels, manage vegetation, and maintain roads in

anticipation for heavy rainfall this winter. The County is basing preparatory efforts on FEMA's 100-year flood plan. Efforts to keep the 20,000+ conveyances clear have been unique as flood channels in San Diego County go through rural areas, across personal properties, through cities, and sometimes back to rural areas.

- o SDG&E Preparatory Efforts - Commercial and Industrial Services - SDG&E has several meteorologists on staff that monitor wind and heat conditions to assist them with infrastructure decisions. SDG&E is anticipating 55 days of rain through April, and is making preparatory efforts based on FEMA's 100-year flood plan. Preparatory efforts include:
  - ✓ Increased equipment inventory (each field office has flood water removal equipment)
  - ✓ Up-to-date facility assessments
  - ✓ Emergency equipment staged at each regional field office
  - ✓ Staffed up field personnel
  - ✓ Increased tree trimming efforts
  - ✓ Increased inspections of the electric and gas systems (transmission towers to substations to neighborhood power lines)
- A short tabletop discussion occurred with the intent to establish some protocols for the rep at the water desk at County EOC.

#### **INFORMATION TECHNOLOGY AND STRATEGIC PLANNING:**

- **GIS - ESRI Roundtable at Otay** - In partnership with ESRI, the District's Geographic Information system (GIS) software vendor, Otay Water hosted a professional roundtable event for GIS professionals from throughout Southern California. District staff conducted a Field Mobility presentation. The presentation showcased the District's leveraging of GIS and mobile technology to achieve improved field data collection, work order creation, and real-time reporting functions. ESRI continues to seek out OWD for its GIS best practices.
- **Wide Area Network Optimization Project Kickoff (Metro-E)** - IT staff kicked-off the planning phase of the SCADA telecommunication and Wide Area Network redesign. Per Board approval, 46 District facilities will be converted from wireless connectivity/communications to physical connectivity, thus implementing enhanced transmission services of security and SCADA data. Otay staff, along with

the selected vendor, reviewed all planned sites and will develop a resource and deployment timeline.

**FINANCE:**

- **Cost of Service Study** - Staff has issued requests for proposals from rate consultants and is evaluating the possibility of performing a cost of service study to evaluate the District's tiered rate structure.
- **Large Meter Testing** - Staff has started the annual meter testing for meters 3" or larger. This year, approximately 120 meters will be tested. The large meter-testing program aims to test all 3" or larger meters within the District at least once every three years. Meters with high annual usage are tested every year to ensure accuracy.
- **Financial Reporting:**
  - For the four months ended October 31, 2015, there are total revenues of \$28,887,711 and total expenses of \$28,540,374. The revenues exceeded expenses by \$347,337.
  - The market value shown in the Portfolio Summary and in the Investment Portfolio Details as of October 31, 2015 total \$80,456,520 with an average yield to maturity of 0.75%. The total earnings year-to-date are \$208,584.
  - For the five months ended November 30, 2015, there are total revenues of \$34,907,374 and total expenses of \$35,213,257. The expenses exceeded revenues by \$305,883. The reduced water sales from conservation is driving the year-to-date expenses to exceed the year-to-date revenue.
  - The market value shown in the Portfolio Summary and in the Investment Portfolio Details as of November 30, 2015 total \$78,167,183 with an average yield to maturity of 0.76%. The total earnings year-to-date are \$261,041.

**ENGINEERING AND WATER SYSTEM OPERATIONS:**

***Engineering:***

- **SR-11 Potable Water Utility Relocations:** This project consists of the relocation of existing pipelines in Sanyo Avenue and utility easements and is currently in the construction phase. The contractor, Coffman Specialties Inc., has relocated the 10-inch, 12-inch, and 18-inch mains and these mains have been tied into the system. It is

anticipated that this construction contract will reach substantial completion in December, 2015 with only punch list work remaining. The overall project is within budget and on schedule. (P2453)

- **Corrosion/Cathodic Protection Program:** The District's Corrosion/Cathodic Protection Program primary consultant (HDR Engineering, Inc.) has completed annual testing of approximately 70 miles of metallic pipelines and 29 existing steel reservoir cathodic protection systems, maintenance of a pipeline and reservoir geodatabase, and preparation of an annual report for calendar year 2015. HDR's agreement also includes as-needed in-service reservoir inspection, reservoir coating construction project inspection, and corrosion engineering services. Over the last year, HDR has completed in-service inspections of the 711-1 (P2529) and 711-2 (P2530) Reservoirs, construction coating inspection for the 944-2 Reservoir (P2532), internal inspection and minor repairs of the La Presa 36-inch Pipeline (P2267), and condition assessment of the RWCWRF Filtered Water Storage Tank. The District also has a separate agreement with RFYeager Engineering, LLC for as-needed reservoir coating construction project inspection and corrosion engineering services. RFYeager has completed construction coating inspection for the 850-3, 458-2, and 944-1 Reservoirs. Both HDR's and RFYeager's agreements will expire December 31, 2016. (P1043)
- **944-1, 944-2, & 458-2 Reservoir Interior/Exterior Coatings & Upgrades:** This project consists of removing and replacing the interior and exterior coatings of the 944-1 0.3 MG Reservoir, the 944-2 3.0 MG Reservoir, and the 458-2 1.8 MG Reservoir, along with providing structural upgrades to ensure the tanks comply with both State and Federal OSHA standards as well as the American Water Works Association and the County Health Department standards. During the month of December 2015, the contractor completed the interior and exterior work at the 944-1 and 458-2 Reservoirs and these reservoirs have been tested and placed into service. The overall project reached substantial completion beyond the approved contract date. A credit change order to complete the assessment of liquidated damages associated with the project's late delivery will be presented at the February 2016 meeting of the Board of Directors. (P2531, P2532, P2535)
- **Ralph W. Chapman Water Reclamation Facility (RWCWRF) Return Activated Sludge (RAS) Pumps Replacement Project:** This Project consists of removal and replacement of the existing 5

horsepower (HP) RAS pumps with upgraded 20 HP units. All planned pump replacements have been completed and this project reached substantial completion during the month of December, 2015. The remaining work consists of the completion of punch list items. The project is within budget and on schedule. (R2111)

- **Sweetwater River Trestle Improvements Project:** This project consists of installing fire protective measures to the underside of the trestle, ensuring the structural integrity of the bridge, and improving safety features for District personnel. The addition of the fire resistance measures will enable the trestle to endure a longer fire event, over three hours with the heat shields, as opposed to about 1.5 hours without. On August 13, 2015, the Board awarded a construction contract to Fordyce Construction, Inc. Mobilization to the site began on October 19, 2015, to assure compliance with environmental permits for the project. The tightening of the bridge tie-rods and installation of handrail wires and boards is complete. During the month of December, materials were delivered and substantial progress was made on the installation of the planned fire protection measures. The project is within budget and is estimated to be completed ahead of schedule in January, 2016. (R2109)
- **624 Pressure Zone Pressure Reducing Stations (PRSs) and 944-1R Pressure Reducing Station No. 3 Improvements Projects:** This construction project consists of improvements from two (2) Capital Improvement Program (CIP) projects, P2541 and R2110. The CIP P2541 improvements will provide two (2) PRSs feeding the 485 Pressure Zone and 458 Pressure Zones from the 624 Pressure Zone (Terra Nova Drive 624/485 PRS and Sequoia Street 624/458 PRS, respectively) to improve fire flow and enhance system reliability. The CIP R2110 improvements include retrofit of an existing PRS vault (944-1R PRS No. 3) with a sump pump, ventilation system, and hatch drain improvements to mitigate water intrusion. During the month of December, the work to review and approve project submittals was complete. In addition, field work to install the planned facilities began. The project is within budget and is scheduled to be completed in March, 2016. (P2541, R2110)
- **Rosarito Desalination:** Staff and representatives from NSC Agua continue to coordinate on complying with the California Water Resources Control Board Drinking Water Program regulatory requirements related to source water quality

testing. According to the Water Desalination Report dated November 9, 2015, on November 6, 2015 the Secretaria de Infraestructura y Desarrollo Urbano del Estado (SIDUE), a State agency that coordinates infrastructure projects for the State and the Comisión Estatal del Agua de Baja California (CEA), an agency that is responsible for regulating the State's water and sewerage industry, issued an invitation to bid to all interested parties for a desalination project in Rosarito. The preliminary project schedule is:

- ❖ Documents available through December 22, 2015
- ❖ Site Visit was held on November 24, 2015
- ❖ Bid opening: March 23, 2016
- ❖ Award date: May 20, 2016
- ❖ Project start date: July 12, 2016
- ❖ Financial close: August 1, 2016
- ❖ Construction start date 6 months after award and completion 36 months after award.

The tenders for the production and conveyance of desalinated water will be evaluated by these state agencies. The draft EIR/EIS has been completed and is being reviewed by the Department of State (DOS). The draft EIR/EIS is tentatively scheduled to be ready for its 45-day public review period by January, 2016. (P2451)

- **850-3 Reservoir Interior Coatings:** This project consists of removing and replacing the interior coatings of the 850-3 3.0 MG Reservoir. The 850-3 Reservoir was tested placed into service, and substantially completed at the end of November 2015. Punch list work and contract acceptance was completed in December 2015. The project is within budget. (P2542)
- **711-1 & 711-2 Reservoir Interior/Exterior Coatings & Upgrades:** This project consists of removing and replacing the interior and exterior coatings of the 711-1 3.1 MG Reservoir and the 711-2 2.3 MG Reservoir along with providing structural upgrades to ensure the tanks comply with both State and Federal OSHA standards as well as the American Water Works Association and the County Health Department standards. During the month of December, the contractor began work on the interior of the 711-1 reservoir. Work consisted of the removal of the existing interior coating. The project is within budget and on schedule to complete in July 2016. (P2529 & P2530)

- **Operations Yard Property Acquisition Improvements:**  
 This project consists of the construction of an approximate 27,700 square-foot asphalt concrete parking lot including storm drainage facilities, chain link fence, and area lighting. A request for contract award and Board authorization for the General Manager to enter into an agreement with Montgomery Construction Services, Inc. of Spring Valley, CA was approved at the November 2016 Board Meeting. Construction is anticipated to begin in early January 2016. The project is on schedule to complete in May 2016. (P2537)
- **980-1 Reservoir Interior/Exterior Coatings & Upgrades:** This project consists of removing and replacing the interior and exterior coatings of the 980-1, 5.0 MG, Reservoir, along with providing structural upgrades to ensure the tank complies with both State and Federal OSHA standards as well as the American Water Works Association and the County Health Department standards. A request for contract award and Board authorization for the General Manager to enter into an agreement with Advanced Industrial Services, Inc., from Los Alamitos, CA will be presented at the January, 2016 Board Meeting. The project is on schedule. (P2545)
- **Recycled Water Fire Hydrant Installations:** This project consists of installing fire hydrants/filling stations on the recycled water system for fire suppression. The project includes meeting Title 22 requirements, obtaining regulatory approval, establishing protocol, and site selection. A Preliminary Design Report was prepared and it was recommended not to implement construction of the filling station at the Ralph Chapman Plant due to construction and operation costs, time demands on District staff, and access issues. An alternate fill station is proposed at the end of Hunte Parkway. Staff is working with the Operations Department to schedule the start of construction in January, 2016. The facility will be a locked enclosure within a public right-of-way with easy access to fire department trucks and street sweepers. (R2122)
- **Storm Water Discharge Permitting:** The District recently obtained coverage from the Regional Water Quality Control Board (RWCWRF) for storm water discharges from the RWCWRF under the revised statewide Industrial General NPDES Permit. The revised permit has Numeric Action Levels that, if exceeded, require increased response and monitoring. It also requires specific mandatory BMPs, designation of a Storm

Water Pollution Prevention Team, and has more stringent training requirements than the previous Permit. The treatment plant is the only facility within the District that is designated as an Industrial Facility. Storm water discharges from Reservoirs and Pump Stations within the District flow into city or county storm water systems. District construction projects that disturb an acre or more must obtain coverage for storm water discharges under the RWQCB Construction National Pollutant Discharge Elimination System (NPDES) General Permit and this is generally included as a requirement for Contractors in the project specifications. At the present time, the District does not have any projects under construction that disturb an acre or more.

- **Disposal of Real Estate Properties Declared Surplus by the Board:** The District, through a competitive process based on qualifications and pricing, secured the real estate brokerage services of the Norberg Group to support the disposal of six (6) properties declared surplus by the Board. On March 13, 2015, the District entered into listing agreements with the Norberg Group for the six (6) properties. The District has closed escrow for three (3) of the surplus properties which are located at Steele Canyon Road, Wild Mustang Place, and Sweetwater Springs Boulevard. Two (2) surplus properties, located at Proctor Valley and Dorchester Street, entered into escrow during the month of December 2015. One (1) property located at Star Acres is currently listed.
- **Ralph W. Chapman Water Reclamation Facility (RWCWRF) Indirect Potable Reuse/Direct Potable Reuse (IPR/DPR) with Sweetwater Authority:** On July 31, 2015, staff from both the District and Sweetwater Authority (SWA) met to discuss the major issues associated with an IPR/DPR project. Staff has retained Atkins Global and Michael Welch to prepare a high level report identifying the needed upgrades to the RWCWRF, the regulatory issues of an IPR/DPR project, and to produce a rough planning level cost per acre-foot for the product water delivered to SWA's Reservoir. Staff met again with SWA on October 12, 2015 to consider a ground water augmentation project in the Middle Sweetwater Basin. The California Water Resources Control Board Drinking Water Program regulatory requirements related to IPR/DPR were discussed in early October, 2015. Following that meeting, the regulatory requirements have been better defined to complete a draft of the report for District and SWA staff to review. Data gathering from Sweetwater Authority was completed in

November, 2015. It is anticipated that a draft of the report will be completed by January, 2016.

- Water Facilities Master Plan Update:** This project will update the District's existing Water Resources Master Plan that was previously updated in October 2008 and revised in May 2013. The consultant (Atkins) is finalizing the update to the District's hydraulic model. Atkins provided a draft list of CIP projects for staff review on November 20, 2015. (P1210)
- For the month of November, 2015, the District sold 5 meters (14.5 EDUs) generating \$111,902 in revenue. Projection for this period was 14 meters (21 EDUs), with budgeted revenue of \$190,542. Total revenue for Fiscal Year 2016 is \$1,407,839, against the annual budget of \$2,286,500.
- The following table summarizes Engineering's project purchases and Change Orders issued during the period of October 27, 2015 through December 16, 2015 that were within staff signatory authority:

Date	Action	Amount	Contractor/ Consultant	Project
10/29/15	P.O.	\$2,380.16	Mayer Reprographics Services	Rancho San Diego Basin Sewer Relocations - Phase 1 (S2033)
11/2/15	P.O.	\$1,676.35	Watchlight Corp.	944-1 & 944-2 Reservoirs (P2532)

**WATER SYSTEM OPERATIONS (Reporting the month of November):**

- On November 1, San Diego County Water Authority performed an untreated water shutdown that affected water deliveries on flow control facility (FCF) No. 14 from Helix Water District. The duration of the shutdown was from November 1 through November 10; however, it extended through November 11 due to a blown air-release valve when the line was being loaded to the Helix treatment plant. FCF No. 11 was utilized during the duration of the shutdown.
- On November 17, Sweetwater Authority (SWA) requested to have the emergency interconnect at Douglas Street in Chula Vista to be opened. SWA had to make a repair near their reservoir

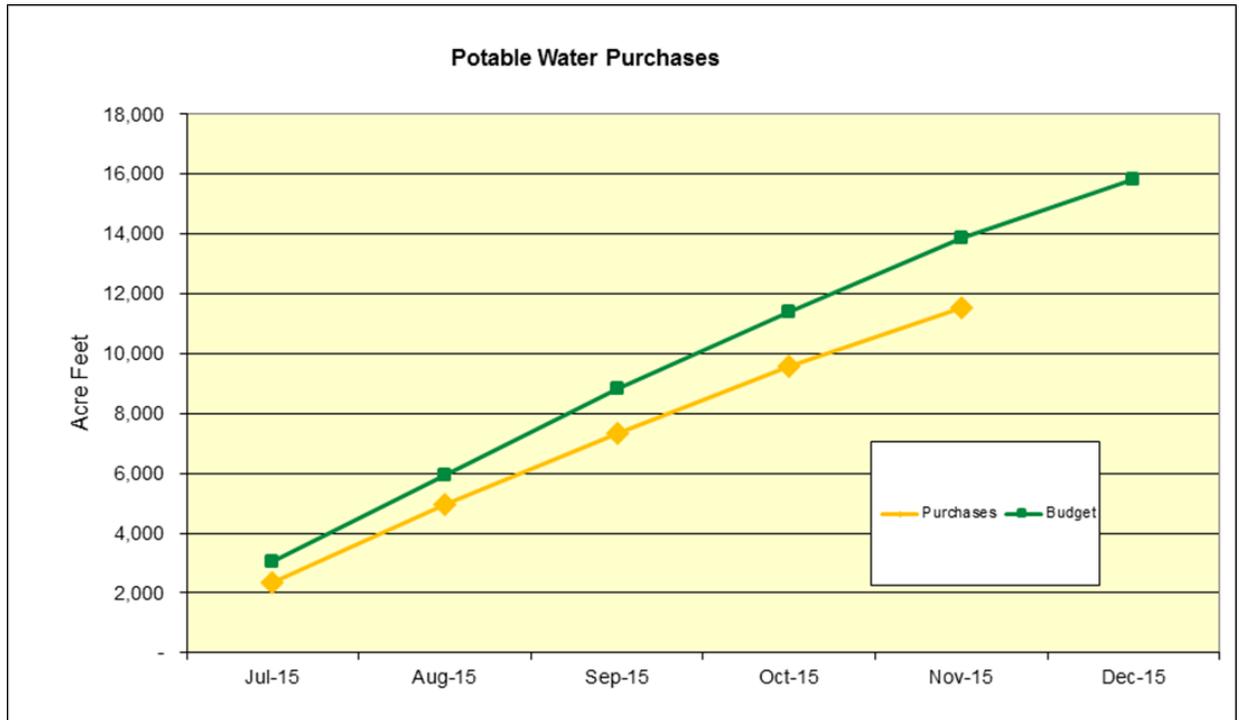
that compromised their distribution system. The interconnect was closed the next day with no water usage.

- On November 30, Sweetwater Authority requested the use of the East Naples emergency interconnection in Chula Vista. One of their hydro-tanks had to be placed out of service for warranty inspection and the interconnection supplements their distribution system. The interconnection was used from 1:30 pm on December 1 until 11:30 am on December 2 and used a total of 19,448 gallons.
- El Niño Preparations - Since early Fall, staff continues to prepare for storms and prolonged wet weather events in anticipation of the forecasted El Niño condition. Preparations include but are not limited to:
  - Reviewing District Standard Operating Procedures for storms, floods, power failure, windstorm, communications failures including SCADA, etc.
  - Clearing and maintaining brow ditches and berms to direct runoff away from slopes to avoid erosion
  - Removing dried vegetation that could plug up storm drains throughout wet weather events or become projectile hazards during a severe windstorm
  - Review and maintain existing erosion control measures before and after wet and/or windy weather events
  - Review the Sewer System Management Plan (SSMP) and Sanitary Sewer Overflow (SSO) response including conducting emergency field training for overflow conditions caused by wet weather events
  - Continued to inspect and maintain vehicles in proper working conditions to operate in stormy conditions
  - Continued testing of the District's emergency generators in the event of a power loss
  - Review District sites located within established flood-hazard maps or that are susceptible to washout; such as the Treatment Plant, the Rancho Jamul Pipeline, and the 803-2 Reservoir Pipeline

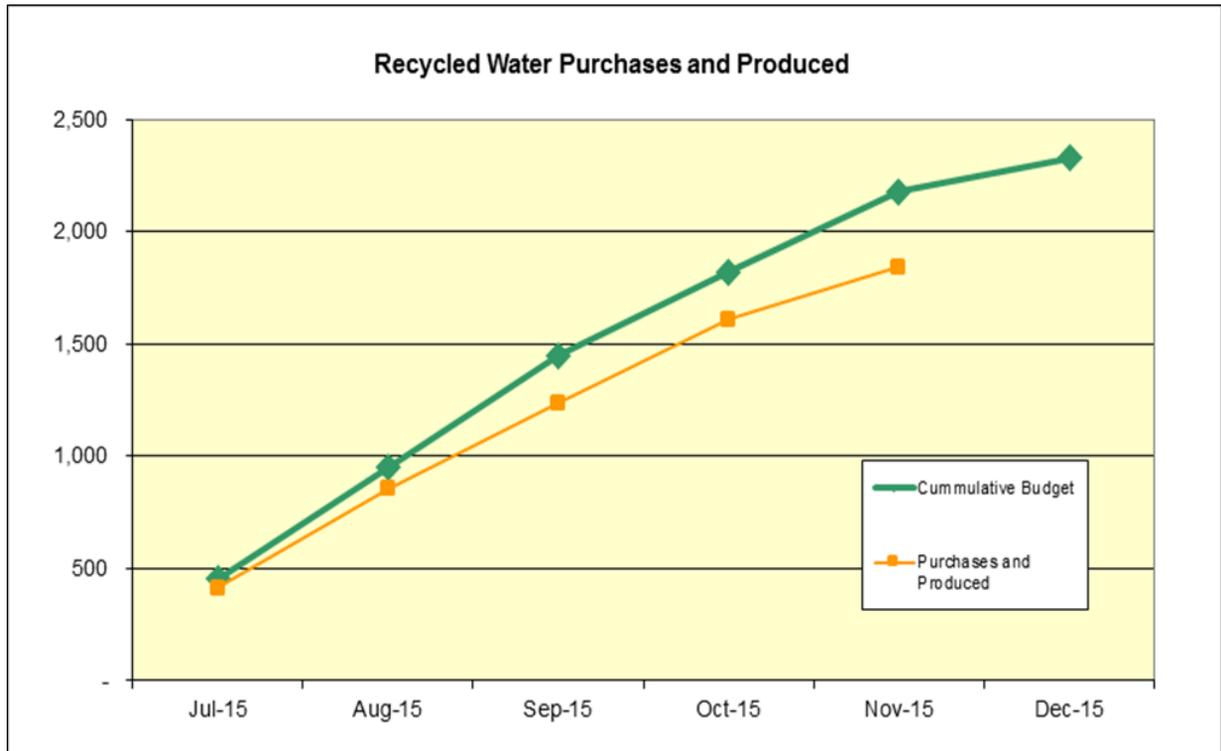
- o Inspect District facilities during rain events to identify any water intrusion

**Potable, Recycled, and Sewer (Reporting up to the month of November):**

- Total number of potable water meters is 49,456.
- The November potable water purchases were 1,939.8 acre-feet which is 22.7% below the budget of 2,509.4 acre-feet. The cumulative purchases through November is 11,523.2 acre-feet which is 17.0% below the cumulative budget of 13,890.7 acre-feet.



- The November recycled water purchases and production was 235.6 acre-feet which is 34.1% below the budget of 357.6 acre-feet. The cumulative production and purchases through November is 1,843.4 acre-feet which is 15.4% below the cumulative budget of 2,179.1 acre-feet.



- Recycled water consumption for the month of November is as follows:
  - Total consumption was 296.2 acre-feet or 96,485,268 gallons and the average daily consumption was 3,216,176 gallons per day.
  - Total cumulative recycled water consumption since July 1, 2015 is 1793.3 acre-feet.
  - Total number of recycled water meters is 711.
- Wastewater flows for the month of November were as follows:
  - Total basin flow, gallons per day: 1,517,633. This is a decrease of 4% from November 2014.

- Spring Valley Sanitation District Flow to Metro, gallons per day: 502,102.
  - Total Otay flow, gallons per day: 1,015,500.
  - Flow Processed at the Ralph W. Chapman Water Recycling Facility, gallons per day: 942,567.
  - Flow to Metro from Otay Water District was 72,933 gallons per day.
- By the end of November there were 6,096 wastewater EDUs.

