

OTAY WATER DISTRICT
FINANCE, ADMINISTRATION AND COMMUNICATIONS
COMMITTEE MEETING
and
SPECIAL MEETING OF THE BOARD OF DIRECTORS

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA
BOARDROOM

MONDAY
May 18, 2009
11:30 A.M.

This is a District Committee meeting. This meeting is being posted as a special meeting in order to comply with the Brown Act (Government Code Section §54954.2) in the event that a quorum of the Board is present. Items will be deliberated, however, no formal board actions will be taken at this meeting. The committee makes recommendations to the full board for its consideration and formal action.

AGENDA

1. ROLL CALL
2. 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

DISCUSSION ITEMS

3. REPORT ON DIRECTOR'S EXPENSES FOR THE 3RD QUARTER OF FISCAL YEAR 2009 (PRENDERGAST) [5 minutes]
4. REVIEW OF CONSUMER CONFIDENCE REPORT (BUELNA) [5 minutes]
5. ADOPT RESOLUTION NO. 4136, APPROVING THE FISCAL YEAR 2009-2010 OPERATING AND CAPITAL BUDGETS; APPROVE FUND TRANSFERS FOR POTABLE, RECYCLED, AND SEWER; AND OBTAIN APPROVAL OF THE PROPOSITION 218 NOTICES AND DIRECT STAFF TO PROCEED WITH THE PROPOSITION 218 HEARING FOR THE RECOMMENDED RATE INCREASES (BEACHEM) [1.5 hours]
6. APPROVE A FIVE-YEAR RATE INCREASE AND FIVE-YEAR PASS-THROUGH OF WHOLESALER COST INCREASES (BEACHEM) [15 minutes]
7. ADJOURNMENT

BOARD MEMBERS ATTENDING:

Jaime Bonilla, Chair
Jose Lopez

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.

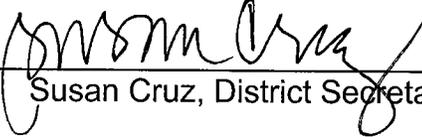
The Agenda, and any attachments containing written information, are available at the District's website at www.otaywater.gov. Written changes to any items to be considered at the open meeting, or to any attachments, will be posted on the District's website. Copies of the Agenda and all attachments are 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 670-2280 at least 24 hours prior to the meeting.

Certification of Posting

I certify that on May 15, 2009 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 24 hours in advance of the meeting of the Board of Directors (Government Code Section §54954.2).

Executed at Spring Valley, California on May 15, 2009.



Susan Cruz, District Secretary



AGENDA ITEM 3

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	June 3, 2009
SUBMITTED BY:	Sean Prendergast, 	W.O./G.F. NO:	DIV. NO. A11
	Payroll/AP Supervisor		
APPROVED BY:	Joseph R. Beachem, Chief Financial Officer		
(Chief)			
APPROVED BY:	German Alvarez, Assistant General Manager		
(Asst. GM):			
SUBJECT:	Director's Expenses for the 3rd Quarter of Fiscal Year 2009		

GENERAL MANAGER'S RECOMMENDATION:

This is an informational item only.

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

To inform the Board of the Director's expenses for the 3rd quarter of Fiscal Year 2009.

ANALYSIS:

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

FISCAL IMPACT: _____

None.

STRATEGIC GOAL:

Prudently manage District funds.

LEGAL IMPACT: _____

Compliance with State law.



General Manager

Attachments:

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



ATTACHMENT A

SUBJECT/PROJECT:	Director's Expenses for the 3rd Quarter of Fiscal Year 2009
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COMMITTEE ACTION:

This is an informational item only.

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for board approval. This report will be sent to the Board as a committee approved item, or modified to reflect any discussion or changes as directed from the committee prior to presentation to the full board.

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

**FINANCE, ADMINISTRATION, AND
COMMUNICATIONS COMMITTEE MEETING
MAY 18, 2009**

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

- Fiscal Year 2009, 3rd Quarter.
- The expenses are shown in detail by Board member, month and expense type.
- This presentation is in alphabetical order.
- This information was presented to the Finance, Administration, and Communications Committee on May 18, 2009.

Board of Directors' Expenses and Per-Diems
Fiscal Year 2009 Quarter 3 (Jan 09- Mar 09)

• Director Bonilla	\$3,569.15
• Director Breitfelder	\$2,142.80
• Director Croucher	\$2,836.90
• Director Lopez	\$5,862.97
• Director Robak	<u>\$2,494.85</u>
• Total	\$16,906.67

Director Bonilla

Fiscal Year 2009 Quarter 3

	<u>Jan 09</u>	<u>Feb 09</u>	<u>Mar 09</u>	Qtr3
• Mileage Business				
• Mileage Commute				
• Conference/Travel			3,369.15	
• Business Meetings			200.00	
• Director's Fees				
•				
• Monthly Totals	0.00	0.00	3,569.15	
• Quarterly Total				<u>\$3,569.15</u>
• Meetings Attended				
• Meetings Paid*	0	0	0	
• Fiscal Year-to-Date 2009 (Jul 08-Mar 09)				\$3,569.15
• *Director Bonilla does not request per-diem reimbursements				

Director Breitfelder

Fiscal Year 2009 Quarter 3

	<u>Jan 09</u>	<u>Feb 09</u>	<u>Mar 09</u>	<u>Qtr3</u>
• Mileage Business	0.00	89.10	134.20	
• Mileage Commute	0.00	16.50	66.00	
• Seminars & Travel	25.00		200.00	
• Director's Fees	0.00	500.00	1,000.00	
• Business Meetings	25.00	62.00	25.00	
• Monthly Totals	\$50.00	\$667.30	\$1,425.20	
• Quarterly Total				<u>\$2,142.80</u>
• Meetings Attended	12	10	14	
• Meetings Paid	0	5	10	
Fiscal Year-to-Date 2009 (Jul 08-Mar 09)				\$7,034.15

Director Croucher

Fiscal Year 2009 Quarter 3

	<u>Jan 09</u>	<u>Feb 09</u>	<u>Mar 09</u>	Qtr3
• Mileage Business				
• Mileage Commute				
• Director's Fees	300.00	900.00	500.00	
• Travel & Seminars		1,099.90		
• Business Meeting		37.00		
• Monthly Totals	\$300.00	\$2,036.90	\$500.00	
•				
• Quarterly Total				<u>\$2,836.90</u>
• Meetings Attended	6	11	6	
• Meetings Paid	3	9	5	
• Fiscal Year-to-Date 2009 (Jul 08-Mar 09)				\$6,885.15

Director Lopez

Fiscal Year 2009 Quarter 2

	<u>Jan 09</u>	<u>Feb 09</u>	<u>Mar 09</u>	Qtr3
• Mileage Business		13.20	46.20	
• Mileage Commute	11.00	11.00	22.00	
• Conferences/Travel		37.00	4,122.57	
• Director's Fees	200.00	400.00	1,000.00	
•				
• Monthly Totals	\$211.00	\$461.20	\$5,190.77	
• Quarterly Total				<u>\$5,862.97</u>
• Meetings Attended	2	4	10	
• Meetings Paid	2	4	10	
• Fiscal Year-to-Date 2009 (Jul 08-Mar 09)				\$7,660.99

Director Robak

Fiscal Year 2009 Quarter 3

	Jan_09	Feb_09	Mar_09	Qtr3
• Mileage Business	19.25	74.80	34.10	
• Mileage Commute	2.20	2.20	2.20	
• Director's Fees	200.00	400.00	600.00	
• Travel & Seminars			1,123.10	
• Business Meetings		37.00		
• Monthly Totals	\$221.45	\$514.00	\$1,759.40	
• Quarterly Total				<u>\$2,494.85</u>
• Meetings Attended	3	8	10	
• Meetings Paid	2	4	6	
Fiscal Year-to-Date 2009 (Jul 08-Mar 09)				\$6,490.59

Board of Directors' Expenses and Per Diems
Fiscal Year 2009 to Date (Jul 08- Mar 09)