OTAY WATER DISTRICT  
**COMPARATIVE BUDGET SUMMARY**  
 FOR FOUR MONTHS ENDED OCTOBER 31, 2015

	Annual Budget	Actual	Budget	YTD Variance	Var %
<b>REVENUES:</b>					
Potable Water Sales	\$ 41,344,900	\$ 14,053,957	\$ 17,102,800	\$ (3,048,843)	(17.8%)
Recycled Water Sales	9,116,000	3,234,785	4,093,500	(858,715)	(21.0%)
Potable Energy Charges	2,311,300	689,852	805,900	(116,048)	(14.4%)
Potable System Charges	13,292,300	4,516,580	4,508,000	8,580	0.2%
Potable MWD & CWA Fixed Charges	11,946,600	3,533,219	3,524,000	9,219	0.3%
Potable Penalties	888,600	273,366	354,400	(81,034)	(22.9%)
Total Water Sales	<u>78,899,700</u>	<u>26,301,759</u>	<u>30,388,600</u>	<u>(4,086,841)</u>	<u>(13.4%)</u>
Sewer Charges	3,206,300	1,077,131	1,070,900	6,231	0.6%
Meter Fees	66,200	36,472	22,100	14,372	65.0%
Capacity Fee Revenues	1,134,800	539,724	378,300	161,424	42.7%
Non-Operating Revenues	1,873,600	756,843	604,400	152,443	25.2%
Tax Revenues	3,897,900	144,391	101,500	42,891	42.3%
Interest	157,500	31,391	52,500	(21,109)	(40.2%)
Total Revenues	<u>\$ 89,236,000</u>	<u>\$ 28,887,711</u>	<u>\$ 32,618,300</u>	<u>\$ (3,730,589)</u>	<u>(11.4%)</u>
<b>EXPENSES:</b>					
Potable Water Purchases	\$ 32,332,100	\$ 10,953,826	\$ 13,009,200	\$ 2,055,374	15.8%
Recycled Water Purchases	1,705,800	812,092	841,600	29,508	3.5%
CWA-Infrastructure Access Charge	1,931,400	642,660	642,800	140	0.0%
CWA-Customer Service Charge	1,777,800	603,269	603,200	(69)	(0.0%)
CWA-Reliability Charge	950,400	-	-	-	0.0%
CWA-Emergency Storage Charge	4,681,800	1,586,430	1,586,400	(30)	(0.0%)
MWD-Capacity Res Charge	806,400	268,654	268,800	146	0.1%
MWD-Readiness to Serve Charge	1,798,800	529,085	599,600	70,515	11.8%
Subtotal Water Purchases	<u>45,984,500</u>	<u>15,396,017</u>	<u>17,551,600</u>	<u>2,155,583</u>	<u>12.3%</u>
Power Charges	3,112,800	1,125,145	1,236,400	111,255	9.0%
Payroll & Related Costs	20,381,000	6,116,493	6,092,400	(24,093)	(0.4%)
Material & Maintenance	3,612,800	989,131	1,144,935	155,804	13.6%
Administrative Expenses	5,137,800	1,260,797	1,496,267	235,469	15.7%
Legal Fees	250,000	67,091	83,333	16,242	19.5%
Expansion Reserve	2,695,800	898,600	898,600	-	0.0%
Betterment Reserve	2,400,000	800,000	800,000	-	0.0%
Replacement Reserve	3,421,000	1,140,300	1,140,300	-	0.0%
New Supply Fee	35,000	11,700	11,700	-	0.0%
OPEB Trust	1,006,000	335,300	335,300	-	0.0%
Sewer Replacement	1,199,300	399,800	399,800	-	0.0%
Total Expenses	<u>\$ 89,236,000</u>	<u>\$ 28,540,374</u>	<u>\$ 31,190,635</u>	<u>\$ 2,650,261</u>	<u>8.5%</u>
<b>EXCESS REVENUES(EXPENSE)</b>	<u>\$ -</u>	<u>\$ 347,337</u>	<u>\$ 1,427,665</u>	<u>\$ (1,080,328)</u>	

OTAY WATER DISTRICT  
**COMPARATIVE BUDGET SUMMARY**  
 FOR FIVE MONTHS ENDED NOVEMBER 30, 2015

	Annual Budget	Actual	Budget	YTD Variance	Var %
<b>REVENUES:</b>					
Potable Water Sales	\$ 41,344,900	\$ 16,732,767	\$ 20,644,300	\$ (3,911,533)	(18.9%)
Recycled Water Sales	9,116,000	3,753,646	4,889,400	(1,135,754)	(23.2%)
Potable Energy Charges	2,311,300	843,283	984,700	(141,417)	(14.4%)
Potable System Charges	13,292,300	5,648,301	5,635,000	13,301	0.2%
Potable MWD & CWA Fixed Charges	11,946,600	4,420,087	4,405,000	15,087	0.3%
Potable Penalties	888,600	346,741	430,800	(84,059)	(19.5%)
Total Water Sales	<u>78,899,700</u>	<u>31,744,825</u>	<u>36,989,200</u>	<u>(5,244,375)</u>	<u>(14.2%)</u>
Sewer Charges	3,206,300	1,347,002	1,338,200	8,802	0.7%
Meter Fees	66,200	38,559	27,600	10,959	39.7%
Capacity Fee Revenues	1,134,800	598,211	472,800	125,411	26.5%
Non-Operating Revenues	1,873,600	883,597	724,200	159,397	22.0%
Tax Revenues	3,897,900	255,749	199,800	55,949	28.0%
Interest	157,500	39,432	65,600	(26,168)	(39.9%)
Total Revenues	<u>\$ 89,236,000</u>	<u>\$ 34,907,374</u>	<u>\$ 39,817,400</u>	<u>\$ (4,910,026)</u>	<u>(12.3%)</u>
<b>EXPENSES:</b>					
Potable Water Purchases	\$ 32,332,100	\$ 13,171,018	\$ 15,877,100	\$ 2,706,082	17.0%
Recycled Water Purchases	1,705,800	965,756	1,003,500	37,744	3.8%
CWA-Infrastructure Access Charge	1,931,400	803,325	803,500	175	0.0%
CWA-Customer Service Charge	1,777,800	754,087	754,000	(87)	(0.0%)
CWA-Reliability Charge	950,400	-	-	-	0.0%
CWA-Emergency Storage Charge	4,681,800	1,983,038	1,983,000	(38)	(0.0%)
MWD-Capacity Res Charge	806,400	335,818	336,000	183	0.1%
MWD-Readiness to Serve Charge	1,798,800	661,356	749,500	88,144	11.8%
Subtotal Water Purchases	<u>45,984,500</u>	<u>18,674,396</u>	<u>21,506,600</u>	<u>2,832,204</u>	<u>13.2%</u>
Power Charges	3,112,800	1,342,961	1,500,100	157,139	10.5%
Payroll & Related Costs	20,381,000	7,727,253	7,698,850	(28,403)	(0.4%)
Material & Maintenance	3,612,800	1,263,368	1,499,394	236,026	15.7%
Administrative Expenses	5,137,800	1,645,547	1,997,863	352,317	17.6%
Legal Fees	250,000	77,532	104,167	26,635	25.6%
Expansion Reserve	2,695,800	1,123,300	1,123,300	-	0.0%
Betterment Reserve	2,400,000	1,000,000	1,000,000	-	0.0%
Replacement Reserve	3,421,000	1,425,400	1,425,400	-	0.0%
New Supply Fee	35,000	14,600	14,600	-	0.0%
OPEB Trust	1,006,000	419,200	419,200	-	0.0%
Sewer Replacement	1,199,300	499,700	499,700	-	0.0%
Total Expenses	<u>\$ 89,236,000</u>	<u>\$ 35,213,257</u>	<u>\$ 38,789,174</u>	<u>\$ 3,575,917</u>	<u>9.2%</u>
<b>EXCESS REVENUES(EXPENSE)</b>	<u>\$ -</u>	<u>\$ (305,883)</u>	<u>\$ 1,028,226</u>	<u>\$ (1,334,109)</u>	

**OTAY WATER DISTRICT  
INVESTMENT PORTFOLIO REVIEW  
October 31, 2015**

**INVESTMENT OVERVIEW & MARKET STATUS:**

The federal funds rate has remained constant now for over 5 years. On December 16, 2008, at the Federal Reserve Board's regular scheduled meeting, the federal funds rate was lowered from 1.00% to "a target range of between Zero and 0.25%" in response to the nation's ongoing financial crisis, as well as banking industry pressure to ease credit and stimulate the economy. This marked the ninth reduction in a row since September 18, 2007, when the rate was 5.25%. There have been no further changes made to the federal funds rate at the Federal Reserve Board's subsequent regular scheduled meetings, the most recent of which was held on October 28, 2015. In determining how long to maintain the current 0 to ¼ percent target range for the federal funds rate, they went on to say: "*the Committee will assess progress--both realized and expected--toward its objectives of maximum employment and 2 percent inflation. This assessment will take into account a wide range of information, including measures of labor market conditions, indicators of inflation pressures and inflation expectations, and readings on financial and international developments. The Committee anticipates that it will be appropriate to raise the target range for the federal funds rate when it has seen further improvement in the labor market and is reasonably confident that inflation will move back to its 2 percent objective over the medium term. The Committee currently anticipates that, even after employment and inflation are near mandate-consistent levels, economic conditions may, for some time, warrant keeping the target federal funds rate below levels the Committee views as normal in the longer run.*"

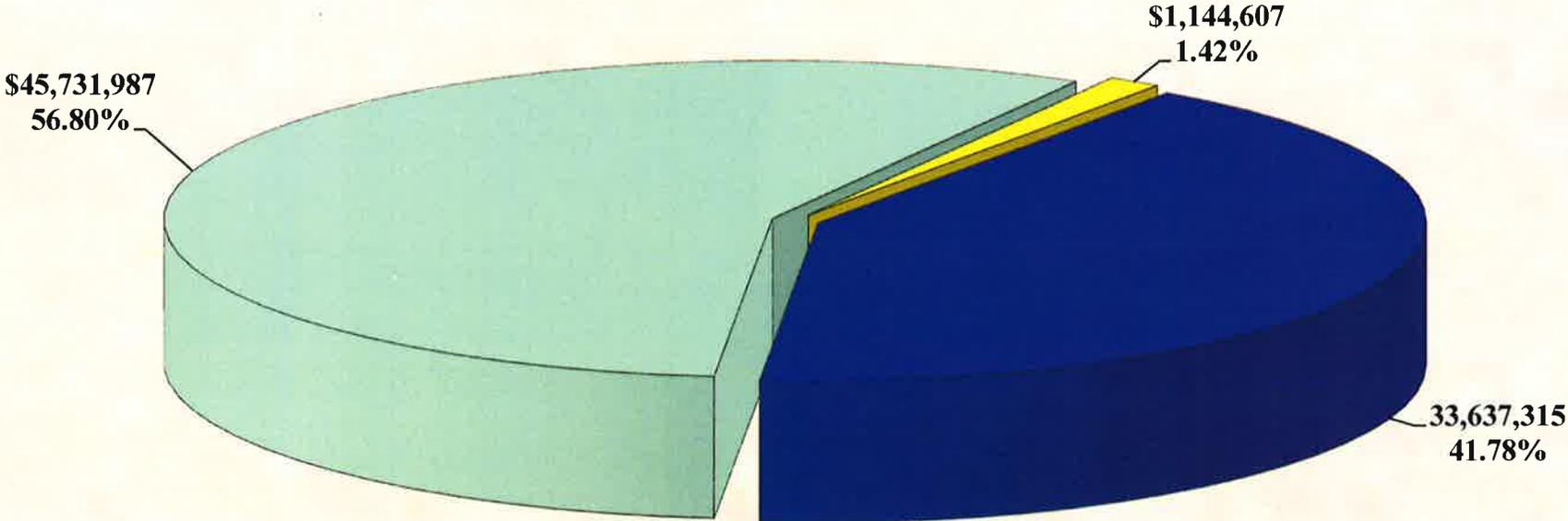
Despite the large drop in available interest rates, the District's overall effective rate of return at October 31, 2015 was 0.75%, which was three basis points below the previous month. At the same time the LAIF return on deposits has improved over the previous month, reaching an average effective yield of 0.357% for the month of October 2015. Based on our success at maintaining a competitive rate of return on our portfolio during this extended period of interest rate declines, no changes in investment strategy regarding returns on investment are being considered at this time. This desired portfolio mix is important in mitigating any liquidity risk from unforeseen changes in LAIF or County Pool policy.

In accordance with the District's Investment Policy, all District funds continue to be managed based on the objectives, in priority order, of safety, liquidity, and return on investment.

**PORTFOLIO COMPLIANCE: October 31, 2015**

	<u>Investment</u>	<u>State Limit</u>	<u>Otay Limit</u>	<u>Otay Actual</u>
8.01:	Treasury Securities	100%	100%	0
8.02:	Local Agency Investment Fund (Operations)	\$50 Million	\$50 Million	\$17.2 Million
8.02:	Local Agency Investment Fund (Bonds)	100%	100%	0
8.03:	Federal Agency Issues	100%	100%	56.80%
8.04:	Certificates of Deposit	30%	15%	.10%
8.05:	Short-Term Commercial Notes	25%	10%	0
8.06:	Medium-Term Commercial Debt	30%	10%	0
8.07:	Money Market Mutual Funds	20%	10%	0
8.08:	San Diego County Pool	100%	100%	20.41%
12.0:	Maximum Single Financial Institution	100%	50%	1.32%

# Otay Water District Investment Portfolio: 10/31/2015



Total Cash and Investments: \$80,513,909

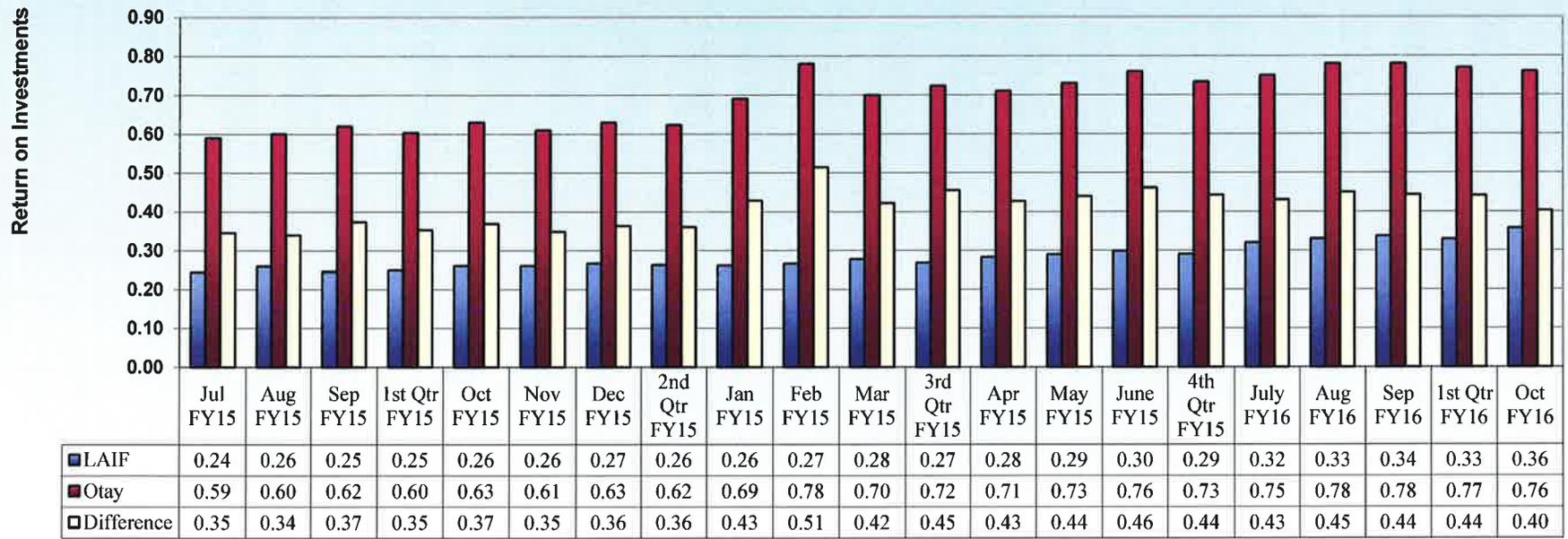
■ Banks (Passbook/Checking/CD)

■ Pools (LAIF & County)

■ Agencies & Corporate Notes

## Performance Measure FY-16 Return on Investment

Target: Meet or Exceed 100% of LAIF



Month



**Month End  
Portfolio Management  
Portfolio Summary  
October 31, 2015**

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Federal Agency Issues- Callable	41,735,000.00	41,762,064.60	41,734,380.56	52.53	995	792	1.012	1.026
Federal Agency Issues - Coupon	4,000,000.00	3,999,780.00	3,997,606.17	5.03	759	405	0.610	0.618
Certificates of Deposit - Bank	81,784.76	81,784.76	81,784.76	0.10	730	82	0.030	0.030
Local Agency Investment Fund (LAIF)	17,200,839.20	17,211,067.61	17,200,839.20	21.65	1	1	0.352	0.357
San Diego County Pool	16,436,475.73	16,339,000.00	16,436,475.73	20.69	1	1	0.620	0.629
<b>Investments</b>	<b>79,454,099.69</b>	<b>79,393,696.97</b>	<b>79,451,086.42</b>	<b>100.00%</b>	<b>562</b>	<b>437</b>	<b>0.767</b>	<b>0.777</b>
<b>Cash</b>								
Passbook/Checking (not included in yield calculations)	1,062,822.62	1,062,822.62	1,062,822.62		1	1	0.223	0.226
<b>Total Cash and Investments</b>	<b>80,516,922.31</b>	<b>80,456,519.59</b>	<b>80,513,909.04</b>		<b>562</b>	<b>437</b>	<b>0.767</b>	<b>0.777</b>

<b>Total Earnings</b>	<b>October 31 Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year	51,423.81	208,583.89
<b>Average Daily Balance</b>	<b>79,668,161.65</b>	<b>82,050,508.23</b>
<b>Effective Rate of Return</b>	<b>0.76%</b>	<b>0.75%</b>

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 May 7, 2014. 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

11-23-15

**Month End  
Portfolio Management  
Portfolio Details - Investments  
October 31, 2015**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity	Maturity Date
<b>Federal Agency Issues- Callable</b>												
3133EECX6	2313	Federal Farm Credit Bank		11/25/2014	2,000,000.00	2,000,460.00	2,000,000.00	0.610		0.602	390	11/25/2016
3134G5A47	2301	Federal Home Loan Mortgage		06/30/2014	2,000,000.00	2,002,360.00	2,000,000.00	0.650		0.641	425	12/30/2016
3133EELR9	2317	Federal Farm Credit Bank		01/27/2015	2,000,000.00	1,992,660.00	1,999,380.56	0.625		0.616	453	01/27/2017
3133EEXC9	2323	Federal Farm Credit Bank		04/20/2015	2,000,000.00	1,998,520.00	2,000,000.00	0.690		0.681	522	04/06/2017
3136G23G0	2304	Federal National Mortgage Assoc		08/15/2014	2,000,000.00	2,007,340.00	2,000,000.00	1.050		1.036	653	08/15/2017
3134G6TJ2	2319	Federal Home Loan Mortgage		04/27/2015	2,000,000.00	2,003,620.00	2,000,000.00	0.875		0.863	726	10/27/2017
3133EECG3	2311	Federal Farm Credit Bank		11/20/2014	1,030,000.00	1,030,370.80	1,030,000.00	1.140		1.124	750	11/20/2017
3133EECG3	2312	Federal Farm Credit Bank		11/20/2014	2,705,000.00	2,705,973.80	2,705,000.00	1.140		1.124	750	11/20/2017
3134G7XJ5	2331	Federal Home Loan Mortgage		09/18/2015	2,000,000.00	2,001,480.00	2,000,000.00	1.000	AA	0.986	778	12/18/2017
3130A3N59	2315	Federal Home Loan Bank		12/29/2014	2,000,000.00	2,001,240.00	2,000,000.00	1.125		1.110	789	12/29/2017
3134G7B75	2332	Federal Home Loan Mortgage		09/29/2015	2,000,000.00	2,001,400.00	2,000,000.00	1.016		1.002	789	12/29/2017
3133EEYE4	2320	Federal Farm Credit Bank		04/16/2015	2,000,000.00	2,000,080.00	2,000,000.00	1.000		0.986	807	01/16/2018
3130A4MF6	2318	Federal Home Loan Bank		03/30/2015	2,000,000.00	2,006,000.00	2,000,000.00	1.300		1.282	879	03/29/2018
3130A4WT5	2322	Federal Home Loan Bank		04/27/2015	2,000,000.00	2,000,680.00	2,000,000.00	1.020		1.006	908	04/27/2018
3130A56B0	2325	Federal Home Loan Bank		05/04/2015	2,000,000.00	2,000,080.00	2,000,000.00	1.120	AA	1.105	915	05/04/2018
3130A52G3	2324	Federal Home Loan Bank		05/11/2015	2,000,000.00	2,001,260.00	2,000,000.00	1.050	AA	1.036	922	05/11/2018
3134G63Z4	2327	Federal Home Loan Mortgage		06/08/2015	2,000,000.00	2,001,500.00	2,000,000.00	1.250	AA	1.233	950	06/08/2018
3134G6V264	2326	Federal Home Loan Mortgage		06/29/2015	2,000,000.00	2,006,220.00	2,000,000.00	1.250	AA	1.233	971	06/29/2018
3136G2LZ8	2330	Fannie Mae		09/28/2015	2,000,000.00	2,002,360.00	2,000,000.00	1.250		1.233	1,062	09/28/2018
3135G0G64	2336	Fannie Mae		10/30/2015	2,000,000.00	1,996,600.00	2,000,000.00	1.100		1.085	1,093	10/29/2018
3134G7D81	2333	Federal Home Loan Mortgage		10/29/2015	2,000,000.00	2,001,860.00	2,000,000.00	1.300		1.282	1,093	10/29/2018
<b>Subtotal and Average</b>			<b>42,185,973.97</b>		<b>41,735,000.00</b>	<b>41,762,064.60</b>	<b>41,734,380.56</b>			<b>1.012</b>	<b>792</b>	
<b>Federal Agency Issues - Coupon</b>												
3135G0YE7	2286	Federal National Mortgage Assoc		04/01/2014	2,000,000.00	2,002,660.00	2,000,954.91	0.625		0.558	299	08/26/2016
3133EEC73	2329	Federal Farm Credit Bank		06/26/2015	2,000,000.00	1,997,120.00	1,996,651.26	0.550	AA	0.661	512	03/27/2017
<b>Subtotal and Average</b>			<b>3,997,558.73</b>		<b>4,000,000.00</b>	<b>3,999,780.00</b>	<b>3,997,606.17</b>			<b>0.610</b>	<b>405</b>	
<b>Certificates of Deposit - Bank</b>												
2050003183-6	2283	California Bank & Trust		01/22/2014	81,784.76	81,784.76	81,784.76	0.030		0.030	82	01/22/2016
<b>Subtotal and Average</b>			<b>81,784.76</b>		<b>81,784.76</b>	<b>81,784.76</b>	<b>81,784.76</b>			<b>0.030</b>	<b>82</b>	
<b>Local Agency Investment Fund (LAIF)</b>												
LAIF	9001	STATE OF CALIFORNIA			17,200,839.20	17,211,067.61	17,200,839.20	0.357		0.352	1	
LAIF BABS 2010	9012	STATE OF CALIFORNIA		07/01/2015	0.00	0.00	0.00	0.267		0.263	1	

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**Month End  
Portfolio Management  
Portfolio Details - Investments  
October 31, 2015**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity	Maturity Date
<b>Subtotal and Average</b>			<b>15,224,019.84</b>		<b>17,200,839.20</b>	<b>17,211,067.61</b>	<b>17,200,839.20</b>			<b>0.352</b>	<b>1</b>	
<b>San Diego County Pool</b>												
SD COUNTY POOL	9007	San Diego County			16,436,475.73	16,339,000.00	16,436,475.73	0.629		0.620	1	
<b>Subtotal and Average</b>			<b>16,427,646.59</b>		<b>16,436,475.73</b>	<b>16,339,000.00</b>	<b>16,436,475.73</b>			<b>0.620</b>	<b>1</b>	
<b>Total and Average</b>			<b>79,668,161.65</b>		<b>79,454,099.69</b>	<b>79,393,696.97</b>	<b>79,451,086.42</b>			<b>0.767</b>	<b>437</b>	

**Month End  
Portfolio Management  
Portfolio Details - Cash  
October 31, 2015**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity
<b>Union Bank</b>											
UNION MONEY	9002	STATE OF CALIFORNIA			49,581.98	49,581.98	49,581.98	0.010		0.010	1
PETTY CASH	9003	STATE OF CALIFORNIA			2,950.00	2,950.00	2,950.00			0.000	1
UNION OPERATING	9004	STATE OF CALIFORNIA			960,410.05	960,410.05	960,410.05	0.250		0.247	1
PAYROLL	9005	STATE OF CALIFORNIA		07/01/2015	27,891.35	27,891.35	27,891.35			0.000	1
RESERVE-10 COPS	9010	STATE OF CALIFORNIA			0.00	0.00	0.00	0.010		0.010	1
RESERVE-10 BABS	9011	STATE OF CALIFORNIA			0.24	0.24	0.24	0.010		0.010	1
UBNA-2010 BOND	9013	STATE OF CALIFORNIA		07/01/2015	0.00	0.00	0.00			0.000	1
UBNA-FLEX ACCT	9014	STATE OF CALIFORNIA		07/01/2015	21,989.00	21,989.00	21,989.00			0.000	1
<b>Average Balance</b>			<b>0.00</b>								<b>1</b>
<b>Total Cash and Investments</b>			<b>79,668,161.65</b>		<b>80,516,922.31</b>	<b>80,456,519.59</b>	<b>80,513,909.04</b>			<b>0.767</b>	<b>437</b>