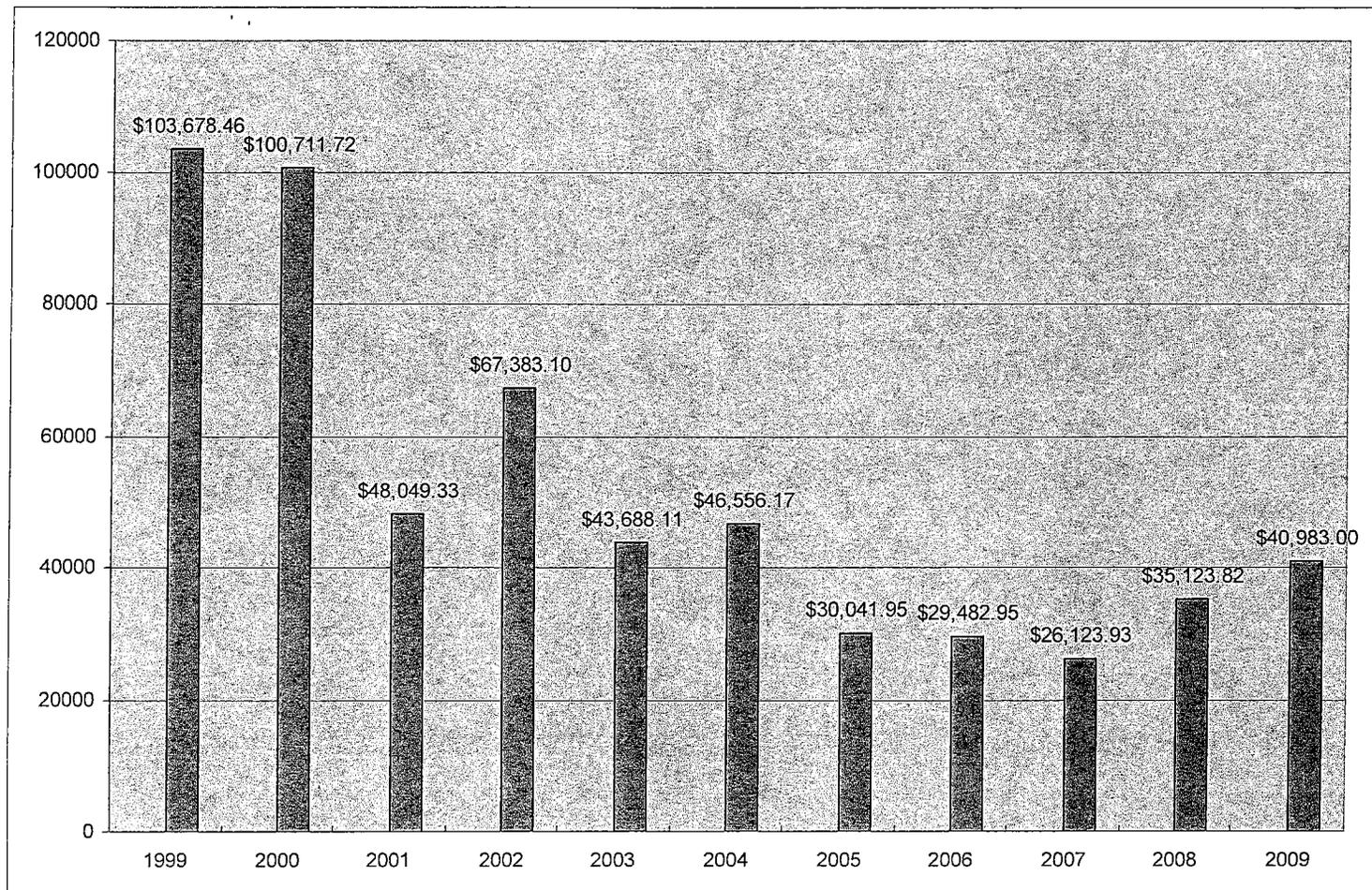
• Director Bonilla	\$3,569.15
• Director Breitfelder	\$7,034.15
• Director Croucher	\$6,885.15
• Director Lopez	\$7,660.99
• Director Robak	<u>\$6,490.59</u>
• Total	\$31,640.03

Board of Directors' Expenses and Per Diems
***Projected Fiscal Year 2009 (Jul 08- Jun 09)**

• Director Bonilla	\$ 3,569.00
• Director Breitfelder	\$ 9,366.00
• Director Croucher	\$ 9,180.00
• Director Lopez	\$10,215.00
• Director Robak	<u>\$ 8,653.00</u>
• Total	\$40,983.00