**Month End  
GASB 31 Compliance Detail  
Sorted by Fund - Fund  
October 1, 2015 - October 31, 2015**

CUSIP	Investment #	Fund	Investment Class	Maturity Date	Beginning Invested Value	Purchase of Principal	Addition to Principal	Redemption of Principal	Adjustment in Value		Ending Invested Value
									Amortization Adjustment	Change in Market Value	
<b>Fund: Treasury Fund</b>											
3134G5A47	2301	99	Fair Value	12/30/2016	2,004,460.00	0.00	0.00	0.00	0.00	-2,100.00	2,002,360.00
3134G6TJ2	2319	99	Fair Value	10/27/2017	2,003,080.00	0.00	0.00	0.00	0.00	540.00	2,003,620.00
3134G63Z4	2327	99	Fair Value	06/08/2018	2,002,480.00	0.00	0.00	0.00	0.00	-980.00	2,001,500.00
3134G6V264	2326	99	Amortized	06/29/2018	2,000,000.00	0.00	0.00	0.00	0.00	0.00	2,000,000.00
3134G7B75	2332	99	Amortized	12/29/2017	2,000,000.00	0.00	0.00	0.00	0.00	0.00	2,000,000.00
3134G7XJ5	2331	99	Fair Value	12/18/2017	2,002,960.00	0.00	0.00	0.00	0.00	-1,480.00	2,001,480.00
3134G7D81	2333	99	Fair Value	10/29/2018	0.00	2,000,000.00	0.00	0.00	0.00	1,860.00	2,001,860.00
3135G0YE7	2286	99	Fair Value	08/26/2016	2,003,380.00	0.00	0.00	0.00	0.00	-720.00	2,002,660.00
3136G23G0	2304	99	Fair Value	08/15/2017	2,008,960.00	0.00	0.00	0.00	0.00	-1,620.00	2,007,340.00
3136G2GN1	2321	99	Fair Value	04/30/2018	2,001,260.00	0.00	0.00	2,000,000.00	0.00	-1,260.00	0.00
3130A5NV7	2328	99	Fair Value	07/16/2018	2,001,060.00	0.00	0.00	2,000,000.00	0.00	-1,060.00	0.00
3130A4WT5	2322	99	Fair Value	04/27/2018	1,998,160.00	0.00	0.00	0.00	0.00	2,520.00	2,000,680.00
3130A4MF6	2318	99	Fair Value	03/29/2018	2,008,340.00	0.00	0.00	0.00	0.00	-2,340.00	2,006,000.00
3130A52G3	2324	99	Fair Value	05/11/2018	1,998,900.00	0.00	0.00	0.00	0.00	2,360.00	2,001,260.00
3130A56B0	2325	99	Fair Value	05/04/2018	1,998,460.00	0.00	0.00	0.00	0.00	1,620.00	2,000,080.00
3130A3N59	2315	99	Fair Value	12/29/2017	1,999,140.00	0.00	0.00	0.00	0.00	2,100.00	2,001,240.00
RESERVE-10 BABS	9011	99	Amortized		0.24	0.00	0.00	0.00	0.00	0.00	0.24
RESERVE-10 COPS	9010	99	Amortized		0.00	0.00	0.00	0.00	0.00	0.00	0.00
UBNA-FLEX ACCT	9014	99	Amortized		29,824.92	0.00	0.00	7,835.92	0.00	0.00	21,989.00
LAIF	9001	99	Fair Value		12,602,514.49	0.00	10,105,814.29	5,500,000.00	0.00	2,738.83	17,211,067.61
LAIF BABS 2010	9012	99	Fair Value		0.00	0.00	0.00	0.00	0.00	0.00	0.00
PETTY CASH	9003	99	Amortized		2,950.00	0.00	0.00	0.00	0.00	0.00	2,950.00
UNION MONEY	9002	99	Amortized		10,006.30	0.00	7,539,575.68	7,500,000.00	0.00	0.00	49,581.98
UNION OPERATING	9004	99	Amortized		1,191,339.14	0.00	353,708.70	584,637.79	0.00	0.00	960,410.05
UBNA-2010 BOND	9013	99	Amortized		0.00	0.00	0.00	0.00	0.00	0.00	0.00
PAYROLL	9005	99	Amortized		27,891.35	0.00	0.00	0.00	0.00	0.00	27,891.35
3133EEC73	2329	99	Amortized	03/27/2017	1,996,452.72	0.00	0.00	0.00	198.54	0.00	1,996,651.26
3133EEXC9	2323	99	Fair Value	04/06/2017	1,998,340.00	0.00	0.00	0.00	0.00	180.00	1,998,520.00
3133EECG3	2312	99	Fair Value	11/20/2017	2,708,300.10	0.00	0.00	0.00	0.00	-2,326.30	2,705,973.80
3133EEYE4	2320	99	Fair Value	01/16/2018	2,000,180.00	0.00	0.00	0.00	0.00	-100.00	2,000,080.00

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**Month End  
GASB 31 Compliance Detail  
Sorted by Fund - Fund**

CUSIP	Investment #	Fund	Investment Class	Maturity Date	Beginning Invested Value	Purchase of Principal	Addition to Principal	Redemption of Principal	Adjustment in Value		Ending Invested Value
									Amortization Adjustment	Change in Market Value	
<b>Fund: Treasury Fund</b>											
3133EECG3	2311	99	Fair Value	11/20/2017	1,031,256.60	0.00	0.00	0.00	0.00	-885.80	1,030,370.80
3133EDKF8	2291	99	Fair Value	07/29/2016	2,000,080.00	0.00	0.00	2,000,000.00	0.00	-80.00	0.00
3133EELR9	2317	99	Fair Value	01/27/2017	2,002,900.00	0.00	0.00	0.00	0.00	-10,240.00	1,992,660.00
3133EECX6	2313	99	Fair Value	11/25/2016	2,001,620.00	0.00	0.00	0.00	0.00	-1,160.00	2,000,460.00
2050003183-6	2283	99	Amortized	01/22/2016	81,784.76	0.00	0.00	0.00	0.00	0.00	81,784.76
3136G2LZ8	2330	99	Amortized	09/28/2018	2,000,000.00	0.00	0.00	0.00	0.00	0.00	2,000,000.00
3135G0G64	2336	99	Amortized	10/29/2018	0.00	2,000,000.00	0.00	0.00	0.00	0.00	2,000,000.00
SD COUNTY POOL	9007	99	Fair Value		16,408,000.00	0.00	18,246.89	0.00	0.00	-87,246.89	16,339,000.00
<b>Subtotal</b>					<b>78,124,080.62</b>	<b>4,000,000.00</b>	<b>18,017,345.56</b>	<b>19,592,473.71</b>	<b>198.54</b>	<b>-99,680.16</b>	<b>80,449,470.85</b>
<b>Total</b>					<b>78,124,080.62</b>	<b>4,000,000.00</b>	<b>18,017,345.56</b>	<b>19,592,473.71</b>	<b>198.54</b>	<b>-99,680.16</b>	<b>80,449,470.85</b>

**Month End  
Activity Report  
Sorted By Issuer  
October 1, 2015 - October 31, 2015**

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
<b>Issuer: STATE OF CALIFORNIA</b>									
<b>Union Bank</b>									
UNION MONEY	9002	STATE OF CALIFORNIA			0.010		7,539,575.68	7,500,000.00	
UNION OPERATING	9004	STATE OF CALIFORNIA			0.250		353,708.70	584,637.79	
UBNA-FLEX ACCT	9014	STATE OF CALIFORNIA					0.00	7,835.92	
<b>Subtotal and Balance</b>				<b>1,262,011.95</b>			<b>7,893,284.38</b>	<b>8,092,473.71</b>	<b>1,062,822.62</b>
<b>Local Agency Investment Fund (LAIF)</b>									
LAIF	9001	STATE OF CALIFORNIA			0.357		10,105,814.29	5,500,000.00	
<b>Subtotal and Balance</b>				<b>12,595,024.91</b>			<b>10,105,814.29</b>	<b>5,500,000.00</b>	<b>17,200,839.20</b>
<b>Issuer Subtotal</b>			<b>22.683%</b>	<b>13,857,036.86</b>			<b>17,999,098.67</b>	<b>13,592,473.71</b>	<b>18,263,661.82</b>
<b>Issuer: California Bank &amp; Trust</b>									
<b>Certificates of Deposit - Bank</b>									
<b>Subtotal and Balance</b>				<b>81,784.76</b>					<b>81,784.76</b>
<b>Issuer Subtotal</b>			<b>0.102%</b>	<b>81,784.76</b>			<b>0.00</b>	<b>0.00</b>	<b>81,784.76</b>
<b>Issuer: Fannie Mae</b>									
<b>Federal Agency Issues- Callable</b>									
3135G0G64	2336	Fannie Mae			1.100	10/30/2015	2,000,000.00	0.00	
<b>Subtotal and Balance</b>				<b>2,000,000.00</b>			<b>2,000,000.00</b>	<b>0.00</b>	<b>4,000,000.00</b>
<b>Issuer Subtotal</b>			<b>4.968%</b>	<b>2,000,000.00</b>			<b>2,000,000.00</b>	<b>0.00</b>	<b>4,000,000.00</b>
<b>Issuer: Federal Farm Credit Bank</b>									
<b>Federal Agency Issues- Callable</b>									
3133EDKF8	2291	Federal Farm Credit Bank			0.550	10/21/2015	0.00	2,000,000.00	
<b>Subtotal and Balance</b>				<b>13,735,000.00</b>			<b>0.00</b>	<b>2,000,000.00</b>	<b>11,735,000.00</b>



**Month End  
Activity Report  
October 1, 2015 - October 31, 2015**

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
Subtotal and Balance				16,418,228.84			18,246.89	0.00	16,436,475.73
Issuer Subtotal			20.414%	16,418,228.84			18,246.89	0.00	16,436,475.73
Total			100.000%	78,092,050.46			22,017,345.56	19,592,473.71	80,516,922.31

**Month End  
Duration Report  
Sorted by Investment Type - Investment Type  
Through 10/31/2015**

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 360	Current Yield	Maturity/ Call Date	Modified Duration
3134G5A47	2301	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,002,360.00	.6500000	0.641	0.548	12/30/2016	1.156
3136G23G0	2304	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	2,007,340.00	1.050000	1.036	0.843	08/15/2017	1.766
3133EECG3	2311	99	Federal Farm Credit Bank	Fair	1,030,000.00	1,030,000.00	1,030,370.80	1.140000	1.124	1.122	11/20/2017	2.013
3133EECG3	2312	99	Federal Farm Credit Bank	Fair	2,705,000.00	2,705,000.00	2,705,973.80	1.140000	1.124	1.122	11/20/2017	2.013
3133EECX6	2313	99	Federal Farm Credit Bank	Fair	2,000,000.00	2,000,000.00	2,000,460.00	.6100000	0.602	0.588	11/25/2016	1.059
3130A3N59	2315	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,001,240.00	1.125000	1.110	1.096	12/29/2017	2.121
3133EELR9	2317	99	Federal Farm Credit Bank	Fair	1,999,380.56	2,000,000.00	1,992,660.00	.6250000	0.616	0.924	01/27/2017	1.228
3130A4MF6	2318	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,006,000.00	1.300000	1.282	1.174	03/29/2018	2.365
3134G6TJ2	2319	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,003,620.00	.8750000	0.863	0.783	10/27/2017	1.967
3133EEYE4	2320	99	Federal Farm Credit Bank	Fair	2,000,000.00	2,000,000.00	2,000,080.00	1.000000	0.986	0.998	01/16/2018	2.172
3130A4WT5	2322	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,000,680.00	1.020000	1.006	1.006	04/27/2018	2.451
3133EEXC9	2323	99	Federal Farm Credit Bank	Fair	2,000,000.00	2,000,000.00	1,998,520.00	.6900000	0.681	0.742	04/06/2017	1.420
3130A52G3	2324	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,001,260.00	1.050000	1.036	1.025	05/11/2018	2.475
3130A56B0	2325	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,000,080.00	1.120000	1.105	1.118	05/04/2018	2.452
3134G6V264	2326	99	Federal Home Loan Mortgage	Amort	2,000,000.00	2,000,000.00	2,006,220.00	1.250000	1.233	1.131	06/29/2018	2.600
3134G63Z4	2327	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,001,500.00	1.250000	1.233	1.221	06/08/2018	2.540
3136G2LZ8	2330	99	Fannie Mae	Amort	2,000,000.00	2,000,000.00	2,002,360.00	1.250000	1.233	1.209	09/28/2018	2.845
3134G7XJ5	2331	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,001,480.00	1.000000	0.986	0.965	12/18/2017	2.100
3134G7B75	2332	99	Federal Home Loan Mortgage	Amort	2,000,000.00	2,000,000.00	2,001,400.00	1.016125	1.002	0.983	12/29/2017	1.461
3134G7D81	2333	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,001,860.00	1.300000	1.282	1.268	10/29/2018	2.927
3135G0G64	2336	99	Fannie Mae	Amort	2,000,000.00	2,000,000.00	1,996,600.00	1.100000	1.085	1.158	10/29/2018	2.936
3135G0YE7	2286	99	Federal National Mortgage Assoc	Fair	2,000,954.91	2,000,000.00	2,002,660.00	.6250000	0.558	0.462	08/26/2016	0.815
3133EEC73	2329	99	Federal Farm Credit Bank	Amort	1,996,651.26	2,000,000.00	1,997,120.00	.5500000	0.661	0.653	03/27/2017	1.396

**Month End  
Duration Report  
Sorted by Investment Type - Investment Type  
Through 10/31/2015**

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 360	Current Yield	Maturity/ Call Date	Modified Duration
2050003183-6	2283	99	California Bank & Trust	Amort	81,784.76	81,784.76	81,784.76	.0300000	0.030	0.030	01/22/2016	0.223 †
LAIF	9001	99	STATE OF CALIFORNIA	Fair	17,200,839.20	17,200,839.20	17,211,067.61	.3570000	0.352	0.357		0.000
LAIF BABS 2010	9012	99	STATE OF CALIFORNIA	Fair	0.00	0.00	0.00	.2670000	0.263	0.267		0.000
SD COUNTY	9007	99	San Diego County	Fair	16,436,475.73	16,436,475.73	16,339,000.00	.6290000	0.620	0.629		0.000
<b>Report Total</b>					<b>79,451,086.42</b>	<b>79,454,099.69</b>	<b>79,393,696.97</b>			<b>0.761</b>		<b>1.160 †</b>

† = Duration can not be calculated on these investments due to incomplete Market price data.

**Month End  
Interest Earnings  
Sorted by Fund - Fund  
October 1, 2015 - October 31, 2015  
Yield on Beginning Book Value**

CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Ending Book Value	Maturity Date	Current Rate	Annualized Yield	Adjusted Interest Earnings		
										Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
<b>Fund: Treasury Fund</b>												
3134G5A47	2301	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/30/2016	0.650	0.638	1,083.33	0.00	1,083.33
3134G6TJ2	2319	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	10/27/2017	0.875	0.859	1,458.33	0.00	1,458.33
3134G63Z4	2327	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	06/08/2018	1.250	1.226	2,083.34	0.00	2,083.34
3134G6V264	2326	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	06/29/2018	1.250	1.226	2,083.33	0.00	2,083.33
3134G7B75	2332	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/29/2017	1.016	0.997	1,693.54	0.00	1,693.54
3134G7XJ5	2331	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/18/2017	1.000	0.981	1,666.67	0.00	1,666.67
3134G7D81	2333	99	MC1	2,000,000.00	0.00	2,000,000.00	10/29/2018	1.300	0.879	144.44	0.00	144.44
3135G0YE7	2286	99	FAC	2,000,000.00	2,001,052.02	2,000,954.91	08/26/2016	0.625	0.556	1,041.67	-97.11	944.56
3136G23G0	2304	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	08/15/2017	1.050	1.030	1,750.00	0.00	1,750.00
3136G2GN1	2321	99	MC1	0.00	2,000,000.00	0.00	04/30/2018	1.150	1.166	1,852.78	0.00	1,852.78
3130A5NV7	2328	99	MC1	0.00	2,000,000.00	0.00	07/16/2018	1.500	1.521	1,250.00	0.00	1,250.00
3130A4WT5	2322	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	04/27/2018	1.020	1.001	1,700.00	0.00	1,700.00
3130A4MF6	2318	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	03/29/2018	1.300	1.276	2,166.67	0.00	2,166.67
3130A52G3	2324	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	05/11/2018	1.050	1.030	1,750.00	0.00	1,750.00
3130A56B0	2325	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	05/04/2018	1.120	1.099	1,866.66	0.00	1,866.66
3130A3N59	2315	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/29/2017	1.125	1.104	1,875.00	0.00	1,875.00
LAIF	9001	99	LA1	17,200,839.20	12,595,024.91	17,200,839.20		0.357	0.432	4,616.01	0.00	4,616.01
UNION MONEY	9002	99	PA1	49,581.98	10,006.30	49,581.98		0.010	0.168	1.43	0.00	1.43
UNION OPERATING	9004	99	PA1	960,410.05	1,191,339.14	960,410.05		0.250	0.320	323.96	0.00	323.96
3133EEC73	2329	99	FAC	2,000,000.00	1,996,452.72	1,996,651.26	03/27/2017	0.550	0.658	916.66	198.54	1,115.20
3133EEXC9	2323	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	04/06/2017	0.690	0.677	1,150.00	0.00	1,150.00
3133EECG3	2312	99	MC1	2,705,000.00	2,705,000.00	2,705,000.00	11/20/2017	1.140	1.119	2,569.75	0.00	2,569.75
3133EEYE4	2320	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	01/16/2018	1.000	0.981	1,666.66	0.00	1,666.66
3133EECG3	2311	99	MC1	1,030,000.00	1,030,000.00	1,030,000.00	11/20/2017	1.140	1.119	978.50	0.00	978.50
3133EDKF8	2291	99	MC1	0.00	2,000,000.00	0.00	07/29/2016	0.550	0.558	611.12	0.00	611.12
3133EELR9	2317	99	MC1	2,000,000.00	1,999,338.89	1,999,380.56	01/27/2017	0.625	0.638	1,041.67	41.67	1,083.34
3133EECX6	2313	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	11/25/2016	0.610	0.599	1,016.67	0.00	1,016.67
2050003183-6	2283	99	BCD	81,784.76	81,784.76	81,784.76	01/22/2016	0.030	0.030	2.11	0.00	2.11
3136G2LZ8	2330	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	09/28/2018	1.250	1.226	2,083.34	0.00	2,083.34

Data Updated: SET\_ME8: 11/19/2015 09:28

Run Date: 11/19/2015 - 09:28

Portfolio OTAY

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Month End  
Interest Earnings  
October 1, 2015 - October 31, 2015

CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Ending Book Value	Maturity Date	Current Rate	Annualized Yield	Adjusted Interest Earnings		
										Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
<b>Fund: Treasury Fund</b>												
3135G0G64	2336	99	MC1	2,000,000.00	0.00	2,000,000.00	10/29/2018	1.100	0.558	61.11	0.00	61.11
SD COUNTY POOL	9007	99	LA3	16,436,475.73	16,418,228.84	16,436,475.73		0.629	0.629	8,775.96	0.00	8,775.96
			<b>Subtotal</b>	<b>80,464,091.72</b>	<b>78,028,227.58</b>	<b>80,461,078.45</b>			<b>0.792</b>	<b>51,280.71</b>	<b>143.10</b>	<b>51,423.81</b>
			<b>Total</b>	<b>80,464,091.72</b>	<b>78,028,227.58</b>	<b>80,461,078.45</b>			<b>0.792</b>	<b>51,280.71</b>	<b>143.10</b>	<b>51,423.81</b>

**OTAY WATER DISTRICT  
INVESTMENT PORTFOLIO REVIEW  
November 30, 2015**

**INVESTMENT OVERVIEW & MARKET STATUS:**

The federal funds rate has remained constant for over 5 years. On December 16, 2015, at the Federal Reserve Board’s regular scheduled meeting, the federal funds rate was increased from 0.25% to 0.50%” in response to the nation’s gradual economic improvement. The Committee judges that there has been considerable improvement in labor market conditions this year, and it is reasonably confident that inflation will rise, over the medium term, to its 2 percent objective. The stance of monetary policy remains accommodative after this increase, thereby supporting further improvement in labor market conditions and a return to 2 percent inflation. In determining the timing and size of future adjustments to the target range for the federal funds rate, they went on to say: *“the Committee will assess realized and expected economic conditions relative to its objectives of maximum employment and 2 percent inflation. This assessment will take into account a wide range of information, including measures of labor market conditions, indicators of inflation pressures and inflation expectations, and readings on financial and international developments. In light of the current shortfall of inflation from 2 percent, the Committee will carefully monitor actual and expected progress toward its inflation goal. The Committee expects that economic conditions will evolve in a manner that will warrant only gradual increases in the federal funds rate; the federal funds rate is likely to remain, for some time, below levels that are expected to prevail in the longer run. However, the actual path of the federal funds rate will depend on the economic outlook as informed by incoming data.”*

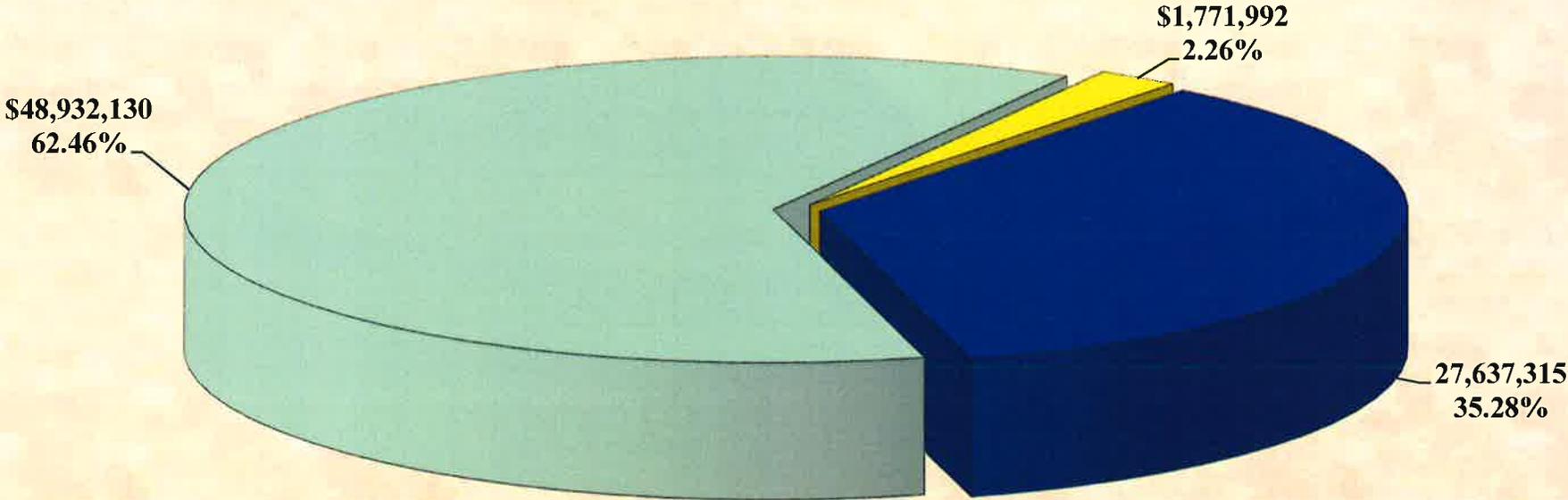
The District’s overall effective rate of return at November 30, 2015 was 0.76%, which was one basis points above the previous month. At the same time the LAIF return on deposits has improved over the previous month, reaching an average effective yield of 0.374% for the month of November 2015. Based on our success at maintaining a competitive rate of return on our portfolio during this extended period of low interest rates, no changes in investment strategy regarding returns on investment are being considered at this time. The desired portfolio mix is important in mitigating any liquidity risk from unforeseen changes in LAIF or County Pool policy.

In accordance with the District’s Investment Policy, all District funds continue to be managed based on the objectives, in priority order, of safety, liquidity, and return on investment.

**PORTFOLIO COMPLIANCE: November 30, 2015**

<u>Investment</u>	<u>State Limit</u>	<u>Otay Limit</u>	<u>Otay Actual</u>
8.01: Treasury Securities	100%	100%	0
8.02: Local Agency Investment Fund (Operations)	\$50 Million	\$50 Million	\$11.2 Million
8.02: Local Agency Investment Fund (Bonds)	100%	100%	0
8.03: Federal Agency Issues	100%	100%	62.46%
8.04: Certificates of Deposit	30%	15%	.10%
8.05: Short-Term Commercial Notes	25%	10%	0
8.06: Medium-Term Commercial Debt	30%	10%	0
8.07: Money Market Mutual Funds	20%	10%	0
8.08: San Diego County Pool	100%	100%	20.98%
12.0: Maximum Single Financial Institution	100%	50%	2.16%

# Otay Water District Investment Portfolio: 11/30/2015



Total Cash and Investments: \$78,341,437

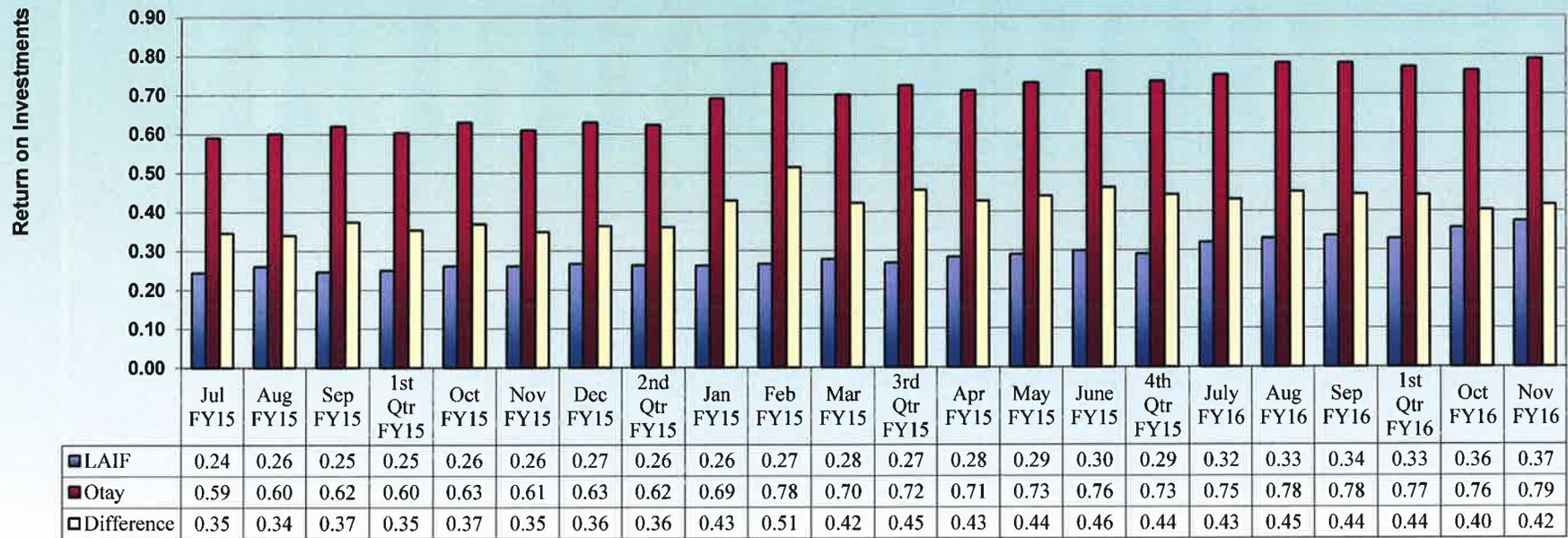
■ Banks (Passbook/Checking/CD)

■ Pools (LAIF & County)

■ Agencies & Corporate Notes

## Performance Measure FY-16 Return on Investment

Target: Meet or Exceed 100% of LAIF



Month



**Month End  
Portfolio Management  
Portfolio Summary  
November 30, 2015**

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Federal Agency Issues- Callable	44,935,000.00	44,894,250.70	44,934,422.22	58.62	1,002	789	1.023	1.038
Federal Agency Issues - Coupon	4,000,000.00	3,993,440.00	3,997,707.60	5.22	759	375	0.610	0.618
Certificates of Deposit - Bank	81,784.76	81,784.76	81,784.76	0.11	730	52	0.030	0.030
Local Agency Investment Fund (LAIF)	11,200,839.20	11,207,499.73	11,200,839.20	14.61	1	1	0.369	0.374
San Diego County Pool	16,436,475.73	16,300,000.00	16,436,475.73	21.44	1	1	0.656	0.665
<b>Investments</b>	<b>76,654,099.69</b>	<b>76,476,975.19</b>	<b>76,651,229.51</b>	<b>100.00%</b>	<b>628</b>	<b>482</b>	<b>0.826</b>	<b>0.838</b>
<b>Cash</b>								
Passbook/Checking (not included in yield calculations)	1,690,207.91	1,690,207.91	1,690,207.91		1	1	0.235	0.238
<b>Total Cash and Investments</b>	<b>78,344,307.60</b>	<b>78,167,183.10</b>	<b>78,341,437.42</b>		<b>628</b>	<b>482</b>	<b>0.826</b>	<b>0.838</b>

<b>Total Earnings</b>	<b>November 30 Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year	52,455.40	261,041.39
<b>Average Daily Balance</b>	<b>80,571,114.15</b>	<b>81,760,430.96</b>
<b>Effective Rate of Return</b>	<b>0.79%</b>	<b>0.76%</b>

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 May 7, 2014. 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

12-18-15

**Month End  
Portfolio Management  
Portfolio Details - Investments  
November 30, 2015**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity	Maturity Date
<b>Federal Agency Issues- Callable</b>												
3133EECX6	2313	Federal Farm Credit Bank		11/25/2014	2,000,000.00	2,000,060.00	2,000,000.00	0.610		0.602	360	11/25/2016
3134G5A47	2301	Federal Home Loan Mortgage		06/30/2014	2,000,000.00	1,999,260.00	2,000,000.00	0.650		0.641	395	12/30/2016
3133EELR9	2317	Federal Farm Credit Bank		01/27/2015	2,000,000.00	1,989,960.00	1,999,422.22	0.625		0.616	423	01/27/2017
3133EEXC9	2323	Federal Farm Credit Bank		04/20/2015	2,000,000.00	1,994,940.00	2,000,000.00	0.690		0.681	492	04/06/2017
3136G23G0	2304	Federal National Mortgage Assoc		08/15/2014	2,000,000.00	2,004,720.00	2,000,000.00	1.050		1.036	623	08/15/2017
3134G6TJ2	2319	Federal Home Loan Mortgage		04/27/2015	2,000,000.00	2,001,940.00	2,000,000.00	0.875		0.863	696	10/27/2017
3133EECG3	2311	Federal Farm Credit Bank		11/20/2014	1,030,000.00	1,029,196.60	1,030,000.00	1.140		1.124	720	11/20/2017
3133EECG3	2312	Federal Farm Credit Bank		11/20/2014	2,705,000.00	2,702,890.10	2,705,000.00	1.140		1.124	720	11/20/2017
3134G7XJ5	2331	Federal Home Loan Mortgage		09/18/2015	2,000,000.00	2,000,460.00	2,000,000.00	1.000	AA	0.986	748	12/18/2017
3130A3N59	2315	Federal Home Loan Bank		12/29/2014	2,000,000.00	2,000,420.00	2,000,000.00	1.125		1.110	759	12/29/2017
3134G7B75	2332	Federal Home Loan Mortgage		09/29/2015	2,000,000.00	2,000,520.00	2,000,000.00	1.016		1.002	759	12/29/2017
3133EEYE4	2320	Federal Farm Credit Bank		04/16/2015	2,000,000.00	2,000,200.00	2,000,000.00	1.000		0.986	777	01/16/2018
3130A4MF6	2318	Federal Home Loan Bank		03/30/2015	2,000,000.00	2,004,000.00	2,000,000.00	1.300		1.282	849	03/29/2018
3130A4WT5	2322	Federal Home Loan Bank		04/27/2015	2,000,000.00	1,991,220.00	2,000,000.00	1.020		1.006	878	04/27/2018
3130A56B0	2325	Federal Home Loan Bank		05/04/2015	1,200,000.00	1,200,024.00	1,200,000.00	1.120	AA	1.105	885	05/04/2018
3130A52G3	2324	Federal Home Loan Bank		05/11/2015	2,000,000.00	1,994,200.00	2,000,000.00	1.050	AA	1.036	892	05/11/2018
3134G63Z4	2327	Federal Home Loan Mortgage		06/08/2015	2,000,000.00	2,000,240.00	2,000,000.00	1.250	AA	1.233	920	06/08/2018
3134G6V264	2326	Federal Home Loan Mortgage		06/29/2015	2,000,000.00	2,003,520.00	2,000,000.00	1.250	AA	1.233	941	06/29/2018
3136G2LZ8	2330	Fannie Mae		09/28/2015	2,000,000.00	2,000,780.00	2,000,000.00	1.250		1.233	1,032	09/28/2018
3135G0G64	2336	Fannie Mae		10/30/2015	2,000,000.00	1,990,900.00	2,000,000.00	1.100		1.085	1,063	10/29/2018
3134G7D81	2333	Federal Home Loan Mortgage		10/29/2015	2,000,000.00	2,000,700.00	2,000,000.00	1.300		1.282	1,063	10/29/2018
3136G2R665	2334	Fannie Mae		11/19/2015	2,000,000.00	1,989,740.00	2,000,000.00	1.150		1.134	1,084	11/19/2018
3134G76C0	2335	Federal Home Loan Mortgage		11/23/2015	2,000,000.00	1,994,360.00	2,000,000.00	1.200		1.184	1,088	11/23/2018
<b>Subtotal and Average</b>			<b>42,347,735.42</b>		<b>44,935,000.00</b>	<b>44,894,250.70</b>	<b>44,934,422.22</b>			<b>1.023</b>	<b>789</b>	
<b>Federal Agency Issues - Coupon</b>												
3135G0YE7	2286	Federal National Mortgage Assoc		04/01/2014	2,000,000.00	1,999,760.00	2,000,857.80	0.625		0.558	269	08/26/2016
3133EEC73	2329	Federal Farm Credit Bank		06/26/2015	2,000,000.00	1,993,680.00	1,996,849.80	0.550	AA	0.651	482	03/27/2017
<b>Subtotal and Average</b>			<b>3,997,658.58</b>		<b>4,000,000.00</b>	<b>3,993,440.00</b>	<b>3,997,707.60</b>			<b>0.610</b>	<b>375</b>	
<b>Certificates of Deposit - Bank</b>												
2050003183-6	2283	California Bank & Trust		01/22/2014	81,784.76	81,784.76	81,784.76	0.030		0.030	52	01/22/2016
<b>Subtotal and Average</b>			<b>81,784.76</b>		<b>81,784.76</b>	<b>81,784.76</b>	<b>81,784.76</b>			<b>0.030</b>	<b>52</b>	

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**Month End  
Portfolio Management  
Portfolio Details - Investments  
November 30, 2015**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity	Maturity Date
<b>Local Agency Investment Fund (LAIF)</b>												
LAIF	9001	STATE OF CALIFORNIA			11,200,839.20	11,207,499.73	11,200,839.20	0.374		0.369	1	
LAIF BABS 2010	9012	STATE OF CALIFORNIA		07/01/2015	0.00	0.00	0.00	0.267		0.263	1	
<b>Subtotal and Average</b>			<b>14,937,505.87</b>		<b>11,200,839.20</b>	<b>11,207,499.73</b>	<b>11,200,839.20</b>			<b>0.369</b>	<b>1</b>	
<b>San Diego County Pool</b>												
SD COUNTY POOL	9007	San Diego County			16,436,475.73	16,300,000.00	16,436,475.73	0.665		0.656	1	
<b>Subtotal and Average</b>			<b>16,436,475.73</b>		<b>16,436,475.73</b>	<b>16,300,000.00</b>	<b>16,436,475.73</b>			<b>0.656</b>	<b>1</b>	
<b>Total and Average</b>			<b>80,571,114.15</b>		<b>76,654,099.69</b>	<b>76,476,975.19</b>	<b>76,651,229.51</b>			<b>0.826</b>	<b>482</b>	

**Month End  
Portfolio Management  
Portfolio Details - Cash  
November 30, 2015**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity
<b>Union Bank</b>											
UNION MONEY	9002	STATE OF CALIFORNIA			10,003.53	10,003.53	10,003.53	0.010		0.010	1
PETTY CASH	9003	STATE OF CALIFORNIA			2,950.00	2,950.00	2,950.00			0.000	1
UNION OPERATING	9004	STATE OF CALIFORNIA			1,608,476.58	1,608,476.58	1,608,476.58	0.250		0.247	1
PAYROLL	9005	STATE OF CALIFORNIA		07/01/2015	27,891.35	27,891.35	27,891.35			0.000	1
RESERVE-10 COPS	9010	STATE OF CALIFORNIA			5,871.00	5,871.00	5,871.00	0.010		0.010	1
RESERVE-10 BABS	9011	STATE OF CALIFORNIA			15,418.74	15,418.74	15,418.74	0.010		0.010	1
UBNA-2010 BOND	9013	STATE OF CALIFORNIA		07/01/2015	0.00	0.00	0.00			0.000	1
UBNA-FLEX ACCT	9014	STATE OF CALIFORNIA		07/01/2015	19,596.71	19,596.71	19,596.71			0.000	1
<b>Average Balance</b>			<b>0.00</b>								<b>1</b>
<b>Total Cash and Investments</b>			<b>80,571,114.15</b>		<b>78,344,307.60</b>	<b>78,167,183.10</b>	<b>78,341,437.42</b>			<b>0.826</b>	<b>482</b>

**Month End  
GASB 31 Compliance Detail  
Sorted by Fund - Fund  
November 1, 2015 - November 30, 2015**

CUSIP	Investment #	Fund	Investment Class	Maturity Date	Beginning Invested Value	Purchase of Principal	Addition to Principal	Redemption of Principal	Adjustment in Value		Ending Invested Value
									Amortization Adjustment	Change in Market Value	
<b>Fund: Treasury Fund</b>											
3134G6TJ2	2319	99	Fair Value	10/27/2017	2,003,620.00	0.00	0.00	0.00	0.00	-1,680.00	2,001,940.00
3134G76C0	2335	99	Amortized	11/23/2018	0.00	2,000,000.00	0.00	0.00	0.00	0.00	2,000,000.00
3134G7D81	2333	99	Fair Value	10/29/2018	2,001,860.00	0.00	0.00	0.00	0.00	-1,160.00	2,000,700.00
3134G7XJ5	2331	99	Fair Value	12/18/2017	2,001,480.00	0.00	0.00	0.00	0.00	-1,020.00	2,000,460.00
3134G7B75	2332	99	Amortized	12/29/2017	2,000,000.00	0.00	0.00	0.00	0.00	0.00	2,000,000.00
3134G6V264	2326	99	Amortized	06/29/2018	2,000,000.00	0.00	0.00	0.00	0.00	0.00	2,000,000.00
3134G63Z4	2327	99	Fair Value	06/08/2018	2,001,500.00	0.00	0.00	0.00	0.00	-1,260.00	2,000,240.00
3134G5A47	2301	99	Fair Value	12/30/2016	2,002,360.00	0.00	0.00	0.00	0.00	-3,100.00	1,999,260.00
3135G0YE7	2286	99	Fair Value	08/26/2016	2,002,660.00	0.00	0.00	0.00	0.00	-2,900.00	1,999,760.00
3136G23G0	2304	99	Fair Value	08/15/2017	2,007,340.00	0.00	0.00	0.00	0.00	-2,620.00	2,004,720.00
3130A4MF6	2318	99	Fair Value	03/29/2018	2,006,000.00	0.00	0.00	0.00	0.00	-2,000.00	2,004,000.00
3130A4WT5	2322	99	Fair Value	04/27/2018	2,000,680.00	0.00	0.00	0.00	0.00	-9,460.00	1,991,220.00
3130A56B0	2325	99	Fair Value	05/04/2018	2,000,080.00	0.00	0.00	800,000.00	0.00	-56.00	1,200,024.00
3130A52G3	2324	99	Fair Value	05/11/2018	2,001,260.00	0.00	0.00	0.00	0.00	-7,060.00	1,994,200.00
3130A3N59	2315	99	Fair Value	12/29/2017	2,001,240.00	0.00	0.00	0.00	0.00	-820.00	2,000,420.00
PAYROLL	9005	99	Amortized		27,891.35	0.00	0.00	0.00	0.00	0.00	27,891.35
RESERVE-10 COPS	9010	99	Amortized		0.00	0.00	5,871.00	0.00	0.00	0.00	5,871.00
PETTY CASH	9003	99	Amortized		2,950.00	0.00	0.00	0.00	0.00	0.00	2,950.00
UNION OPERATING	9004	99	Amortized		960,410.05	0.00	1,349,699.44	701,632.91	0.00	0.00	1,608,476.58
UBNA-2010 BOND	9013	99	Amortized		0.00	0.00	0.00	0.00	0.00	0.00	0.00
UNION MONEY	9002	99	Amortized		49,581.98	0.00	4,827,803.53	4,867,381.98	0.00	0.00	10,003.53
UBNA-FLEX ACCT	9014	99	Amortized		21,989.00	0.00	0.00	2,392.29	0.00	0.00	19,596.71
LAIF BABS 2010	9012	99	Fair Value		0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESERVE-10 BABS	9011	99	Amortized		0.24	0.00	15,418.50	0.00	0.00	0.00	15,418.74
LAIF	9001	99	Fair Value		17,211,067.61	0.00	1,900,000.00	7,900,000.00	0.00	-3,567.88	11,207,499.73
3133EELR9	2317	99	Fair Value	01/27/2017	1,992,660.00	0.00	0.00	0.00	0.00	-2,700.00	1,989,960.00
3133EECX6	2313	99	Fair Value	11/25/2016	2,000,460.00	0.00	0.00	0.00	0.00	-400.00	2,000,060.00
3133EEYE4	2320	99	Fair Value	01/16/2018	2,000,080.00	0.00	0.00	0.00	0.00	120.00	2,000,200.00
3133EEC73	2329	99	Amortized	03/27/2017	1,996,651.26	0.00	0.00	0.00	198.54	0.00	1,996,849.80
3133EEXC9	2323	99	Fair Value	04/06/2017	1,998,520.00	0.00	0.00	0.00	0.00	-3,580.00	1,994,940.00

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**Month End  
GASB 31 Compliance Detail  
Sorted by Fund - Fund**

CUSIP	Investment #	Fund	Investment Class	Maturity Date	Beginning Invested Value	Purchase of Principal	Addition to Principal	Redemption of Principal	Adjustment in Value		Ending Invested Value
									Amortization Adjustment	Change in Market Value	
<b>Fund: Treasury Fund</b>											
3133EECG3	2311	99	Fair Value	11/20/2017	1,030,370.80	0.00	0.00	0.00	0.00	-1,174.20	1,029,196.60
3133EECG3	2312	99	Fair Value	11/20/2017	2,705,973.80	0.00	0.00	0.00	0.00	-3,083.70	2,702,890.10
2050003183-6	2283	99	Amortized	01/22/2016	81,784.76	0.00	0.00	0.00	0.00	0.00	81,784.76
3135G0G64	2336	99	Amortized	10/29/2018	2,000,000.00	0.00	0.00	0.00	0.00	0.00	2,000,000.00
3136G2R665	2334	99	Amortized	11/19/2018	0.00	2,000,000.00	0.00	0.00	0.00	0.00	2,000,000.00
3136G2LZ8	2330	99	Amortized	09/28/2018	2,000,000.00	0.00	0.00	0.00	0.00	0.00	2,000,000.00
SD COUNTY POOL	9007	99	Fair Value		16,339,000.00	0.00	0.00	0.00	0.00	-39,000.00	16,300,000.00
<b>Subtotal</b>					<b>80,449,470.85</b>	<b>4,000,000.00</b>	<b>8,098,792.47</b>	<b>14,271,407.18</b>	<b>198.54</b>	<b>-86,521.78</b>	<b>78,190,532.90</b>
<b>Total</b>					<b>80,449,470.85</b>	<b>4,000,000.00</b>	<b>8,098,792.47</b>	<b>14,271,407.18</b>	<b>198.54</b>	<b>-86,521.78</b>	<b>78,190,532.90</b>

**Month End  
Activity Report  
Sorted By Issuer  
November 1, 2015 - November 30, 2015**

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
<b>Issuer: STATE OF CALIFORNIA</b>									
<b>Union Bank</b>									
UNION MONEY	9002	STATE OF CALIFORNIA			0.010		4,827,803.53	4,867,381.98	
UNION OPERATING	9004	STATE OF CALIFORNIA			0.250		1,349,699.44	701,632.91	
RESERVE-10 COPS	9010	STATE OF CALIFORNIA			0.010		5,871.00	0.00	
RESERVE-10 BABS	9011	STATE OF CALIFORNIA			0.010		15,418.50	0.00	
UBNA-FLEX ACCT	9014	STATE OF CALIFORNIA					0.00	2,392.29	
<b>Subtotal and Balance</b>				<b>1,062,822.62</b>			<b>6,198,792.47</b>	<b>5,571,407.18</b>	<b>1,690,207.91</b>
<b>Local Agency Investment Fund (LAIF)</b>									
LAIF	9001	STATE OF CALIFORNIA			0.374		1,900,000.00	7,900,000.00	
<b>Subtotal and Balance</b>				<b>17,200,839.20</b>			<b>1,900,000.00</b>	<b>7,900,000.00</b>	<b>11,200,839.20</b>
<b>Issuer Subtotal</b>		<b>16.454%</b>		<b>18,263,661.82</b>			<b>8,098,792.47</b>	<b>13,471,407.18</b>	<b>12,891,047.11</b>
<b>Issuer: California Bank &amp; Trust</b>									
<b>Certificates of Deposit - Bank</b>									
<b>Subtotal and Balance</b>				<b>81,784.76</b>					<b>81,784.76</b>
<b>Issuer Subtotal</b>		<b>0.104%</b>		<b>81,784.76</b>			<b>0.00</b>	<b>0.00</b>	<b>81,784.76</b>
<b>Issuer: Fannie Mae</b>									
<b>Federal Agency Issues- Callable</b>									
3136G2R665	2334	Fannie Mae			1.150	11/19/2015	2,000,000.00	0.00	
<b>Subtotal and Balance</b>				<b>4,000,000.00</b>			<b>2,000,000.00</b>	<b>0.00</b>	<b>6,000,000.00</b>
<b>Issuer Subtotal</b>		<b>7.659%</b>		<b>4,000,000.00</b>			<b>2,000,000.00</b>	<b>0.00</b>	<b>6,000,000.00</b>
<b>Issuer: Federal Farm Credit Bank</b>									

Month End  
Activity Report  
November 1, 2015 - November 30, 2015

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Current Rate	Transaction Date	Par Value		Ending Balance
				Beginning Balance				Purchases or Deposits	Redemptions or Withdrawals	
<b>Issuer: Federal Farm Credit Bank</b>										
<b>Federal Agency Issues- Callable</b>										
Subtotal and Balance				11,735,000.00						11,735,000.00
<b>Federal Agency Issues - Coupon</b>										
Subtotal and Balance				2,000,000.00						2,000,000.00
Issuer Subtotal				17.532%	13,735,000.00			0.00	0.00	13,735,000.00
<b>Issuer: Federal Home Loan Bank</b>										
<b>Federal Agency Issues- Callable</b>										
3130A56B0	2325	Federal Home Loan Bank			1.120	11/04/2015	0.00	800,000.00		
Subtotal and Balance				10,000,000.00			0.00	800,000.00		9,200,000.00
Issuer Subtotal				11.743%	10,000,000.00		0.00	800,000.00		9,200,000.00
<b>Issuer: Federal Home Loan Mortgage</b>										
<b>Federal Agency Issues- Callable</b>										
3134G76C0	2335	Federal Home Loan Mortgage			1.200	11/23/2015	2,000,000.00	0.00		
Subtotal and Balance				14,000,000.00			2,000,000.00	0.00		16,000,000.00
Issuer Subtotal				20.423%	14,000,000.00		2,000,000.00	0.00		16,000,000.00
<b>Issuer: Federal National Mortgage Assoc</b>										
<b>Federal Agency Issues- Callable</b>										
Subtotal and Balance				2,000,000.00						2,000,000.00
<b>Federal Agency Issues - Coupon</b>										
Subtotal and Balance				2,000,000.00						2,000,000.00
Issuer Subtotal				5.106%	4,000,000.00		0.00	0.00		4,000,000.00
<b>Issuer: San Diego County</b>										

**Month End  
Activity Report  
November 1, 2015 - November 30, 2015**

CUSIP	Investment #	Issuer	Percent of Portfolio	<u>Par Value</u> Beginning Balance	Current Rate	Transaction Date	Purchases or Deposits	<u>Par Value</u> Redemptions or Withdrawals	Ending Balance
<b>Issuer: San Diego County</b>									
<b>San Diego County Pool</b>									
				<u>16,436,475.73</u>					<u>16,436,475.73</u>
			Subtotal and Balance	16,436,475.73			0.00	0.00	16,436,475.73
			Issuer Subtotal	16,436,475.73			0.00	0.00	16,436,475.73
			Total	80,516,922.31			12,098,792.47	14,271,407.18	78,344,307.60

**Month End  
Duration Report  
Sorted by Investment Type - Investment Type  
Through 11/30/2015**

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 360	Current Yield	Maturity/ Call Date	Modified Duration
3134G5A47	2301	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	1,999,260.00	.6500000	0.641	0.684	12/30/2016	1.071
3136G23G0	2304	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	2,004,720.00	1.050000	1.036	0.910	08/15/2017	1.681
3133EECG3	2311	99	Federal Farm Credit Bank	Fair	1,030,000.00	1,030,000.00	1,029,196.60	1.140000	1.124	1.180	11/20/2017	1.941
3133EECG3	2312	99	Federal Farm Credit Bank	Fair	2,705,000.00	2,705,000.00	2,702,890.10	1.140000	1.124	1.180	11/20/2017	1.941
3133EECX6	2313	99	Federal Farm Credit Bank	Fair	2,000,000.00	2,000,000.00	2,000,060.00	.6100000	0.602	0.607	11/25/2016	0.978
3130A3N59	2315	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,000,420.00	1.125000	1.110	1.115	12/29/2017	2.038
3133EELR9	2317	99	Federal Farm Credit Bank	Fair	1,999,422.22	2,000,000.00	1,989,960.00	.6250000	0.616	1.063	01/27/2017	1.144
3130A4MF6	2318	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,004,000.00	1.300000	1.282	1.213	03/29/2018	2.281
3134G6TJ2	2319	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,001,940.00	.8750000	0.863	0.824	10/27/2017	1.884
3133EEYE4	2320	99	Federal Farm Credit Bank	Fair	2,000,000.00	2,000,000.00	2,000,200.00	1.000000	0.986	0.995	01/16/2018	2.090
3130A4WT5	2322	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	1,991,220.00	1.020000	1.006	1.206	04/27/2018	2.366
3133EEXC9	2323	99	Federal Farm Credit Bank	Fair	2,000,000.00	2,000,000.00	1,994,940.00	.6900000	0.681	0.879	04/06/2017	1.336
3130A52G3	2324	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	1,994,200.00	1.050000	1.036	1.171	05/11/2018	2.404
3130A56B0	2325	99	Federal Home Loan Bank	Fair	1,200,000.00	1,200,000.00	1,200,024.00	1.120000	1.105	1.119	05/04/2018	2.384
3134G6V264	2326	99	Federal Home Loan Mortgage	Amort	2,000,000.00	2,000,000.00	2,003,520.00	1.250000	1.233	1.181	06/29/2018	2.516
3134G63Z4	2327	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,000,240.00	1.250000	1.233	1.245	06/08/2018	2.458
3136G2LZ8	2330	99	Fannie Mae	Amort	2,000,000.00	2,000,000.00	2,000,780.00	1.250000	1.233	1.236	09/28/2018	2.761
3134G7XJ5	2331	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,000,460.00	1.000000	0.986	0.989	12/18/2017	2.017
3134G7B75	2332	99	Federal Home Loan Mortgage	Amort	2,000,000.00	2,000,000.00	2,000,520.00	1.016125	1.002	1.004	12/29/2017	1.212
3134G7D81	2333	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,000,700.00	1.300000	1.282	1.288	10/29/2018	2.845
3136G2R665	2334	99	Fannie Mae	Amort	2,000,000.00	2,000,000.00	1,989,740.00	1.150000	1.134	1.327	11/19/2018	2.905
3134G76C0	2335	99	Federal Home Loan Mortgage	Amort	2,000,000.00	2,000,000.00	1,994,360.00	1.200000	1.184	1.297	11/23/2018	2.914
3135G0G64	2336	99	Fannie Mae	Amort	2,000,000.00	2,000,000.00	1,990,900.00	1.100000	1.085	1.260	10/29/2018	2.852

**Month End  
Duration Report  
Sorted by Investment Type - Investment Type  
Through 11/30/2015**

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 360	Current Yield	Maturity/ Call Date	Modified Duration
3135G0YE7	2286	99	Federal National Mortgage Assoc	Fair	2,000,857.80	2,000,000.00	1,999,760.00	.6250000	0.558	0.642	08/26/2016	0.732
3133EEC73	2329	99	Federal Farm Credit Bank	Amort	1,996,849.80	2,000,000.00	1,993,680.00	.5500000	0.661	0.791	03/27/2017	1.313
2050003183-6	2283	99	California Bank & Trust	Amort	81,784.76	81,784.76	81,784.76	.0300000	0.030	0.030	01/22/2016	0.142 †
LAIF	9001	99	STATE OF CALIFORNIA	Fair	11,200,839.20	11,200,839.20	11,207,499.73	.3740000	0.369	0.374		0.000
LAIF BABS 2010	9012	99	STATE OF CALIFORNIA	Fair	0.00	0.00	0.00	.2670000	0.263	0.267		0.000
SD COUNTY	9007	99	San Diego County	Fair	16,436,475.73	16,436,475.73	16,300,000.00	.6650000	0.656	0.665		0.000
<b>Report Total</b>					<b>76,651,229.51</b>	<b>76,654,099.69</b>	<b>76,476,975.19</b>			<b>0.871</b>		<b>1.276 †</b>

† = Duration can not be calculated on these investments due to incomplete Market price data.

**Month End  
Interest Earnings  
Sorted by Fund - Fund  
November 1, 2015 - November 30, 2015  
Yield on Beginning Book Value**

CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Ending Book Value	Maturity Date	Current Annualized Rate	Annualized Yield	Adjusted Interest Earnings		
										Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
<b>Fund: Treasury Fund</b>												
3134G6TJ2	2319	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	10/27/2017	0.875	0.887	1,458.34	0.00	1,458.34
3134G76C0	2335	99	MC1	2,000,000.00	0.00	2,000,000.00	11/23/2018	1.200	1.217	533.33	0.00	533.33
3134G7D81	2333	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	10/29/2018	1.300	1.318	2,166.67	0.00	2,166.67
3134G7XJ5	2331	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/18/2017	1.000	1.014	1,666.67	0.00	1,666.67
3134G7B75	2332	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/29/2017	1.016	1.030	1,693.55	0.00	1,693.55
3134G6V264	2326	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	06/29/2018	1.250	1.267	2,083.34	0.00	2,083.34
3134G63Z4	2327	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	06/08/2018	1.250	1.267	2,083.33	0.00	2,083.33
3134G5A47	2301	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/30/2016	0.650	0.659	1,083.34	0.00	1,083.34
3135G0YE7	2286	99	FAC	2,000,000.00	2,000,954.91	2,000,857.80	08/26/2016	0.625	0.574	1,041.66	-97.11	944.55
3136G23G0	2304	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	08/15/2017	1.050	1.065	1,750.00	0.00	1,750.00
3130A4MF6	2318	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	03/29/2018	1.300	1.318	2,166.67	0.00	2,166.67
3130A4WT5	2322	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	04/27/2018	1.020	1.034	1,700.00	0.00	1,700.00
3130A56B0	2325	99	MC1	1,200,000.00	2,000,000.00	1,200,000.00	05/04/2018	1.120	0.727	1,194.67	0.00	1,194.67
3130A52G3	2324	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	05/11/2018	1.050	1.065	1,750.00	0.00	1,750.00
3130A3N59	2315	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/29/2017	1.125	1.141	1,875.00	0.00	1,875.00
RESERVE-10 COPS	9010	99	PA1	5,871.00	0.00	5,871.00		0.010		0.02	0.00	0.02
UNION OPERATING	9004	99	PA1	1,608,476.58	960,410.05	1,608,476.58		0.250	0.595	469.81	0.00	469.81
UNION MONEY	9002	99	PA1	10,003.53	49,581.98	10,003.53		0.010	0.085	3.48	0.00	3.48
RESERVE-10 BABS	9011	99	PA1	15,418.74	0.24	15,418.74		0.010	202.778	0.04	0.00	0.04
LAIF	9001	99	LA1	11,200,839.20	17,200,839.20	11,200,839.20		0.374	0.325	4,591.74	0.00	4,591.74
3133EELR9	2317	99	MC1	2,000,000.00	1,999,380.56	1,999,422.22	01/27/2017	0.625	0.659	1,041.67	41.66	1,083.33
3133EECX6	2313	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	11/25/2016	0.610	0.618	1,016.66	0.00	1,016.66
3133EEYE4	2320	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	01/16/2018	1.000	1.014	1,666.67	0.00	1,666.67
3133EEC73	2329	99	FAC	2,000,000.00	1,996,651.26	1,996,849.80	03/27/2017	0.550	0.680	916.67	198.54	1,115.21
3133EEXC9	2323	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	04/06/2017	0.690	0.700	1,150.00	0.00	1,150.00
3133EECG3	2311	99	MC1	1,030,000.00	1,030,000.00	1,030,000.00	11/20/2017	1.140	1.156	978.50	0.00	978.50
3133EECG3	2312	99	MC1	2,705,000.00	2,705,000.00	2,705,000.00	11/20/2017	1.140	1.156	2,569.75	0.00	2,569.75
2050003183-6	2283	99	BCD	81,784.76	81,784.76	81,784.76	01/22/2016	0.030	0.030	2.05	0.00	2.05
3135G0G64	2336	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	10/29/2018	1.100	1.115	1,833.33	0.00	1,833.33

Data Updated: SET\_ME8: 12/16/2015 15:48

Run Date: 12/16/2015 - 15:48

Portfolio OTAY

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Report Ver. 7.3.5

**Month End  
Interest Earnings  
November 1, 2015 - November 30, 2015**

CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Ending Book Value	Maturity Date	Current Annualized Rate	Yield	Adjusted Interest Earnings		
										Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
<b>Fund: Treasury Fund</b>												
3136G2R665	2334	99	MC1	2,000,000.00	0.00	2,000,000.00	11/19/2018	1.150	1.153	758.24	0.00	758.24
3136G2LZ8	2330	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	09/28/2018	1.250	1.267	2,083.33	0.00	2,083.33
SD COUNTY POOL	9007	99	LA3	16,436,475.73	16,436,475.73	16,436,475.73		0.665	0.665	8,983.78	0.00	8,983.78
			<b>Subtotal</b>	<b>78,293,869.54</b>	<b>80,461,078.69</b>	<b>78,290,999.36</b>			<b>0.780</b>	<b>52,312.31</b>	<b>143.09</b>	<b>52,455.40</b>
			<b>Total</b>	<b>78,293,869.54</b>	<b>80,461,078.69</b>	<b>78,290,999.36</b>			<b>0.780</b>	<b>52,312.31</b>	<b>143.09</b>	<b>52,455.40</b>



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	January 6, 2016
SUBMITTED BY:	Kevin Koeppen, Finance Manager, Treasury & Acct <i>RKB</i>	W.O./G.F. NO:	DIV. NO.
APPROVED BY:	Joseph Beachem, Chief Financial Officer (Chief)		
APPROVED BY:	German Alvarez, Assistant General Manager (Asst. GM)		
SUBJECT:	Accounts Payable Demand List		

### PURPOSE:

Attached is the list of demands for the Board's information.

### FISCAL IMPACT:

SUMMARY FOR PERIOD 10/22/2015 - 12/16/2015	NET DEMANDS
CHECKS (2044463 - 2044904)	\$ 3,734,464.82
VOID CHECKS (7)	(\$ 3,416.56)
TOTAL CHECKS	\$ 3,731,048.26
WIRE TO:	
CALPERS - OTHER POST EMPLOYMENT BENEFITS (MONTHLY)	\$ 123,900.00
CALPERS - OTHER POST EMPLOYMENT BENEFITS (MONTHLY)	\$ 123,900.00
CITY OF CHULA VISTA - BI-MONTHLY SEWER CHARGES (SEPT-OCT 2015)	\$ 3,290,844.46
CITY TREASURER - METROPOLITAN SEWERAGE SYSTEM (QUARTERLY)	\$ 203,134.00
CITY TREASURER - RECLAIMED WATER PURCHASE (10/3/15-11/3/15)	\$ 99,178.92
CITY TREASURER - RECLAIMED WATER PURCHASE (9/3/15-10/2/15)	\$ 103,950.12
OTAY WATER DISTRICT - BI-WEEKLY PAYROLL DEDUCTION	\$ 679.00
OTAY WATER DISTRICT - BI-WEEKLY PAYROLL DEDUCTION	\$ 679.00
OTAY WATER DISTRICT - BI-WEEKLY PAYROLL DEDUCTION	\$ 672.00
OTAY WATER DISTRICT - BI-WEEKLY PAYROLL DEDUCTION	\$ 672.00
PREFERRED BENEFIT INSURANCE - DENTAL & COBRA CLAIMS (NOV 2015)	\$ 15,819.43
PREFERRED BENEFIT INSURANCE - DENTAL & COBRA CLAIMS (OCT 2015)	\$ 22,020.95
SAN DIEGO COUNTY WATER AUTH - CAPACITY FEES COLLECTED (7/1/15-9/30/15)	\$ 154,560.00
SAN DIEGO COUNTY WATER AUTH - WATER DELIVERIES & CHARGES (OCT 2015)	\$ 3,324,456.60
SAN DIEGO COUNTY WATER AUTH - WATER DELIVERIES & CHARGES (SEPT 2015)	\$ 3,459,637.30
SPECIAL DISTRICT RISK - HEALTH ADMINISTRATION (DEC 2015)	\$ 284,472.90
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 237.69
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 508.04
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 237.69
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 508.04
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 237.69
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 508.04
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 237.69
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 323.06
UNION BANK - BI-WEEKLY PAYROLL TAXES	\$ 147,253.09

UNION BANK - BI-WEEKLY PAYROLL TAXES	\$ 138,664.14
UNION BANK - BI-WEEKLY PAYROLL TAXES	\$ 141,987.94
UNION BANK - BI-WEEKLY PAYROLL TAXES	\$ 145,368.67
UNION BANK NA - COPS 1996 (MONTHLY)	\$ 404.30
UNION BANK NA - COPS 1996 (MONTHLY)	\$ 389.84
<b>TOTAL CASH DISBURSEMENTS</b>	<b>\$ 15,516,490.86</b>

**RECOMMENDED ACTION:**

That the Board received the attached list of demands.

Jb/Attachment

## CHECK REGISTER

## Otay Water District

Date Range: 10/22/2015 - 11/18/2015

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2044463	10/28/15	15645	(W)RIGHT ON COMMUNICATIONS INC	12202561	09/30/15	COMMUNITY OUTREACH (A)	20,156.67	20,156.67
2044632	11/18/15	16888	A M ORTEGA CONSTRUCTION	Ref002451759	11/16/15	UB Refund Cst #0000213115	2,130.27	2,130.27
2044579	11/10/15	16291	ABHE & SVOBODA INC	409222015	10/26/15	850-3 INTERIOR COATING (ENDING 9/22/15)	97,268.88	97,268.88
2044464	10/28/15	08488	ABLEFORCE INC	5666	10/05/15	SHAREPOINT SERVICES (9/16/15-10/1/15)	2,375.00	2,375.00
2044633	11/18/15	12174	AECOM TECHNICAL SERVICES INC	33	10/20/15	DISINFECTION SYSTEM (ENDING 10/2/15)	22,082.80	22,082.80
2044580	11/10/15	11462	AEGIS ENGINEERING MGMT INC	1407	10/13/15	DEVELOPER PLAN REVIEW (8/29/15-10/9/15)	18,145.24	18,145.24
2044634	11/18/15	07732	AIRGAS SPECIALTY PRODUCTS INC	131407239	10/02/15	AQUA AMMONIA	2,484.60	
				131407238	10/02/15	AQUA AMMONIA	1,462.80	
				131407240	10/02/15	AQUA AMMONIA	464.40	4,411.80
2044517	11/04/15	13753	AIRGAS USA LLC	9930600989	09/30/15	BREATHING AIR BOTTLES	47.47	47.47
2044465	10/28/15	15024	AIRX UTILITY SURVEYORS INC	24	10/06/15	LAND SURVEYING (9/1/15-9/30/15)	7,840.00	7,840.00
2044581	11/10/15	15024	AIRX UTILITY SURVEYORS INC	25	10/13/15	LAND SURVEYING (9/1/15-9/30/15)	10,408.00	10,408.00
2044466	10/28/15	14462	ALYSON CONSULTING	CM201564	10/12/15	MGMT/INSP (9/1/15-9/30/15)	4,200.00	
				CM201561	10/12/15	MGMT/INSP (9/1/15-9/30/15)	3,600.00	
				CM201560	10/12/15	MGMT/INSP (9/1/15-9/30/15)	2,110.00	
				CM201562	10/12/15	MGMT/INSP (9/8/15-9/30/15)	1,070.00	
				CM201563	10/12/15	MGMT/INSP (9/1/15-9/30/15)	850.00	
				CM201559	10/12/15	MGMT/INSP (9/1/15-9/30/15)	750.00	12,580.00
2044518	11/04/15	01369	AMERICAN BACKFLOW	INV35420	10/01/15	BACKFLOW PARTS	4,431.24	4,431.24
2044635	11/18/15	06166	AMERICAN MESSAGING	L1109570PK	11/01/15	PAGERS (OCT 2015)	185.84	185.84
2044467	10/28/15	16743	ANGUS ASPHALT INC	10815417	10/09/15	DS-22 FINAL PAVING	23,000.00	23,000.00
2044582	11/10/15	08967	ANTHEM BLUE CROSS EAP	41347	10/27/15	EMPLOYEE ASSISTANCE PROGRAM (NOV 2015)	312.20	312.20
2044468	10/28/15	03492	AQUA-METRIC SALES COMPANY	0058131IN	10/06/15	INVENTORY	8,173.90	8,173.90
2044636	11/18/15	07785	AT&T	000007245513	11/02/15	TELEPHONE SERVICES (10/2/15-11/1/15)	6,085.47	6,085.47
2044469	10/28/15	13392	AZTECA SYSTEMS INC	11137	10/02/15	LICENSE AGREEMENT (11/15/15-11/14/16)	75,000.00	75,000.00
2044583	11/10/15	13392	AZTECA SYSTEMS INC	11137a	10/02/15	LICENSE AGREEMENT (11/15/15-11/14/16)	15,000.00	15,000.00
2044519	11/04/15	16846	BARBARA SCHIERMEIER	Ref002450823	11/02/15	UB Refund Cst #0000207603	128.25	128.25
2044520	11/04/15	16845	BARNHART-REESE CONSTRUCTION	Ref002450822	11/02/15	UB Refund Cst #0000207370	543.15	543.15
2044470	10/28/15	06285	BARTEL ASSOCIATES LLC	15579	10/05/15	ACTUARIAL SERVICES (9/1/15-9/30/15)	2,335.00	2,335.00

**CHECK REGISTER**

**Otay Water District**

**Date Range: 10/22/2015 - 11/18/2015**

<b>Check #</b>	<b>Date</b>	<b>Vendor</b>	<b>Vendor Name</b>	<b>Invoice</b>	<b>Inv. Date</b>	<b>Description</b>	<b>Amount</b>	<b>Check Total</b>
2044637	11/18/15	16897	BRENNAN & ASSOCIATES	Ref002451768	11/16/15	UB Refund Cst #0000222842	8.28	8.28
2044521	11/04/15	10970	BRENNTAG PACIFIC INC	BPI567129	10/12/15	SODIUM HYPOCHLORITE	4,102.45	
				BPI566346	10/08/15	SODIUM HYPOCHLORITE	1,067.76	
				BPI565182	10/05/15	SODIUM HYPOCHLORITE	779.99	5,950.20
2044471	10/28/15	10970	BRENNTAG PACIFIC INC	BPI565183	10/02/15	SODIUM HYPOCHLORITE	1,905.88	
				BPI564626	10/01/15	SODIUM HYPOCHLORITE	1,241.20	3,147.08
2044584	11/10/15	10970	BRENNTAG PACIFIC INC	BPI568592	10/16/15	SODIUM HYPOCHLORITE	2,384.54	
				BPI571475	10/26/15	SODIUM HYPOCHLORITE	1,622.96	
				BPI570681	10/22/15	SODIUM HYPOCHLORITE	1,338.09	
				BPI569192	10/19/15	SODIUM HYPOCHLORITE	1,185.00	
				BPI570327	10/22/15	SODIUM HYPOCHLORITE	1,123.96	
				BPI569590	10/19/15	SODIUM HYPOCHLORITE	1,007.69	
				BPI571476	10/26/15	SODIUM HYPOCHLORITE	998.97	
				BPI568774	10/15/15	SODIUM HYPOCHLORITE	969.90	
				BPI567576	10/12/15	SODIUM HYPOCHLORITE	680.19	11,311.30
2044585	11/10/15	02401	CAJON VALLEY UNION SCHOOL DIST	16185	10/21/15	GARDEN TOUR (10/7/15-10/8/15)	218.28	218.28
2044472	10/28/15	05211	CALIFORNIA FOUNDATION ON THE	C1504	09/30/15	SPONSORSHIP	5,000.00	5,000.00
2044473	10/28/15	02989	CALIFORNIA MUNICIPAL	15100601	10/06/15	DEBT STATEMENT	500.00	500.00
2044586	11/10/15	01004	CALOLYMPIC SAFETY	345088	10/22/15	SAFETY CLIMB BRACKETS AND CABLE	1,159.22	
				344701	10/06/15	CAL- GAS	277.36	1,436.58
2044638	11/18/15	04071	CAPITOL WEBWORKS LLC	27449	10/31/15	OTHER AGENCY FEES	45.00	45.00
2044522	11/04/15	16838	CARLA HANEY	Ref002450815	11/02/15	UB Refund Cst #0000143114	114.05	114.05
2044587	11/10/15	02758	CARMEL BUSINESS SYSTEMS INC	7925	09/16/15	SCANNING SERVICES (9/11/15)	110.59	110.59
2044474	10/28/15	04653	CARO, PATRICIA	102015202315	10/27/15	TRAVEL EXPENSE REIMB (10/20/15-10/23/15)	294.96	294.96
2044639	11/18/15	16883	CASSIE LUCIANO	Ref002451754	11/16/15	UB Refund Cst #0000196012	27.95	27.95
2044475	10/28/15	04349	CHAMBERS, JONATHAN	101115101615A	10/21/15	TRAVEL EXPENSE REIMB (10/11/15-10/16/15)	87.38	87.38
2044523	11/04/15	16635	CHRISTIAN VALENZUELA	1078102915	10/29/15	CUSTOMER REFUND	14.22	14.22
2044476	10/28/15	02026	CHULA VISTA ELEM SCHOOL DIST	AR044999	10/02/15	GARDEN TOURS (8/20/15 & 8/27/15)	540.00	
				AR045026	10/06/15	GARDEN TOURS (9/2/15-9/3/15)	540.00	
				AR045029	10/06/15	GARDEN TOUR (9/4/15)	270.00	1,350.00
2044640	11/18/15	15256	CIGNA GROUP INSURANCE / LINA	9267111015	11/10/15	AD&D & SUPP LIFE INS (NOV 2015)	4,241.10	4,241.10

**CHECK REGISTER**

**Otay Water District**

**Date Range: 10/22/2015 - 11/18/2015**

<b>Check #</b>	<b>Date</b>	<b>Vendor</b>	<b>Vendor Name</b>	<b>Invoice</b>	<b>Inv. Date</b>	<b>Description</b>	<b>Amount</b>	<b>Check Total</b>
2044477	10/28/15	00446	CITY OF CHULA VISTA	10222015	10/22/15	BUSINESS MEETING	100.00	100.00
2044524	11/04/15	00446	CITY OF CHULA VISTA	10282015	10/28/15	STARLIGHT PARADE SPONSORSHIP	500.00	500.00
2044641	11/18/15	13946	CITY OF CHULA VISTA	201516	10/12/15	SPECIAL ASSESSMENT	105.18	105.18
2044525	11/04/15	00234	CITY TREASURER	1000147290	10/16/15	LABORATORY COMPLIANCE (SEPT 2015)	221.00	221.00
2044642	11/18/15	16807	CIVIC LINK STRATEGIES	September2015 October2015	11/05/15 11/05/15	CONSULTING SERVICES CONSULTING SERVICES	9,000.00 9,000.00	18,000.00
2044526	11/04/15	16798	COFFMAN SPECIALTIES	Ref002450824	11/02/15	UB Refund Cst #0000213793	221.74	221.74
2044527	11/04/15	16850	COFFMAN SPECIALTIES	Ref002450828	11/02/15	UB Refund Cst #0000218271	2,046.00	2,046.00
2044528	11/04/15	16851	COFFMAN SPECIALTIES	Ref002450829	11/02/15	UB Refund Cst #0000222031	1,986.00	1,986.00
2044478	10/28/15	15395	COFFMAN SPECIALTIES INC	7	10/07/15	SR-11 RELOCATIONS (ENDING 9/30/15)	64,386.78	64,386.78
2044529	11/04/15	16843	COFFMAN SPECIALTIES INC	Ref002450820	11/02/15	UB Refund Cst #0000206648	1,650.80	1,650.80
2044643	11/18/15	15616	COGENT COMMUNICATIONS INC	0001110115	11/01/15	INTERNET CIRCUITS (NOV 2015)	3,047.00	3,047.00
2044588	11/10/15	08160	COMPLETE OFFICE	17693100	10/19/15	OUTREACH SUPPLIES	4,654.80	4,654.80
2044479	10/28/15	16030	CORA CONSTRUCTORS INC	109302015	10/19/15	RAS PUMPS REPLACEMENT (ENDING 9/30/15)	108,266.75	108,266.75
2044480	10/28/15	15049	CORELOGIC SOLUTIONS LLC	81618624	09/30/15	DATA SERVICES (9/1/15-9/30/15)	525.00	525.00
2044481	10/28/15	12334	CORODATA MEDIA STORAGE INC	DS1270223	09/30/15	TAPE STORAGE	425.76	425.76
2044530	11/04/15	16848	CORTNEY KNAPP	Ref002450826	11/02/15	UB Refund Cst #0000215268	11.64	11.64
2044644	11/18/15	00099	COUNTY OF SAN DIEGO	DPWAROTAYMW	10/13/15	EXCAVATION PERMITS (SEPT 2015)	5,065.98	5,065.98
2044645	11/18/15	00184	COUNTY OF SAN DIEGO	5349111215 5348111215 5345111215 5351111215 5346111215	11/12/15 11/12/15 11/12/15 11/12/15 11/12/15	PERMIT FEES PERMIT FEES PERMIT FEES PERMIT FEES PERMIT FEES	405.00 292.00 292.00 292.00 292.00	1,573.00
2044531	11/04/15	00193	COUNTY OF SAN DIEGO	11072014	11/02/15	FILING FEE FOR CAMPO ROAD MND	2,260.00	2,260.00
2044589	11/10/15	02756	COX COMMUNICATIONS INC	9601103015	10/30/15	INTERNET SERVICES (10/29/15-11/28/15)	600.00	600.00
2044646	11/18/15	00693	CSDA, SAN DIEGO CHAPTER	111915	11/13/15	BUSINESS MEETING	30.00	30.00
2044647	11/18/15	16873	DANIEL VALENCIA	Ref002451743	11/16/15	UB Refund Cst #0000062590	75.64	75.64
2044648	11/18/15	16884	DARREN VAUGHT	Ref002451755	11/16/15	UB Refund Cst #0000204496	40.04	40.04
2044532	11/04/15	16841	DENNY TRAN	Ref002450818	11/02/15	UB Refund Cst #0000171998	26.66	26.66

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2044590	11/10/15	03341	DEPARTMENT OF CONSUMER AFFAIRS	2612110615	11/06/15	CPA RENEWAL	50.00	50.00
2044649	11/18/15	16890	DORIAN IRIBE	Ref002451761	11/16/15	UB Refund Cst #0000214945	33.34	33.34
2044533	11/04/15	14323	EDWARDS, JEFFREY	110215	11/02/15	TUITION REIMBURSEMENT	407.69	407.69
2044650	11/18/15	08023	EMPLOYEE BENEFIT SPECIALISTS	0072298IN	10/31/15	EMPLOYEE BENEFITS (OCT 2015)	680.00	680.00
2044591	11/10/15	00331	EMPLOYMENT DEVELOPMENT DEPT	925023841115	11/03/15	UNEMPLOYMENT INSURANCE (QUARTERLY)	6,300.00	6,300.00
2044534	11/04/15	03227	ENVIROMATRIX ANALYTICAL INC	5100803	10/12/15	LAB ANALYSIS (9/25/15-10/1/15)	942.50	942.50
2044482	10/28/15	03227	ENVIROMATRIX ANALYTICAL INC	5100605	10/05/15	LAB ANALYSIS (9/16/15-9/30/15)	1,590.00	1,590.00
2044592	11/10/15	03227	ENVIROMATRIX ANALYTICAL INC	5101076	10/26/15	LAB ANALYSIS (10/10/15-10/15/15)	870.00	
				5100966	10/19/15	LAB ANALYSIS (10/2/15-10/12/15)	610.00	1,480.00
2044651	11/18/15	14320	EUROFINS EATON ANALYTICAL INC	L0239115	11/03/15	OUTSIDE LAB SERVICES (10/6/15)	250.00	250.00
2044652	11/18/15	16742	EVEREST ENVIRONMENTAL INC	201512250	10/23/15	WATER POLLUTION CONTROL PLAN	1,280.00	1,280.00
2044535	11/04/15	03546	FERGUSON WATERWORKS # 1083	0529977	10/06/15	WAREHOUSE SUPPLIES	1,033.72	1,033.72
2044593	11/10/15	03546	FERGUSON WATERWORKS # 1083	0527194	10/16/15	INVENTORY	4,358.57	
				05271941	10/26/15	INVENTORY	2,927.14	7,285.71
2044483	10/28/15	12187	FIRST AMERICAN DATA TREE LLC	9003400915	09/30/15	ONLINE DOCUMENTS (MONTHLY)	99.00	99.00
2044594	11/10/15	16469	FIRST CHOICE SERVICES	048082	10/15/15	COFFEE SERVICES	345.29	345.29
2044484	10/28/15	16469	FIRST CHOICE SERVICES	047409	10/01/15	COFFEE SERVICES	419.09	419.09
2044536	11/04/15	00035	FISHER SCIENTIFIC	4402428	10/05/15	LABORATORY SUPPLIES	90.88	90.88
2044485	10/28/15	00035	FISHER SCIENTIFIC	4058448	09/30/15	LABORATORY SUPPLIES	487.44	487.44
2044595	11/10/15	00035	FISHER SCIENTIFIC	4839445	10/09/15	LABORATORY SUPPLIES	754.85	
				4916608	10/12/15	LABORATORY SUPPLIES	354.30	
				5042531	10/14/15	LABORATORY SUPPLIES	89.11	1,198.26
2044486	10/28/15	02591	FITNESS TECH	9773	10/01/15	EQUIPMENT MAINTENANCE	135.00	135.00
2044537	11/04/15	11962	FLEETWASH INC	x610877	10/09/15	VEHICLE WASHING	32.25	32.25
2044538	11/04/15	01612	FRANCHISE TAX BOARD	Ben2451552	11/05/15	BI-WEEKLY PAYROLL DEDUCTION	40.00	40.00
2044539	11/04/15	02344	FRANCHISE TAX BOARD	Ben2451554	11/05/15	BI-WEEKLY PAYROLL DEDUCTION	87.72	87.72
2044653	11/18/15	00131	GOVERNMENT FIN OFFICERS ASSN	111615	11/16/15	APPLICATION FEE	505.00	505.00
2044596	11/10/15	09571	GOVERNMENTJOBS.COM INC	INV16191	10/27/15	SOFTWARE LICENSE	3,600.00	3,600.00

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2044597	11/10/15	14948	GPS INSIGHT LLC	952025	10/16/15	GPS MODEMS	1,562.02	1,562.02
2044654	11/18/15	16891	GUY SMITH	Ref002451762	11/16/15	UB Refund Cst #0000215102	23.39	23.39
2044655	11/18/15	16895	H&W CUSTOMER BUILDERS, INC.	Ref002451766	11/16/15	UB Refund Cst #0000222497	1,782.96	1,782.96
2044598	11/10/15	00174	HACH COMPANY	9591057	09/24/15	HACH ANALYZERS	3,050.06	
				9609638	10/05/15	HACH APA6000	2,346.40	
				9614826	10/08/15	HACH APA6000	1,789.97	
				9612808	10/07/15	HACH APA6000	801.25	
				9629381	10/19/15	COMBINATION CONVERTIBLE SENSOR	543.88	8,531.56
2044656	11/18/15	00201	HARRINGTON INDL PLASTICS LLC	004G0408	10/23/15	FITTINGS	55.99	55.99
2044599	11/10/15	00201	HARRINGTON INDL PLASTICS LLC	004G0368	10/22/15	FITTINGS	416.06	416.06
2044657	11/18/15	05986	HAVS INCORPORATED	9212015	09/21/15	OUTSIDE SERVICES	303.60	
				7170	09/21/15	OUTSIDE SERVICES	249.28	552.88
2044600	11/10/15	10973	HDR ENGINEERING INC	20	10/13/15	CORROSION SERVICES (8/23/15-9/26/15)	13,370.01	13,370.01
2044540	11/04/15	14076	HDS WHITE CAP CONST SUPPLY	50003413495	10/08/15	SPEC-PLUG	323.29	
				50003413393	10/08/15	SPEC-PLUG	162.40	485.69
2044601	11/10/15	14076	HDS WHITE CAP CONST SUPPLY	50003429603	10/13/15	SPEC-PLUG	538.81	538.81
2044602	11/10/15	02008	HELIX ENVIRONMENTAL	11	10/14/15	ENVIRONMENTAL SERVICES (9/1/15-9/30/15)	4,257.48	4,257.48
2044487	10/28/15	15622	ICF JONES & STOKES INC	0110435	10/07/15	ENVIRONMENTAL SERVICES (8/1/15-8/28/15)	12,442.66	12,442.66
2044488	10/28/15	08969	INFOSEND INC	97427	09/30/15	BILL PRINTING SERVICES	13,314.34	
				97426	09/30/15	BILL PRINTING SERVICES	4,438.80	
				97608	10/02/15	EBPP ONLINE BILL PAY SERVICES	2,015.91	
				96758	08/31/15	BILL PRINTING SERVICES	1,902.85	
				96759	08/31/15	BILL PRINTING SERVICES	1,310.09	22,981.99
2044489	10/28/15	14032	INLAND AERIAL SURVEYS INC	1510009	10/02/15	AERIAL SURVEY	9,200.00	9,200.00
2044490	10/28/15	02372	INTERIOR PLANT SERVICE INC	13175	09/21/15	PLANT SERVICES (SEPT 2015)	226.00	226.00
2044603	11/10/15	13899	INTERMEDIA.NET INC	1511001581	11/01/15	EMAIL SERVICES (10/2/15-11/2/15)	3,105.37	3,105.37
2044658	11/18/15	16874	JASON CABELL	Ref002451744	11/16/15	UB Refund Cst #0000071293	8.49	8.49
2044659	11/18/15	16894	JC BALDWIN CONSTRUCTION CO.	Ref002451765	11/16/15	UB Refund Cst #0000222483	1,826.63	1,826.63
2044541	11/04/15	10563	JCI JONES CHEMICALS INC	670344		CREDIT MEMO	-3,000.00	
				670340	10/07/15	CHEMICALS FOR TREATMENT PLANT	4,684.65	1,684.65

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2044660	11/18/15	16881	JEE EUN YOUK	Ref002451752	11/16/15	UB Refund Cst #0000184973	83.40	83.40
2044542	11/04/15	16840	JOEL BELTRAN	Ref002450817	11/02/15	UB Refund Cst #0000170186	77.42	77.42
2044543	11/04/15	16852	JOHN MILLER REALTY	Ref002450830	11/02/15	UB Refund Cst #0000222567	30.70	30.70
2044661	11/18/15	16872	JONATHAN SAN PEDRO	Ref002451742	11/16/15	UB Refund Cst #0000049308	69.73	69.73
2044662	11/18/15	16893	JP GUNITE INC	Ref002451764	11/16/15	UB Refund Cst #0000222306	1,416.14	1,416.14
2044663	11/18/15	16882	KARLA VARGAS	Ref002451753	11/16/15	UB Refund Cst #0000185191	33.59	33.59
2044544	11/04/15	16844	KIEWIT BUILDING GROUP	Ref002450821	11/02/15	UB Refund Cst #0000207069	2,708.91	2,708.91
2044664	11/18/15	16887	KIM ANDERSON	Ref002451758	11/16/15	UB Refund Cst #0000207005	1,858.02	1,858.02
2044665	11/18/15	16889	KRISTEN CHITSAZ	Ref002451760	11/16/15	UB Refund Cst #0000214794	41.72	41.72
2044666	11/18/15	16875	KRISTOFFERSON RIAZON	Ref002451745	11/16/15	UB Refund Cst #0000072510	31.14	31.14
2044667	11/18/15	16880	KYLE CATT	Ref002451751	11/16/15	UB Refund Cst #0000160191	37.57	37.57
2044545	11/04/15	12843	LAWTON GROUP, THE	52229	10/30/15	INTERNSHIP AGREEMENT (10/19/15-10/23/15)	290.00	
				52220	10/23/15	DROUGHT INTERNSHIP (10/12/15-10/14/15)	275.50	
				52228	10/30/15	DROUGHT INTERNSHIP (10/19/15-10/21/15)	261.00	826.50
2044668	11/18/15	12843	LAWTON GROUP, THE	52264	11/13/15	DROUGHT INTERNSHIP (11/2/15-11/4/15)	304.50	
				52265	11/13/15	INTERNSHIP AGREEMENT (11/2/15-11/8/15)	290.00	
				52190	10/02/15	DROUGHT INTERNSHIP (9/21/15-9/22/15)	261.00	855.50
2044604	11/10/15	12843	LAWTON GROUP, THE	52239	11/06/15	DROUGHT INTERNSHIP (10/26/15-10/28/15)	304.50	304.50
2044605	11/10/15	12843	LAWTON GROUP, THE	52240	11/06/15	INTERNSHIP AGREEMENT (10/26/15-10/30/15)	290.00	290.00
2044669	11/18/15	16877	LEADINGHAM REALTY	Ref002451748	11/16/15	UB Refund Cst #0000146258	156.98	156.98
2044606	11/10/15	02882	MAYER REPROGRAPHICS INC	0096688IN	10/26/15	REPROGRAPHIC SERVICES	70.00	70.00
2044546	11/04/15	02882	MAYER REPROGRAPHICS INC	0096520IN	10/16/15	REPROGRAPHIC SERVICES	1,228.85	
				0096404IN	10/09/15	REPROGRAPHIC SERVICES	889.64	
				0096647IN	10/23/15	REPROGRAPHIC SERVICES	87.50	2,205.99
2044670	11/18/15	15803	MCMILLIN ROLLING HILLS RANCH L	11162015	11/16/15	ROLLING HILLS REIMBURSEMENT	17,503.50	17,503.50
2044671	11/18/15	00805	METRO WASTEWATER JPA	209	09/29/15	MEMBERSHIP AND DUES	1,740.00	1,740.00
2044547	11/04/15	16837	MINSEOK LEE	Ref002450814	11/02/15	UB Refund Cst #0000124658	116.98	116.98
2044607	11/10/15	16613	MISSION RESOURCE CONSERVATION	358	11/02/15	HOME WATER USE EVALUATION	638.00	638.00
2044491	10/28/15	15136	MISSION UNIFORM SERVICE	501007269	09/29/15	UNIFORM SERVICES	403.63	

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				501052847	10/06/15	UNIFORM SERVICES	403.41	
				501052846	10/06/15	UNIFORM SERVICES	105.06	
				501088136	10/12/15	UNIFORM SERVICES	100.14	
				501007268	09/29/15	UNIFORM SERVICES	99.32	
				501009776	09/29/15	UNIFORM SERVICES	22.00	
				501001021	09/29/15	UNIFORM SERVICES	4.32	
				501009771	09/29/15	UNIFORM SERVICES	4.00	
				501001640	09/29/15	UNIFORM SERVICES	2.00	1,143.88
2044608	11/10/15	15136	MISSION UNIFORM SERVICE	501143232	10/20/15	UNIFORM SERVICES	427.85	
				501097597	10/13/15	UNIFORM SERVICES	402.13	
				501133690	10/19/15	UNIFORM SERVICES	105.88	
				501097596	10/13/15	UNIFORM SERVICES	105.06	
				501178014	10/26/15	UNIFORM SERVICES	100.14	
				501043062	10/05/15	UNIFORM SERVICES	100.14	
				501143230	10/20/15	UNIFORM SERVICES	87.84	
				501090242	10/13/15	UNIFORM SERVICES	25.28	
				501131492	10/20/15	UNIFORM SERVICES	8.00	1,362.32
2044548	11/04/15	16255	NATIONWIDE RETIREMENT	Ben2451542	11/05/15	BI-WEEKLY DEFERRED COMP PLAN	9,221.12	9,221.12
2044672	11/18/15	16255	NATIONWIDE RETIREMENT	Ben2451822	11/19/15	BI-WEEKLY DEFERRED COMP PLAN	9,221.12	9,221.12
2044549	11/04/15	08531	NEWEST CONSTRUCTION	201504	10/12/15	PILLOW BLOCK BEARING INSTALL	4,313.00	4,313.00
2044609	11/10/15	16505	NIGHTCLUBPOOL LLC	104	11/05/15	WEB DEVELOPMENT	3,000.00	3,000.00
2044610	11/10/15	00510	OFFICE DEPOT INC	801676132001	10/23/15	OFFICE SUPPLIES	105.04	
				797866348003	10/14/15	OFFICE SUPPLIES	15.84	120.88
2044550	11/04/15	00510	OFFICE DEPOT INC	797866348001	10/05/15	OFFICE SUPPLIES	137.86	
				797469045001	10/01/15	OFFICE SUPPLIES	92.34	
				797866348002	10/08/15	OFFICE SUPPLIES	55.64	
				797469046001	10/01/15	OFFICE SUPPLIES	30.39	
				796654828002	09/30/15	OFFICE SUPPLIES	27.82	
				796654828001	09/29/15	OFFICE SUPPLIES	27.57	
				797468969001	10/01/15	OFFICE SUPPLIES	5.83	377.45
2044673	11/18/15	16886	OLAYINKA AKINLAWON	Ref002451757	11/16/15	UB Refund Cst #0000206892	94.06	94.06
2044492	10/28/15	02077	OLVERA, ANGELICA	102615	10/26/15	CLAIM SETTLEMENT	714.46	714.46
2044611	11/10/15	15856	OLYMPUS AND ASSOCIATES INC	10	10/30/15	RESERVOIR COATING (ENDING 9/30/15)	214,523.02	214,523.02
2044674	11/18/15	16885	OMAR POLANCO	Ref002451756	11/16/15	UB Refund Cst #0000205623	50.01	50.01

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2044551	11/04/15	03149	ON SITE LASER LLC	49033	10/21/15	PRINTER SERVICE	310.40	310.40
2044552	11/04/15	13115	ONESOURCE DISTRIBUTORS LLC	S4890636002	10/09/15	WIRING ACCESSORIES	572.05	
				S4890636001	10/08/15	WIRING ACCESSORIES	563.49	1,135.54
2044612	11/10/15	13115	ONESOURCE DISTRIBUTORS LLC	S4890636003	10/09/15	WIRING ACCESSORIES	295.65	295.65
2044553	11/04/15	01002	PACIFIC PIPELINE SUPPLY	304517	10/08/15	BUTT STRAP	1,612.22	1,612.22
2044493	10/28/15	01002	PACIFIC PIPELINE SUPPLY	304324	09/29/15	INVENTORY	3,644.78	
				304294	09/29/15	INVENTORY	2,687.96	6,332.74
2044613	11/10/15	01002	PACIFIC PIPELINE SUPPLY	304295	10/19/15	INVENTORY	2,112.48	2,112.48
2044554	11/04/15	16847	PAUL BURDEN	Ref002450825	11/02/15	UB Refund Cst #0000214250	85.74	85.74
2044555	11/04/15	05497	PAYPAL INC	44657170	09/30/15	PHONE PAYMENT SVCS (SEPT 2015)	54.10	54.10
2044675	11/18/15	15643	PEARTREE CONSTRUCTION &	10272	10/26/15	TERMITE TREATMENT	600.00	600.00
2044556	11/04/15	00137	PETTY CASH CUSTODIAN	110215	11/02/15	PETTY CASH REIMBURSEMENT	691.77	691.77
2044494	10/28/15	16832	PLACER TITLE COMPANY	0163102615	10/26/15	CUSTOMER REFUND	583.53	583.53
2044557	11/04/15	06419	PLANT SOUP INC	1035	10/26/15	OUTSIDE SERVICES	2,226.00	2,226.00
2044495	10/28/15	02449	POLLARDWATER.COM	0026496	10/06/15	LPD DCHLR TABLETS	1,796.90	1,796.90
2044676	11/18/15	03351	POSADA, ROD	102515102915	11/16/15	TRAVEL EXPENSE REIMB (10/25/15-10/29/15)	985.68	985.68
2044677	11/18/15	16029	POTABLE DIVERS INC	10232015	10/23/15	DIVING INSPECTION	1,800.00	1,800.00
2044496	10/28/15	01151	PRES-TECH MANUFACTURER'S	8370	10/06/15	UTILITY LOCATOR REPAIRS	410.40	410.40
2044558	11/04/15	01733	PRICE TRONCONE &	13037	10/15/15	ANTENNA SUBLEASE (OCT-DEC 2015)	4,335.00	4,335.00
2044497	10/28/15	13059	PRIORITY BUILDING SERVICES	45788	09/01/15	JANITORIAL SERVICES (SEPT 2015)	3,924.48	3,924.48
2044614	11/10/15	03613	PSOMAS	111322	10/15/15	AS-NEEDED DESIGN (ENDING 10/1/15)	3,291.88	
				111689	10/23/15	AS-NEEDED DESIGN (ENDING 10/1/15)	554.25	
				111688	10/23/15	AS-NEEDED DESIGN (ENDING 10/1/15)	382.50	4,228.63
2044615	11/10/15	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2451544	11/05/15	BI-WEEKLY PERS CONTRIBUTION	189,807.28	189,807.28
2044498	10/28/15	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2450227	10/22/15	BI-WEEKLY PERS CONTRIBUTION	189,686.58	189,686.58
2044499	10/28/15	16806	QWIKPRINTS LLC	152741340	10/01/15	FINGERPRINTING	20.00	20.00
2044500	10/28/15	16133	R J SAFETY SUPPLY CO INC	3500372	10/02/15	SAFETY SUPPLIES	558.90	
				3500371	09/30/15	SAFETY SUPPLIES	518.40	
				3389891	10/07/15	SAFETY SUPPLIES	102.38	1,179.68

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2044616	11/10/15	16133	R J SAFETY SUPPLY CO INC	3405281	10/14/15	FACEMASK RECERTIFICATION	222.93	222.93
2044678	11/18/15	00021	RCP BLOCK & BRICK INC	30632928	10/09/15	CONCRETE	2,460.54	
				30631451	10/08/15	CONCRETE	408.67	2,869.21
2044501	10/28/15	15414	REGENTS BANK	7	10/08/15	RETENTION/COFFMAN (ENDING 9/30/15)	3,388.78	3,388.78
2044502	10/28/15	15647	RFYEAGER ENGINEERING LLC	15145	10/09/15	CORROSION/COATING INSP (8/1/15-8/31/15)	18,645.00	18,645.00
2044679	11/18/15	16879	RICHARD GRANGER	Ref002451750	11/16/15	UB Refund Cst #0000158283	116.66	116.66
2044617	11/10/15	08972	RICK ENGINEERING COMPANY	0045366	10/22/15	TRAFFIC ENGINEERING (8/1/15-8/28/15)	1,040.00	1,040.00
2044503	10/28/15	16170	ROBERT ACKERLY	2424031215	03/13/15	CUSTOMER REFUND	474.09	474.09
2044680	11/18/15	16876	ROBERT MORALES	Ref002451747	11/16/15	UB Refund Cst #0000080641	140.99	140.99
2044618	11/10/15	02620	ROTORK CONTROLS INC	10055815	10/23/15	HDWKS 16IN ACTUATORS	6,370.75	6,370.75
2044559	11/04/15	16842	ROXANNE MICHAUD	Ref002450819	11/02/15	UB Refund Cst #0000184609	10.59	10.59
2044681	11/18/15	16871	RUSSELL DAVIS	Ref002451741	11/16/15	UB Refund Cst #0000008284	92.63	92.63
2044619	11/10/15	16853	S & R TESTING SERVICES	103	10/23/15	PRESSURE TEST VALVE	365.00	365.00
2044682	11/18/15	16896	S&J BUILDERS RESTORATION SVCS.	Ref002451767	11/16/15	UB Refund Cst #0000222630	1,695.98	1,695.98
2044683	11/18/15	16892	SALEM RAMZI	Ref002451763	11/16/15	UB Refund Cst #0000221571	1,775.10	1,775.10
2044620	11/10/15	02586	SAN DIEGO COUNTY ASSESSOR	201504352	11/03/15	ASSESSOR DATA (10/5/15)	125.00	125.00
2044560	11/04/15	00003	SAN DIEGO COUNTY WATER AUTH	0000001318	10/21/15	MWD SCWS - HEWS	1,830.00	1,830.00
2044684	11/18/15	00121	SAN DIEGO GAS & ELECTRIC	110615	11/06/15	UTILITY EXPENSES (MONTHLY)	15,816.82	15,816.82
2044504	10/28/15	00121	SAN DIEGO GAS & ELECTRIC	101915	10/19/15	UTILITY EXPENSES (MONTHLY)	37,562.42	
				102115	10/21/15	UTILITY EXPENSES (MONTHLY)	666.57	38,228.99
2044561	11/04/15	00121	SAN DIEGO GAS & ELECTRIC	102815	10/28/15	UTILITY EXPENSES (MONTHLY)	68,740.82	
				102615	10/26/15	UTILITY EXPENSES (MONTHLY)	62,138.39	
				102215	10/22/15	UTILITY EXPENSES (MONTHLY)	259.64	131,138.85
2044621	11/10/15	00121	SAN DIEGO GAS & ELECTRIC	110415	11/04/15	UTILITY EXPENSES (MONTHLY)	65,771.18	65,771.18
2044622	11/10/15	07676	SAN MIGUEL FIRE PROTECTION	SMG27587	10/21/15	FIRE INSPECTION	394.00	394.00
2044685	11/18/15	09339	SANGALANG, ALEX	110915	11/12/15	SAFETY BOOTS	136.06	136.06
2044505	10/28/15	15000	SEGURA, ADOLFO	102015102315	10/26/15	TRAVEL EXPENSE REIMB (10/20/15-10/23/15)	286.00	286.00
2044623	11/10/15	00468	SETON IDENTIFICATION PRODUCTS	9329062602	10/14/15	PROPERTY ID TAGS	995.00	995.00

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2044506	10/28/15	13327	SILVA-SILVA INTERNATIONAL	1510	10/01/15	DESAL PROJ CONSULTANT	4,000.00	4,000.00
2044686	11/18/15	13327	SILVA-SILVA INTERNATIONAL	1511	11/01/15	DESAL PROJ CONSULTANT	4,000.00	4,000.00
2044687	11/18/15	03516	SPECIAL DISTRICT RISK	0002110315	11/03/15	PROPERTY DEDUCTIBLE	500.00	500.00
2044562	11/04/15	00274	STATE OF CALIFORNIA	8314110215	11/02/15	LICENSE RENEWAL	115.00	
				54504110215	11/02/15	LICENSE RENEWAL	115.00	230.00
2044688	11/18/15	01460	STATE WATER RESOURCES	LW1002073	11/12/15	SYSTEM FEES (7/1/2014 - 6/30/2015)	10,423.06	
				WDO114923	11/12/15	ANNUAL PERMIT FEE (7/1/15 - 6/30/16)	2,088.00	12,511.06
2044563	11/04/15	12809	STUTZ ARTIANO SHINOFF	212153	10/22/15	LEGAL SERVICES (SEPT 2015)	17,550.49	17,550.49
2044689	11/18/15	15974	SUN LIFE FINANCIAL	Ben2451820	11/19/15	MONTHLY CONTRIBUTION TO LTD	5,057.35	5,057.35
2044624	11/10/15	10339	SUPREME OIL COMPANY	416955	10/16/15	UNLEADED FUEL	9,191.30	
				416956	10/16/15	DIESEL FUEL	4,238.67	13,429.97
2044564	11/04/15	15926	TEXAS CHILD SUPPORT UNIT	Ben2451556	11/05/15	BI-WEEKLY PAYROLL DEDUCTION	184.61	184.61
2044690	11/18/15	15926	TEXAS CHILD SUPPORT UNIT	Ben2451832	11/19/15	BI-WEEKLY PAYROLL DEDUCTION	184.61	184.61
2044565	11/04/15	16744	THE SAN DIEGO UNION-TRIBUNE	002312524	10/09/15	BID ADVERTISEMENT	406.80	406.80
2044625	11/10/15	16744	THE SAN DIEGO UNION-TRIBUNE	002320065	10/16/15	BID ADVERTISEMENT	333.20	333.20
2044507	10/28/15	14177	THOMPSON, MITCHELL	090115093015	10/26/15	EXPENSE REIMBURSEMENT (SEPT 2015)	1,015.58	1,015.58
2044508	10/28/15	15398	TIMMONS GROUP INC	173632	10/06/15	CONSULTANT SERVICES (SEPT 2015)	12,067.35	12,067.35
2044566	11/04/15	15764	TOUGHRUGGEDLAPTOPS.COM	100006594	08/25/15	TOUGHBOOKS	35,026.99	35,026.99
2044509	10/28/15	16668	TRACE3 INC	76166	09/23/15	BLADE SERVERS	174,156.18	174,156.18
2044691	11/18/15	00870	TRANSCAT INC	1025788	09/18/15	EQUIPMENT CALIBRATIONS	300.21	300.21
2044567	11/04/15	00870	TRANSCAT INC	1023824	09/14/15	EQUIPMENT CALIBRATIONS	227.42	227.42
2044568	11/04/15	16839	TRAVIS BALLEW	Ref002450816	11/02/15	UB Refund Cst #0000157472	19.57	19.57
2044510	10/28/15	00427	UNDERGROUND SERVICE ALERT OF	920150491	10/01/15	UNDERGROUND ALERTS (MONTHLY)	462.00	462.00
2044569	11/04/15	15675	UNITED SITE SERVICES INC	1143392700	10/13/15	PORTABLE TOILET RENTAL (10/8/15-11/4/15)	98.17	
				1143426854	10/22/15	PORTABLE TOILET RENTAL (10/16/15-11/12/15)	80.03	
				1143392995	10/13/15	PORTABLE TOILET RENTAL (10/9/15-11/5/15)	79.98	
				1143426853	10/22/15	PORTABLE TOILET RENTAL (10/16/15-11/12/15)	79.98	
				1143426852	10/22/15	PORTABLE TOILET RENTAL (10/16/15-11/12/15)	79.98	
				1143426851	10/22/15	PORTABLE TOILET RENTAL (10/17/15-11/13/15)	79.98	498.12
2044570	11/04/15	07674	US BANK	CC20151022138	10/22/15	CAL CARD EXPENSES (MONTHLY)	77,990.17	77,990.17

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2044626	11/10/15	06829	US SECURITY ASSOCIATES INC	276178	10/31/15	PATROLLING SERVICES (OCT 2015)	307.55	307.55
2044571	11/04/15	03190	VALCO INSTRUMENTS CO INC	90294082	10/06/15	HACH APA6000 ROTOR	4,618.88	4,618.88
2044572	11/04/15	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2451548	11/05/15	BI-WEEKLY DEFERRED COMP PLAN	13,007.31	13,007.31
2044692	11/18/15	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2451828	11/19/15	BI-WEEKLY DEFERRED COMP PLAN	13,040.29	13,040.29
2044573	11/04/15	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2451550	11/05/15	BI-WEEKLY 401A PLAN	1,345.77	1,345.77
2044693	11/18/15	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2451830	11/19/15	BI-WEEKLY 401A PLAN	1,345.77	1,345.77
2044574	11/04/15	03329	VERIZON WIRELESS	9754325374	10/21/15	CELLULAR & WIRELESS SVCS (9/22/15-10/21/15)	1,766.70	
				9754325376	10/21/15	CELLULAR & WIRELESS SVCS (9/22/15-10/21/15)	184.42	
				9754325378	10/21/15	CELLULAR & WIRELESS SVCS (9/22/15-10/21/15)	40.04	1,991.16
2044627	11/10/15	03329	VERIZON WIRELESS	9754325370	10/21/15	CELLULAR & WIRELESS SVCS (9/22/15-10/21/15)	5,192.12	
				9754325375	10/21/15	CELLULAR & WIRELESS SVCS (9/22/15-10/21/15)	439.50	5,631.62
2044575	11/04/15	04441	VERIZON WIRELESS	Ref002450550	10/30/15	Refund receipt #: 152090210039	2,622.70	
				Ref002450551	10/30/15	Refund receipt #: 152090210040	2,622.70	5,245.40
2044576	11/04/15	15807	WATCHLIGHT CORPORATION, THE	425038	06/02/15	SECURITY AND ACCESS CONTROL (5/29/15)	6,673.10	
				436157	08/21/15	ALARM FOR 944-1 & 2 RESERVOIRS	1,676.35	
				443427	10/12/15	SECURITY AND ACCESS CONTROL	750.00	
				443419	10/12/15	SECURITY AND ACCESS CONTROL	417.27	
				443426	10/12/15	SECURITY AND ACCESS CONTROL	228.29	
				443425	10/12/15	SECURITY AND ACCESS CONTROL	169.68	
				443421	10/12/15	SECURITY AND ACCESS CONTROL	165.31	
				443420	10/12/15	SECURITY AND ACCESS CONTROL	165.05	
				443422	10/12/15	SECURITY AND ACCESS CONTROL	160.77	
				443429	10/12/15	SECURITY AND ACCESS CONTROL	160.29	10,566.11
2044511	10/28/15	15807	WATCHLIGHT CORPORATION, THE	440257	09/29/15	SECURITY AND ACCESS CONTROL	6,482.15	6,482.15
2044628	11/10/15	15807	WATCHLIGHT CORPORATION, THE	443792	10/20/15	SECURITY AND ACCESS CONTROL	8,361.00	
				444065	10/26/15	SECURITY AND ACCESS CONTROL	7,272.99	
				443236	10/15/15	MONITORING SERVICES (NOV 2015)	1,363.92	
				444076	10/26/15	SECURITY AND ACCESS CONTROL	935.96	
				444064	10/26/15	SECURITY AND ACCESS CONTROL	204.00	18,137.87
2044512	10/28/15	15726	WATER SYSTEMS CONSULTING INC	1616	09/30/15	HYDRAULIC MODELING (ENDING 9/30/15)	3,755.00	3,755.00
2044629	11/10/15	03781	WATTON, MARK	090115093015	11/05/15	TRAVEL EXPENSE REIMB (9/1/15-9/30/15)	885.55	885.55
2044513	10/28/15	01343	WE GOT YA PEST CONTROL	99949	09/29/15	BEE REMOVAL	115.00	115.00

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2044577	11/04/15	07780	WEBER SCIENTIFIC	684026	09/28/15	LABORATORY SUPPLIES	614.02	614.02
2044694	11/18/15	16878	WESAM ZEITONAH	Ref002451749	11/16/15	UB Refund Cst #0000147667	40.30	40.30
2044578	11/04/15	16849	WEST COAST AIR CONDITIONING CO	Ref002450827	11/02/15	UB Refund Cst #0000217306	1,913.11	1,913.11
2044630	11/10/15	15181	WILLDAN FINANCIAL SERVICES	01029046	10/15/15	ARBITRAGE REBATE SVCS	1,250.00	1,250.00
2044695	11/18/15	15181	WILLDAN FINANCIAL SERVICES	01029047	10/15/15	ARBITRAGE REBATE SVCS	1,250.00	1,250.00
2044514	10/28/15	02230	WILLIAMSON, KELLI	092715093015	10/15/15	TRAVEL EXPENSE REIMB (9/27/15-9/30/15)	811.05	811.05
2044515	10/28/15	03283	WILSON BOHANNAN PADLOCK CO	0123623IN	09/25/15	AIR-VAC LOCKS	481.37	481.37
2044631	11/10/15	14857	YSI INCORPORATED	621506	10/15/15	NITRATE PROBE	3,665.00	3,665.00
2044516	10/28/15	15567	ZETTA INC	INV00023943	10/01/15	STORAGE USAGE (10/1/15-10/31/15)	2,083.25	2,083.25
<b>Amount Pd Total:</b>							<b>2,133,860.68</b>	
<b>Check Grand Total:</b>							<b>2,133,860.68</b>	

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2044696	11/25/15	15645	(W)RIGHT ON COMMUNICATIONS INC	12202593 12202608	10/30/15 11/09/15	COMMUNITY OUTREACH (A) (OCT 2015) COMMUNITY OUTREACH (A) (NOV 2015)	20,106.11 1,881.49	21,987.60
2044765	12/02/15	16912	ABHE & SVOBODA	1000120115	12/01/15	CUSTOMER REFUND	2,046.00	2,046.00
2044697	11/25/15	08488	ABLEFORCE INC	5821	11/04/15	SHAREPOINT SERVICES (10/7/15-10/29/15)	3,750.00	3,750.00
2044766	12/02/15	16899	ACCARDO, BRIAN	111915	11/30/15	SAFETY BOOTS	150.00	150.00
2044798	12/09/15	12174	AECOM TECHNICAL SERVICES INC	34	11/23/15	DISINFECTION SYSTEM (ENDING 10/31/15)	13,207.50	13,207.50
2044799	12/09/15	11462	AEGIS ENGINEERING MGMT INC	1408	11/18/15	DEVELOPER PLAN REVIEW (10/10/15-11/13/15)	15,713.73	15,713.73
2044698	11/25/15	07732	AIRGAS SPECIALTY PRODUCTS INC	131411426 131411425	11/03/15 11/03/15	AQUA AMMONIA AQUA AMMONIA	2,879.40 1,207.20	4,086.60
2044699	11/25/15	13753	AIRGAS USA LLC	9931314450	10/31/15	BREATHING AIR BOTTLES	47.47	47.47
2044700	11/25/15	15024	AIRX UTILITY SURVEYORS INC	26	11/05/15	LAND SURVEYING (10/1/15-10/31/15)	9,765.00	9,765.00
2044800	12/09/15	06261	ALCANTARA, CYNTHIA	5869120715	12/07/15	EMPLOYEE PROGRAM	326.65	326.65
2044701	11/25/15	14462	ALYSON CONSULTING	CM201571 CM201570 CM201572 CM201566 CM201568 CM201565 CM201567 CM201569	11/06/15 11/06/15 11/06/15 11/06/15 11/06/15 11/06/15 11/06/15 11/06/15	MGMT/INSP (10/1/15-10/31/15) MGMT/INSP (10/1/15-10/31/15) MGMT/INSP (10/1/15-10/31/15) MGMT/INSP (10/1/15-10/31/15) MGMT/INSP (10/1/15-10/31/15) MGMT/INSP (10/1/15-10/31/15) MGMT/INSP (10/1/15-10/31/15) MGMT/INSP (10/1/15-10/31/15)	6,820.00 4,050.00 2,700.00 1,850.00 1,180.00 900.00 600.00 370.00	18,470.00
2044767	12/02/15	06166	AMERICAN MESSAGING	L1109570PL	12/01/15	PAGERS (NOV 2015)	244.50	244.50
2044801	12/09/15	00107	AMERICAN WATER WORKS ASSN	0001230453	11/12/15	AWWA STANDARDS	5,988.00	5,988.00
2044802	12/09/15	08967	ANTHEM BLUE CROSS EAP	55479	11/25/15	EMPLOYEE ASSISTANCE PROG (DEC 2015)	312.20	312.20
2044702	11/25/15	15540	APPLIED DIVING SERVICES INC	15136	10/27/15	RESERVOIR CLEANING (10/19/15-10/23/15)	9,850.00	9,850.00
2044703	11/25/15	03492	AQUA-METRIC SALES COMPANY	0058423IN	10/27/15	10" OMNI METERS	46,267.20	46,267.20
2044704	11/25/15	13171	ARCADIS US INC	0737753	10/30/15	AS-NEEDED DESIGN (ENDING 10/18/15)	4,745.55	4,745.55
2044862	12/16/15	07785	AT&T	000007371534	12/02/15	TELEPHONE SERVICES (11/2/15-12/1/15)	6,088.90	6,088.90
2044705	11/25/15	03526	BALDWIN COOKE	5100195	11/04/15	OFFICE SUPPLIES	83.23	83.23
2044706	11/25/15	00145	BARRETT ENGINEERED PUMPS	96912	11/02/15	HYDRO TANK FOR 860-1	7,660.44	7,660.44

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2044803	12/09/15	03509	BELL, RITA	120515	12/07/15	EMPLOYEE PROGRAM	544.40	544.40
2044804	12/09/15	15570	BEYOND IDEAS LLC	OTD1215	12/01/15	WEBSITE CONSULTING (7/1/15-11/30/15)	6,627.50	6,627.50
2044707	11/25/15	10970	BRENNTAG PACIFIC INC	BPI575445	11/09/15	SODIUM HYPOCHLORITE	2,211.10	
				BPI572741	10/30/15	SODIUM HYPOCHLORITE	2,154.90	
				BPI575016	11/06/15	SODIUM HYPOCHLORITE	1,991.16	
				BPI573608	11/02/15	SODIUM HYPOCHLORITE	1,474.71	
				BPI573031	10/30/15	SODIUM HYPOCHLORITE	907.88	8,739.75
2044805	12/09/15	10970	BRENNTAG PACIFIC INC	BPI579375	11/23/15	SODIUM HYPOCHLORITE	1,941.74	
				BPI578668	11/19/15	SODIUM HYPOCHLORITE	1,165.61	
				BPI577736	11/12/15	SODIUM HYPOCHLORITE	932.11	4,039.46
2044708	11/25/15	16745	CALIFORNIA TITLE SEARCH CO	1115358	11/18/15	EASEMENT SEARCH	35.00	35.00
2044709	11/25/15	16252	CALIFORNIA UNITED BANK	110312015	11/04/15	RETENTION / FORDYCE (ENDING 10/31/15)	896.10	896.10
2044806	12/09/15	01004	CALOLYMPIC SAFETY	345455	11/02/15	HARNES ORDER	1,925.10	1,925.10
2044807	12/09/15	02758	CARMEL BUSINESS SYSTEMS INC	7947	11/13/15	SCANNING SERVICES (11/11/15)	333.83	333.83
2044710	11/25/15	02758	CARMEL BUSINESS SYSTEMS INC	7941	10/29/15	REPROGRAPHICS SERVICES	657.00	
				7940	10/29/15	SCANNING SERVICES (10/5/15)	41.90	698.90
2044863	12/16/15	16955	CAROLINO AND SON ENGR CORP	Ref002453525	12/14/15	UB Refund Cst #0000223564	1,803.56	1,803.56
2044711	11/25/15	15177	CAROLLO ENGINEERS INC	144676	10/19/15	2015 IWRP UPDATE (ENDING 9/30/15)	4,543.50	4,543.50
2044808	12/09/15	14673	CGR MANAGEMENT CONSULTANTS LLC	10316009	11/17/15	CONSULTING SERVICES (8/15/15-10/31/15)	5,395.13	
				10316008	11/17/15	CONSULTING SERVICES (6/1/15-6/28/15)	475.00	5,870.13
2044864	12/16/15	00234	CITY TREASURER	1000152272	12/10/15	LABORATORY ANALYSIS (NOV 2015)	1,080.00	
				1000149300	11/04/15	LABORATORY ANALYSIS (OCT 2015)	999.00	2,079.00
2044809	12/09/15	16807	CIVIC LINK STRATEGIES	NOVEMBER201	12/06/15	CONSULTING SERVICES (NOV 2015)	9,000.00	9,000.00
2044810	12/09/15	04119	CLARKSON LAB & SUPPLY INC	81783	10/31/15	BACTERIOLOGICAL TESTING (10/19/15-10/20/15)	382.00	382.00
2044865	12/16/15	16946	CLEMENTE TORRE	Ref002453515	12/14/15	UB Refund Cst #0000199252	74.90	74.90
2044712	11/25/15	15395	COFFMAN SPECIALTIES INC	8	11/05/15	SR-11 RELOCATIONS (ENDING 10/31/15)	25,799.71	25,799.71
2044811	12/09/15	15616	COGENT COMMUNICATIONS INC	0001120115	12/01/15	INTERNET CIRCUITS (DEC 2015)	3,047.00	3,047.00
2044713	11/25/15	16030	CORA CONSTRUCTORS INC	210312015	11/04/15	RAS PUMPS REPLACEMENT (ENDING 10/31/15)	108,727.50	108,727.50
2044714	11/25/15	15049	CORELOGIC SOLUTIONS LLC	81629030	10/31/15	DATA SERVICES (OCT 2015)	605.00	
				81628468	10/31/15	DATA SERVICES (OCT 2015)	525.00	1,130.00

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2044715	11/25/15	12334	CORODATA MEDIA STORAGE INC	DS1270649	10/31/15	TAPE STORAGE (OCT 2015)	395.47	395.47
2044812	12/09/15	00099	COUNTY OF SAN DIEGO	DPWAROTAYM	11/12/15	EXCAVATION PERMITS (OCT 2015)	12,229.98	12,229.98
2044813	12/09/15	02122	COUNTY OF SAN DIEGO	2015093009281	09/30/15	PERMIT FEES # 09281 (DEC 2015-DEC 2016)	8,370.00	
				2015100109276	10/01/15	PERMIT FEES # 09276 (DEC 2015-DEC 2016)	3,272.00	
				2015093001989	09/30/15	PERMIT FEES # 01989 (DEC 2015-DEC 2016)	1,314.00	
				2015093003231	09/30/15	PERMIT FEES # 03231 (DEC 2015-DEC 2016)	565.00	
				2015093000233	09/30/15	PERMIT FEES # 00233 (DEC 2015-DEC 2016)	561.00	
				2015093009283	09/30/15	PERMIT FEES # 09283 (DEC 2015-DEC 2016)	514.00	
				2015093009503	09/30/15	PERMIT FEES # 09503 (DEC 2015-DEC 2016)	514.00	
				2015093009291	09/30/15	PERMIT FEES # 09291 (DEC 2015-DEC 2016)	467.00	
				2015093009289	09/30/15	PERMIT FEES # 09289 (DEC 2015-DEC 2016)	356.00	
				2015093004983	09/30/15	PERMIT FEES # 04983 (DEC 2015-DEC 2016)	309.00	
				201509300920	09/30/15	PERMIT FEES # 09290 (DEC 2015-DEC 2016)	309.00	
				2015093009288	09/30/15	PERMIT FEES # 09288 (DEC 2015-DEC 2016)	309.00	
				2015093009287	09/30/15	PERMIT FEES # 09287 (DEC 2015-DEC 2016)	309.00	
				2015093009286	09/30/15	PERMIT FEES # 09286 (DEC 2015-DEC 2016)	309.00	
				2015093009285	09/30/15	PERMIT FEES # 09285 (DEC 2015-DEC 2016)	309.00	
				2015093009279	09/30/15	PERMIT FEES # 09279 (DEC 2015-DEC 2016)	309.00	
				2015093009277	09/30/15	PERMIT FEES # 09277 (DEC 2015-DEC 2016)	309.00	
				2015093010565	09/30/15	PERMIT FEES # 10565 (DEC 2015-DEC 2016)	309.00	
				2015093009280	09/30/15	PERMIT FEES # 09280 (DEC 2015-DEC 2016)	298.00	19,012.00
2044866	12/16/15	02756	COX COMMUNICATIONS INC	9601112915	11/29/15	INTERNET SERVICES (11/29/15-12/28/15)	600.00	600.00
2044716	11/25/15	11797	D & H WATER SYSTEMS INC	I20150852	10/29/15	W&T PARTS	4,971.29	4,971.29
2044768	12/02/15	16911	DAMON PERRY	Ref002451955	11/30/15	UB Refund Cst #0000222023	77.55	77.55
2044769	12/02/15	16903	DANIELA GUITERREZ	Ref002451946	11/30/15	UB Refund Cst #0000121809	104.82	104.82
2044867	12/16/15	16953	EARLE WALCOTT	Ref002453523	12/14/15	UB Refund Cst #0000221220	36.72	36.72
2044717	11/25/15	14323	EDWARDS, JEFFREY	11182015	11/18/15	TUITION REIMBURSEMENT	118.68	118.68
2044718	11/25/15	16821	ELIZABETH WERNECKE	1926111915	11/19/15	CUSTOMER REFUND	31.45	31.45
2044719	11/25/15	03227	ENVIROMATRIX ANALYTICAL INC	5110420	11/02/15	LAB ANALYSIS (10/16/15-10/27/15)	530.00	
				5110540	11/09/15	LAB ANALYSIS (10/23/15-10/29/15)	435.00	965.00
2044814	12/09/15	03227	ENVIROMATRIX ANALYTICAL INC	5110742	11/16/15	LAB ANALYSIS (10/30/15-11/12/15)	790.00	
				5110932	11/23/15	LAB ANALYSIS (11/6/15-11/18/15)	645.00	1,435.00

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2044868	12/16/15	03725	ENVIRONMENTAL SYSTEMS RESEARCH	93056155	10/12/15	ENTERPRISE ADVANTAGE PROG (10/12/15-10/11/16)	25,000.00	25,000.00
2044815	12/09/15	14320	EUROFINS EATON ANALYTICAL INC	L0243234	12/07/15	OUTSIDE LAB SERVICES (11/9/15)	800.00	
				L0242884	12/03/15	OUTSIDE LAB SERVICES (10/30/15-11/3/15)	265.00	1,065.00
2044720	11/25/15	15396	EVOQUA WATER TECHNOLOGIES LLC	902381172	10/27/15	DI TANK EXCHANGES	402.36	402.36
2044721	11/25/15	10818	F S BRAINARD & COMPANY	15215	11/02/15	FLOW RECORDER	2,720.00	2,720.00
2044816	12/09/15	03546	FERGUSON WATERWORKS # 1083	0529019	11/10/15	INVENTORY	3,673.38	3,673.38
2044770	12/02/15	16900	FIDEL NAVA	Ref002451943	11/30/15	UB Refund Cst #0000046763	100.94	100.94
2044722	11/25/15	04564	FIRE ETC	81803	11/06/15	HYDRO TEST	800.00	800.00
2044723	11/25/15	12187	FIRST AMERICAN DATA TREE LLC	9003401015	10/31/15	ONLINE DOCUMENTS (MONTHLY)	99.00	99.00
2044724	11/25/15	16469	FIRST CHOICE SERVICES	048676	10/29/15	COFFEE SERVICES	359.79	359.79
2044817	12/09/15	16469	FIRST CHOICE SERVICES	049708	11/12/15	COFFEE SERVICES	331.63	331.63
2044818	12/09/15	00035	FISHER SCIENTIFIC	7678688	11/18/15	LABORATORY SUPPLIES	861.75	
				7795729	11/20/15	LABORATORY SUPPLIES	554.64	1,416.39
2044819	12/09/15	11962	FLEETWASH INC	x638063	11/13/15	VEHICLE WASHING	70.95	
				x642228	11/20/15	VEHICLE WASHING	38.70	109.65
2044771	12/02/15	11962	FLEETWASH INC	x632806	11/06/15	VEHICLE WASHING	116.10	
				x625684	10/30/15	VEHICLE WASHING	58.05	174.15
2044725	11/25/15	16119	FORDYCE CONSTRUCTION INC	110312015	11/04/15	SWEETWATER RIVER TRESTLE (ENDING 10/31/15)	17,025.90	17,025.90
2044772	12/02/15	02344	FRANCHISE TAX BOARD	Ben2452000	12/03/15	BI-WEEKLY PAYROLL DEDUCTION	433.88	433.88
2044869	12/16/15	02344	FRANCHISE TAX BOARD	Ben2453563	12/17/15	BI-WEEKLY PAYROLL DEDUCTION	433.88	433.88
2044726	11/25/15	07224	FRAZEE INDUSTRIES INC	84033	08/26/15	PAINT	168.98	168.98
2044727	11/25/15	13563	FRIENDS OF THE WATER	277	10/27/15	GARDEN TOURS (OCT 2015)	1,400.00	1,400.00
2044728	11/25/15	03094	FULLCOURT PRESS	29407	11/09/15	OUTSIDE SERVICES - PRINTING	2,799.36	2,799.36
2044870	12/16/15	16950	GLENN SANDERS	Ref002453520	12/14/15	UB Refund Cst #0000215104	25.85	25.85
2044729	11/25/15	14948	GPS INSIGHT LLC	953400	11/01/15	GPS MODEMS	6,875.34	6,875.34
2044820	12/09/15	00101	GRAINGER INC	9893409681	11/13/15	SEALING TAPES & BATTERIES	528.38	528.38
2044730	11/25/15	12907	GREENRIDGE LANDSCAPE INC	13613	10/30/15	LANDSCAPING SERVICES (OCT 2015)	8,909.50	8,909.50
2044821	12/09/15	00174	HACH COMPANY	9674430	11/17/15	LABORATORY SUPPLIES	1,486.26	

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				9677422	11/18/15	LABORATORY SUPPLIES	1,184.77	
				9676279	11/18/15	LABORATORY SUPPLIES	351.22	3,022.25
2044822	12/09/15	03815	HANDY METAL MART	397837	11/17/15	CCB BAFFLE WALL SUPPORT	1,279.53	1,279.53
2044823	12/09/15	00201	HARRINGTON INDL PLASTICS LLC	004G1175	11/23/15	BALL VALVES	845.56	845.56
2044731	11/25/15	00201	HARRINGTON INDL PLASTICS LLC	004G0501	10/27/15	FITTINGS	31.05	31.05
2044871	12/16/15	16951	HAZARD CONSTRUCTION CO.	Ref002453521	12/14/15	UB Refund Cst #0000216393	1,515.25	1,515.25
2044732	11/25/15	02008	HELIX ENVIRONMENTAL	12	11/03/15	ENVIRONMENTAL SERVICES (10/1/15-10/31/15)	7,733.01	7,733.01
2044773	12/02/15	16906	HOMES FOR OUR TROOPS	Ref002451950	11/30/15	UB Refund Cst #0000198665	156.22	156.22
2044824	12/09/15	03743	HYDROTEX	258114	11/10/15	OIL	4,641.65	4,641.65
2044825	12/09/15	15622	ICF JONES & STOKES INC	0111496	11/23/15	ENVIRONMENTAL SERVICES (1/1/15-10/30/15)	5,292.78	
				0111497	11/23/15	ENVIRONMENTAL SERVICES (7/1/15-10/30/15)	2,103.75	
				0111446	11/20/15	ENVIRONMENTAL SERVICES (10/1/15-10/30/15)	313.75	
				0111445	11/20/15	ENVIRONMENTAL SERVICES (8/29/15-10/30/15)	238.75	7,949.03
2044733	11/25/15	02372	INTERIOR PLANT SERVICE INC	102187	10/20/15	PLANT SERVICES (OCT 2015)	226.00	226.00
2044826	12/09/15	13899	INTERMEDIA.NET INC	1512001161	12/01/15	EMAIL SERVICES (11/2/15-12/2/15)	3,103.34	3,103.34
2044774	12/02/15	16904	JAVIER AMARO	Ref002451947	11/30/15	UB Refund Cst #0000146047	22.61	22.61
2044734	11/25/15	10563	JCI JONES CHEMICALS INC	672137		CREDIT MEMO	-3,000.00	
				672115	10/28/15	CHEMICALS FOR TREATMENT PLANT	4,684.65	1,684.65
2044827	12/09/15	10563	JCI JONES CHEMICALS INC	674663		CREDIT MEMO	-3,000.00	
				674616	11/23/15	CHEMICALS FOR TREATMENT PLANT	4,684.65	1,684.65
2044872	12/16/15	09608	JEAN KELLEMS	Ref002453513	12/14/15	UB Refund Cst #0000065467	43.81	43.81
2044775	12/02/15	16902	JEAN LEGASPI	Ref002451945	11/30/15	UB Refund Cst #0000068859	37.32	37.32
2044828	12/09/15	02269	JENAL ENGINEERING CORP	152480	11/12/15	DUSTO INSPECTIONS (11/5/15 & 11/12/15)	1,300.00	1,300.00
2044735	11/25/15	02269	JENAL ENGINEERING CORP	152313	10/27/15	DUSTO INSPECTIONS (OCT 2016)	230.00	230.00
2044776	12/02/15	16840	JOEL BELTRAN	Ref002451948	11/30/15	UB Refund Cst #0000170186	171.92	171.92
2044873	12/16/15	16952	KATHLEEN DIAZ	Ref002453522	12/14/15	UB Refund Cst #0000218300	7.85	7.85
2044829	12/09/15	16795	KATHLEEN HAMLETT	Ref002450014	10/06/15	UB Refund Cst #0000196037	75.00	75.00
2044777	12/02/15	16905	KEENAN ELLIS	Ref002451949	11/30/15	UB Refund Cst #0000177204	41.66	41.66

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2044778	12/02/15	16907	KERRY MOSLEY	Ref002451951	11/30/15	UB Refund Cst #0000213260	10.08	10.08
2044736	11/25/15	05840	KIRK PAVING INC	5989	11/09/15	ASPHALT CONCRETE PAVING	9,599.25	9,599.25
2044779	12/02/15	14808	KOEPPEN, KEVIN	111715112015a	11/17/15	TRAVEL EXPENSE REIMB (11/17/15-11/20/15)	964.04	964.04
2044874	12/16/15	16948	KRYSTAL BENNETT	Ref002453517	12/14/15	UB Refund Cst #0000212497	5.11	5.11
2044737	11/25/15	15810	LANCE PICOTTE SAFETY CONSLTNG	102815	10/28/15	ACP TRAINING (10/22/15)	1,100.00	1,100.00
2044875	12/16/15	12843	LAWTON GROUP, THE	52298	12/11/15	INTERNSHIP AGREEMENT - TP (11/30/15-12/4/15)	290.00	
				52294	12/11/15	DROUGHT INTERNSHIP (11/30/15)	188.50	478.50
2044780	12/02/15	12843	LAWTON GROUP, THE	52275	11/27/15	INTERNSHIP AGREEMENT - CS (11/16/15-11/19/15)	304.50	
				52276	11/27/15	INTERNSHIP AGREEMENT - TP (11/16/15-11/20/15)	290.00	
				52267	11/20/15	INTERNSHIP AGREEMENT - TP (11/9/15-11/13/15)	290.00	884.50
2044738	11/25/15	12843	LAWTON GROUP, THE	52266	11/20/15	INTERNSHIP AGREEMENT - CS (11/9/15-11/10/15)	203.00	203.00
2044830	12/09/15	12843	LAWTON GROUP, THE	52286	12/04/15	INTERNSHIP AGREEMENT - TP (11/23/15-11/27/15)	290.00	
				52285	12/04/15	INTERNSHIP AGREEMENT - CS (11/23/15-11/24/15)	188.50	478.50
2044739	11/25/15	03607	LEE & RO INC	LR17432	11/04/15	INTERCONNECTION (9/1/15-9/20/15)	500.00	500.00
2044876	12/16/15	15597	LEONARD H VILLARREAL	111515	11/16/15	PROFESSIONAL SERVICES (11/1/15-11/12/15)	3,325.00	3,325.00
2044877	12/16/15	14584	LIHUA GUAN	Ref002453514	12/14/15	UB Refund Cst #0000140389	47.59	47.59
2044781	12/02/15	13749	LONDON GROUP REALTY ADVISORS	112015	11/20/15	MARKET / FEASIBILITY ANALYSES	13,750.00	13,750.00
2044782	12/02/15	03019	LOPEZ, JOSE	100115103115	11/12/15	MILEAGE REIMBURSEMENT (OCTV 2015)	42.55	42.55
2044878	12/16/15	16943	MARIA RAMIREZ	Ref002453509	12/14/15	UB Refund Cst #0000024731	14.03	14.03
2044740	11/25/15	02882	MAYER REPROGRAPHICS INC	0096828IN	11/02/15	REPROGRAPHIC SERVICES	100.00	100.00
2044831	12/09/15	02882	MAYER REPROGRAPHICS INC	0097345IN	11/30/15	REPROGRAPHIC SERVICES	1,117.69	1,117.69
2044879	12/16/15	16947	MICHAEL CEJA	Ref002453516	12/14/15	UB Refund Cst #0000207711	35.79	35.79
2044741	11/25/15	09581	MICHAEL R WELCH PHD PE	7144	11/02/15	ENGINEERING SERVICES (7/1/15-10/30/15)	6,150.00	6,150.00
2044880	12/16/15	16942	MIGUEL MIRELES	Ref002453508	12/14/15	UB Refund Cst #0000016647	113.69	113.69
2044742	11/25/15	00237	MISSION JANITORIAL & ABRASIVE	48517400	10/29/15	JANITORIAL SUPPLIES	1,623.70	1,623.70
2044832	12/09/15	16613	MISSION RESOURCE CONSERVATION	359	12/02/15	HOME WATER USE EVALUATION	825.50	825.50
2044833	12/09/15	15136	MISSION UNIFORM SERVICE	501278708	11/10/15	UNIFORM SERVICES	401.78	
				501324936	11/17/15	UNIFORM SERVICES	401.28	

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				501315415	11/16/15	UNIFORM SERVICES	106.73	
				501278706	11/10/15	UNIFORM SERVICES	105.06	
				501361326	11/23/15	UNIFORM SERVICES	100.14	
				501269622	11/09/15	UNIFORM SERVICES	100.14	
				501324935	11/17/15	UNIFORM SERVICES	99.32	
				501319891	11/17/15	UNIFORM SERVICES	22.00	
				501319900	11/17/15	UNIFORM SERVICES	2.00	
				501320086	11/17/15	UNIFORM SERVICES	2.00	1,340.45
2044743	11/25/15	15136	MISSION UNIFORM SERVICE	501187661	10/27/15	UNIFORM SERVICES	402.78	
				501233901	11/03/15	UNIFORM SERVICES	399.78	
				501186699	10/27/15	UNIFORM SERVICES	285.12	
				501187660	10/27/15	UNIFORM SERVICES	110.80	
				501223690	11/02/15	UNIFORM SERVICES	105.88	
				501233899	11/03/15	UNIFORM SERVICES	105.06	
				501181739	10/27/15	UNIFORM SERVICES	69.52	
				501226037	11/03/15	UNIFORM SERVICES	69.52	
				501221223	11/03/15	UNIFORM SERVICES	12.64	
				501230555	11/03/15	UNIFORM SERVICES	10.00	1,571.10
2044881	12/16/15	16255	NATIONWIDE RETIREMENT	Ben2453553	12/17/15	BI-WEEKLY DEFERRED COMP PLAN	9,221.12	9,221.12
2044783	12/02/15	16255	NATIONWIDE RETIREMENT	Ben2451990	12/03/15	BI-WEEKLY DEFERRED COMP PLAN	9,221.12	9,221.12
2044882	12/16/15	16505	NIGHTCLUBPOOL LLC	103	11/02/15	OUTSIDE SERVICES	500.00	500.00
2044744	11/25/15	00761	NINYO & MOORE GEOTECHNICAL AND	193857	10/28/15	GEOTECHNICAL SERVICES (9/1/15-9/25/15)	1,291.00	1,291.00
2044745	11/25/15	00510	OFFICE DEPOT INC	803190771001	11/02/15	OFFICE SUPPLIES	479.56	
				804122520001	11/05/15	OFFICE SUPPLIES	394.60	
				803916705001	11/04/15	OFFICE SUPPLIES	380.46	
				804150854001	11/05/15	OFFICE SUPPLIES	225.15	
				803883483001	11/04/15	OFFICE SUPPLIES	218.62	
				804547480001	11/09/15	OFFICE SUPPLIES	96.11	
				804677932001	11/09/15	OFFICE SUPPLIES	59.58	
				802513374001	10/28/15	OFFICE SUPPLIES	37.87	
				804130117001	11/05/15	OFFICE SUPPLIES	30.84	1,922.79
2044834	12/09/15	00510	OFFICE DEPOT INC	808903650001		CREDIT MEMO	-44.25	
				805227026001	11/10/15	OFFICE SUPPLIES	627.11	
				807504218001	11/17/15	OFFICE SUPPLIES	155.51	
				805471881001	11/11/15	OFFICE SUPPLIES	128.26	

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				807885062001	11/20/15	OFFICE SUPPLIES	114.00	
				805629237001	11/12/15	OFFICE SUPPLIES	98.52	
				806251300001	11/16/15	OFFICE SUPPLIES	75.58	
				806742289001	11/20/15	OFFICE SUPPLIES	64.45	
				805227026002	11/13/15	OFFICE SUPPLIES	56.67	
				805471881002	11/13/15	OFFICE SUPPLIES	30.56	
				806334638001	11/14/15	OFFICE SUPPLIES	26.15	
				804122520002	11/10/15	OFFICE SUPPLIES	20.73	
				805471881003	11/19/15	OFFICE SUPPLIES	18.89	
				807884795001	11/23/15	OFFICE SUPPLIES	13.21	
				803883483002	11/10/15	OFFICE SUPPLIES	11.33	
				805227273001	11/10/15	OFFICE SUPPLIES	11.22	
				804547480003	11/11/15	OFFICE SUPPLIES	8.58	
				804547480002	11/10/15	OFFICE SUPPLIES	7.53	
				805630200001	11/12/15	OFFICE SUPPLIES	2.58	1,426.63
2044883	12/16/15	00510	OFFICE DEPOT INC	805227026003	11/20/15	OFFICE SUPPLIES	583.01	
				807885065001	11/20/15	OFFICE SUPPLIES	66.95	
				807450626001	11/20/15	OFFICE SUPPLIES	37.78	
				807885065002	11/23/15	OFFICE SUPPLIES	20.73	
				807744052001	11/20/15	OFFICE SUPPLIES	19.65	728.12
2044835	12/09/15	15856	OLYMPUS AND ASSOCIATES INC	11	11/13/15	RESERVOIR COATING (ENDING 10/31/15)	15,819.49	15,819.49
2044836	12/09/15	16834	ON-SITE TECHNICAL SVCS INC	8504	12/07/15	APCD REQUIREMENTS	2,080.00	2,080.00
2044837	12/09/15	16941	OTAY RANCH CO LP	07103120315	12/03/15	ANNEXATION REFUND	7,275.00	7,275.00
2044838	12/09/15	14812	PARKWAY SIGNS	14533	11/13/15	CHLORINE SIGNS	86.80	86.80
2044746	11/25/15	05497	PAYPAL INC	45463273	10/31/15	PHONE PAYMENT SVCS (OCT 2015)	54.10	54.10
2044884	12/16/15	00137	PETTY CASH CUSTODIAN	121415	12/14/15	PETTY CASH REIMBURSEMENT	939.13	939.13
2044747	11/25/15	15081	PINOMAKI DESIGN	5040	11/01/15	OUTSIDE SERVICES	255.00	255.00
2044839	12/09/15	15081	PINOMAKI DESIGN	5058	11/16/15	OUTSIDE SERVICES	85.00	85.00
2044840	12/09/15	01733	PRICE TRONCONE &	13066	11/04/15	ANTENNA SUBLEASE (JAN-MAR 2015)	4,551.00	
				13065	11/04/15	ANTENNA SUBLEASE (JULY-DEC 2015)	432.00	4,983.00
2044748	11/25/15	13059	PRIORITY BUILDING SERVICES	46286	10/01/15	JANITORIAL SERVICES (OCT 2015)	3,924.48	3,924.48
2044841	12/09/15	03613	PSOMAS	112154	11/10/15	AS-NEEDED DESIGN (ENDING 10/29/15)	1,152.25	1,152.25

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2044842	12/09/15	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2451992	12/03/15	BI-WEEKLY PERS CONTRIBUTION	187,406.02	187,406.02
2044749	11/25/15	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2451824	11/19/15	BI-WEEKLY PERS CONTRIBUTION	189,493.78	189,493.78
2044750	11/25/15	04552	REA & PARKER RESEARCH	110515	11/05/15	CUSTOMER SURVEY SERVICES	1,825.00	1,825.00
2044751	11/25/15	15414	REGENTS BANK	8	11/05/15	RETENTION / COFFMAN (ENDING 10/31/15)	1,357.88	1,357.88
2044843	12/09/15	15647	RFYEAGER ENGINEERING LLC	15155	11/18/15	CORROSION / COATING INSP (10/1/15-10/31/15)	26,980.00	26,980.00
2044844	12/09/15	08972	RICK ENGINEERING COMPANY	0046113	11/23/15	CAMPO ROAD SUPPORT (10/1/15-10/31/15)	51,534.90	51,534.90
2044752	11/25/15	08972	RICK ENGINEERING COMPANY	0045205	11/05/15	CAMPO ROAD SUPPORT (9/1/15-9/30/15)	37,118.96	37,118.96
2044753	11/25/15	00521	RICK POST WELD & WET TAPPING	11045	11/07/15	RICK POST WELDING (10/20/15)	500.00	500.00
2044784	12/02/15	16910	RICKEY SPENCER	Ref002451954	11/30/15	UB Refund Cst #0000216086	64.98	64.98
2044885	12/16/15	10699	ROBERT JONES	Ref002453512	12/14/15	UB Refund Cst #0000042852	47.70	47.70
2044845	12/09/15	02620	ROTORK CONTROLS INC	CI11170	11/16/15	HDWKS 16IN ACTUATORS	13,154.62	13,154.62
2044886	12/16/15	02620	ROTORK CONTROLS INC	CI11171	11/16/15	FREIGHT FOR HDWKS 16IN ACTUATORS	300.00	300.00
2044846	12/09/15	09148	S & J SUPPLY COMPANY INC	S100060745001	11/10/15	INVENTORY	4,309.20	4,309.20
2044847	12/09/15	16917	SAAD MATTI	8964120315	12/03/15	CUSTOMER REFUND	297.01	297.01
2044754	11/25/15	05130	SAFARI MICRO INC	265910	11/04/15	HEADSETS	711.57	711.57
2044887	12/16/15	00003	SAN DIEGO COUNTY WATER AUTH	0000001341	12/03/15	MWD SCWS - HEWS	1,880.00	1,880.00
2044848	12/09/15	00121	SAN DIEGO GAS & ELECTRIC	120215	12/02/15	UTILITY EXPENSES (MONTHLY)	46,281.51	
				112715	11/27/15	UTILITY EXPENSES (MONTHLY)	44,377.86	
				112415b	11/24/15	UTILITY EXPENSES (MONTHLY)	25,438.54	
				112515	11/25/15	UTILITY EXPENSES (MONTHLY)	17,223.58	
				112415a	11/24/15	UTILITY EXPENSES (MONTHLY)	737.62	134,059.11
2044888	12/16/15	00121	SAN DIEGO GAS & ELECTRIC	120415	12/04/15	UTILITY EXPENSES (MONTHLY)	24,973.73	24,973.73
2044785	12/02/15	00121	SAN DIEGO GAS & ELECTRIC	Cycles 12,13	11/20/15	UTILITY EXPENSES (MONTHLY)	30,423.67	
				112415	11/24/15	UTILITY EXPENSES (MONTHLY)	21,464.99	
				112315	11/23/15	UTILITY EXPENSES (MONTHLY)	1,078.46	52,967.12
2044889	12/16/15	16949	SCHILLING PARADISE CORP	Ref002453519	12/14/15	UB Refund Cst #0000214279	1,698.06	1,698.06
2044890	12/16/15	05512	SD COUNTY VECTOR CONTROL PROG	112515	11/25/15	OTHER AGENCY FEES	456.35	456.35
2044849	12/09/15	13327	SILVA-SILVA INTERNATIONAL	1512	12/01/15	DESAL PROJ CONSULTANT (NOV 2015)	4,000.00	4,000.00
2044891	12/16/15	16954	SONIA RIVERA	Ref002453524	12/14/15	UB Refund Cst #0000221976	29.65	29.65

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2044850	12/09/15	03516	SPECIAL DISTRICT RISK	6350120115	12/01/15	PROPERTY DEDUCTIBLE	500.00	500.00
2044786	12/02/15	03516	SPECIAL DISTRICT RISK	6324111815	11/18/15	PROPERTY DEDUCTIBLE	500.00	500.00
2044892	12/16/15	00274	STATE OF CALIFORNIA	68982121415	12/14/15	LICENSE RENEWAL	115.00	115.00
2044851	12/09/15	01460	STATE WATER RESOURCES	EW1000768	09/25/15	ENFORCEMENT FEES (7/1/14-6/30/15)	612.00	612.00
2044755	11/25/15	01460	STATE WATER RESOURCES	WD0114588	11/19/15	ANNUAL PERMIT FEES (7/1/15 - 6/30/16)	14,929.00	
				WD0110111	11/19/15	ANNUAL PERMIT FEES (7/1/15 - 6/30/16)	2,037.00	16,966.00
2044852	12/09/15	05755	STATE WATER RESOURCES	24765120315	12/03/15	CERTIFICATE RENEWAL	140.00	
				24353120315	12/03/15	CERTIFICATE RENEWAL	90.00	230.00
2044893	12/16/15	12809	STUTZ ARTIANO SHINOFF	212446	11/23/15	LEGAL SERVICES (OCT 2015)	13,881.34	13,881.34
2044894	12/16/15	14576	SWIATKOWSKI, KEITH	121015	12/10/15	DMV PHYSICAL	110.00	110.00
2044787	12/02/15	16909	TERESA OESTERLE	Ref002451953	11/30/15	UB Refund Cst #0000215410	29.49	29.49
2044788	12/02/15	15926	TEXAS CHILD SUPPORT UNIT	Ben2452002	12/03/15	BI-WEEKLY PAYROLL DEDUCTION	184.61	184.61
2044895	12/16/15	15926	TEXAS CHILD SUPPORT UNIT	Ben2453565	12/17/15	BI-WEEKLY PAYROLL DEDUCTION	184.61	184.61
2044756	11/25/15	16744	THE SAN DIEGO UNION-TRIBUNE	11022015	11/02/15	SUBSCRIPTION RENEWAL	427.28	427.28
2044757	11/25/15	02498	THOMPSON, CHAD	112015	11/23/15	EXPENSE REIMBURSEMENT (11/20/15)	163.00	163.00
2044758	11/25/15	14177	THOMPSON, MITCHELL	110115113015	11/19/15	TRAVEL EXPENSE REIMB (NOV 2015)	17.00	
				100115103115	11/12/15	TRAVEL EXPENSE REIMB (OCT 2015)	15.00	32.00
2044789	12/02/15	14177	THOMPSON, MITCHELL	100115103115a	10/31/15	MILEAGE REIMBURSEMENT (OCT 2015)	103.50	
				110115113015a	11/18/14	MILEAGE REIMBURSEMENT (NOV 2015)	48.88	152.38
2044853	12/09/15	15398	TIMMONS GROUP INC	174599	11/10/15	CONSULTANT SERVICES (OCT 2015)	6,270.70	6,270.70
2044896	12/16/15	16944	TODD CRUM	Ref002453510	12/14/15	UB Refund Cst #0000028769	49.46	49.46
2044790	12/02/15	16901	TOMAS INUKAI	Ref002451944	11/30/15	UB Refund Cst #0000050136	45.81	45.81
2044897	12/16/15	16580	TURNER CONSTRUCTION	Ref002453518	12/14/15	UB Refund Cst #0000213476	216.38	216.38
2044791	12/02/15	16580	TURNER CONSTRUCTION	Ref002451952	11/30/15	UB Refund Cst #0000213476	1,741.99	1,741.99
2044854	12/09/15	03261	TYLER TECHNOLOGIES INC	045147359	11/10/15	CASHIERING HARDWARE	4,870.80	4,870.80
2044792	12/02/15	03261	TYLER TECHNOLOGIES INC	045145435	10/14/15	CASHIERING SOFTWARE SUPPORT (9/15/15-6/30/16)	4,320.00	4,320.00
2044759	11/25/15	00427	UNDERGROUND SERVICE ALERT OF	1020150493	11/01/15	UNDERGROUND ALERTS (MONTHLY)	360.00	360.00

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2044760	11/25/15	15675	UNITED SITE SERVICES INC	1143458231	10/31/15	PORTABLE TOILET RENTAL (10/28/15-11/24/15)	79.98	79.98
2044898	12/16/15	15675	UNITED SITE SERVICES INC	1143529781	11/27/15	PORTABLE TOILET RENTAL (11/25/15-12/22/15)	79.98	79.98
2044793	12/02/15	15675	UNITED SITE SERVICES INC	1143494286	11/13/15	PORTABLE TOILET RENTAL (11/5/15-12/2/15)	98.17	
				1143506139	11/18/15	PORTABLE TOILET RENTAL (11/13/15-12/10/15)	80.03	
				1143506137	11/18/15	PORTABLE TOILET RENTAL (11/13/15-12/10/15)	79.98	
				1143506136	11/18/15	PORTABLE TOILET RENTAL (11/13/15-12/10/15)	79.98	
				1143506134	11/18/15	PORTABLE TOILET RENTAL (11/14/15-12/11/15)	79.98	
				1143494615	11/13/15	PORTABLE TOILET RENTAL (11/6/15-12/3/15)	79.98	498.12
2044855	12/09/15	15392	UP N DOWN SCAFFOLD CO INC	2769	11/30/15	SCAFFOLDING FOR 1100-1 PS	1,800.00	
				2770	11/30/15	SCAFFOLD RENTAL	1,250.00	3,050.00
2044856	12/09/15	07674	US BANK	CC2015112321	11/23/15	CAL CARD EXPENSES (MONTHLY)	80,347.80	80,347.80
2044857	12/09/15	11606	USA BLUE BOOK	799740	11/11/15	SAMPLER REFRIGERATOR	5,634.36	5,634.36
2044761	11/25/15	11606	USA BLUE BOOK	788280	10/28/15	PRESSURE TRANSDUCER	1,031.61	1,031.61
2044899	12/16/15	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2453559	12/17/15	BI-WEEKLY DEFERRED COMP PLAN	12,979.05	12,979.05
2044794	12/02/15	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2451996	12/03/15	BI-WEEKLY DEFERRED COMP PLAN	13,020.49	13,020.49
2044795	12/02/15	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2451998	12/03/15	BI-WEEKLY 401A PLAN	2,188.81	2,188.81
2044900	12/16/15	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2453561	12/17/15	BI-WEEKLY 401A PLAN	1,377.73	1,377.73
2044858	12/09/15	03329	VERIZON WIRELESS	9755965272	11/21/15	CELLULAR & WIRELESS SVCS (10/22/15-11/21/15)	5,286.32	
				9755965276	11/21/15	CELLULAR & WIRELESS SVCS (10/22/15-11/21/15)	1,660.80	
				9755965277	11/21/15	CELLULAR & WIRELESS SVCS (10/22/15-11/21/15)	439.52	
				9755965278	11/21/15	CELLULAR & WIRELESS SVCS (10/22/15-11/21/15)	184.44	
				9755965280	11/21/15	CELLULAR & WIRELESS SVCS (10/22/15-11/21/15)	40.04	7,611.12
2044859	12/09/15	15807	WATCHLIGHT CORPORATION, THE	447896	11/20/15	SECURITY AND ACCESS CONTROL	12,075.97	
				447515	11/11/15	SECURITY & ACCESS CONTROL	8,718.26	
				447712	11/16/15	SECURITY & ACCESS CONTROL	7,687.28	
				447348	11/15/15	MONITORING SERVICES (DEC 2015)	1,363.92	
				444261	10/30/15	711-1 & 2 RESERVOIR SECURITY	204.00	
				447632	11/13/15	SECURITY AND ACCESS CONTROL	136.00	
				447961	11/23/15	MONITORING SERVICES (11/23/15-12/31/15)	6.33	
				447960	11/23/15	MONITORING SERVICES (11/23/15-12/31/15)	6.33	30,198.09
2044762	11/25/15	15807	WATCHLIGHT CORPORATION, THE	444555	11/05/15	SECURITY AND ACCESS CONTROL	21,678.50	21,678.50
2044860	12/09/15	15726	WATER SYSTEMS CONSULTING INC	1655	10/31/15	HYDRAULIC MODELING (ENDING 10/31/15)	8,580.00	8,580.00

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2044901	12/16/15	03621	WATEREUSE ASSOCIATION	110515	11/05/15	MEMBERSHIP DUES	75.00	75.00
2044902	12/16/15	10093	WATEREUSE FOUNDATION	D20161921	12/04/15	MEMBERSHIP RENEWAL	5,853.12	5,853.12
2044861	12/09/15	07780	WEBER SCIENTIFIC	689526	11/17/15	LABORATORY SUPPLIES	366.23	
				689638	11/17/15	LABORATORY SUPPLIES	91.01	457.24
2044763	11/25/15	13483	WHITE NELSON DIEHL EVANS LLP	3483111915	11/19/15	TAX SEMINAR	650.00	650.00
2044903	12/16/15	15181	WILLDAN FINANCIAL SERVICES	010-28686	09/10/15	ARBITRAGE REBATE SVCS	1,250.00	
				010-28687	09/10/15	ARBITRAGE REBATE SVCS	1,250.00	2,500.00
2044796	12/02/15	02160	WOODS, MARVIN	113015	11/30/15	EMPLOYEE PROGRAM	196.23	
				112715	11/30/15	SAFETY BOOTS	119.34	315.57
2044904	12/16/15	16945	YOSIAKI FUKUDA	Ref002453511	12/14/15	UB Refund Cst #0000042695	52.29	52.29
2044764	11/25/15	15567	ZETTA INC	INV00024735	11/01/15	STORAGE USAGE	2,083.25	2,083.25
2044797	12/02/15	15438	ZIOMEK, JEANETTE	112315	11/23/15	TUITION REIMBURSEMENT	166.85	166.85
							<b>Amount Pd Total:</b>	<b>1,600,604.14</b>
							<b>Check Grand Total:</b>	<b>1,600,604.14</b>