- *Based on actual expenses through 3rd quarter

Board of Directors' Expenses and Per Diems Fiscal Years 1999-2009



2009 number is projected

OTAY WATER DISTRICT
ADMINISTRATIVE EXPENSES - BOARD
July 1, 2008 - March 31, 2009

	Jul-08 1	Aug-08 2	Sep-08 3	Oct-08 4	Nov-08 5	Dec-08 6	Jan-09 7	Feb-09 8	Mar-09 9	Apr-09 10	May-09 11	Jun-09 12	Total
JAIME BONILLA (DETAILED IN SECTION D):													
5211 Mileage - Commuting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5211 Mileage - Business	-	-	-	-	-	-	-	-	-	-	-	-	-
5212 Travel	-	-	-	-	-	-	-	-	3,369.15	-	-	-	3,369.15
5214 Business meetings	-	-	-	-	-	-	-	-	-	-	-	-	-
5281 Director's fees	-	-	-	-	-	-	-	-	-	-	-	-	-
5241 Telephone	-	-	-	-	-	-	-	-	-	-	-	-	-
5213 Seminars and conferences	-	-	-	-	-	-	-	-	200.00	-	-	-	200.00
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,569.15	\$ -	\$ -	\$ -	\$ 3,569.15
LARRY BREITFELDER (DETAILED IN SECTION E):													
5211 Mileage - Commuting	\$ -	\$ 58.50	\$ 35.10	\$ 17.55	\$ 17.55	\$ 52.65	\$ -	\$ 16.50	\$ 66.00	\$ -	\$ -	\$ -	\$ 263.85
5211 Mileage - Business	-	72.54	184.86	46.80	72.54	49.14	-	89.10	134.20	-	-	-	649.18
5212 Travel	-	-	788.12	-	-	-	-	-	-	-	-	-	788.12
5214 Business meetings	70.00	127.00	77.00	-	237.00	-	25.00	62.00	25.00	-	-	-	623.00
5281 Director's fees	-	500.00	800.00	400.00	300.00	300.00	-	500.00	1,000.00	-	-	-	3,800.00
5241 Telephone	-	-	-	-	-	-	-	-	-	-	-	-	-
5213 Seminars and conferences	-	-	685.00	-	-	-	25.00	-	200.00	-	-	-	910.00
Total	\$ 70.00	\$ 758.04	\$ 2,570.08	\$ 464.35	\$ 627.09	\$ 401.79	\$ 50.00	\$ 667.60	\$ 1,425.20	\$ -	\$ -	\$ -	\$ 7,034.15
GARY D. CROUCHER (DETAILED IN SECTION F):													
5211 Mileage - Commuting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5211 Mileage - Business	-	-	105.30	-	-	-	-	-	-	-	-	-	105.30
5212 Travel	-	-	607.95	-	-	-	-	412.90	-	-	-	-	1,020.85
5214 Business meetings	-	-	-	-	-	-	-	37.00	-	-	-	-	37.00
5281 Director's fees	500.00	400.00	600.00	100.00	400.00	600.00	300.00	900.00	500.00	-	-	-	4,300.00
5241 Telephone	-	-	-	-	-	-	-	-	-	-	-	-	-
5213 Seminars and conferences	-	-	735.00	-	-	-	-	687.00	-	-	-	-	1,422.00
Total	\$ 500.00	\$ 400.00	\$ 2,048.25	\$ 100.00	\$ 400.00	\$ 600.00	\$ 300.00	\$ 2,036.90	\$ 500.00	\$ -	\$ -	\$ -	\$ 6,885.15
JOSE LOPEZ (DETAILED IN SECTION G):													
5211 Mileage - Commuting	\$ -	\$ 11.70	\$ 11.70	\$ 11.70	\$ 23.40	\$ 11.70	\$ 11.00	\$ 11.00	\$ 22.00	\$ -	\$ -	\$ -	\$ 114.20
5211 Mileage - Business	-	-	22.23	-	22.23	9.36	-	13.20	46.20	-	-	-	113.22
5212 Travel	-	-	-	-	-	-	-	-	3,263.31	-	-	-	3,263.31
5214 Business meetings	-	-	37.00	-	37.00	-	-	37.00	-	-	-	-	111.00
5281 Director's fees	100.00	300.00	300.00	300.00	300.00	300.00	200.00	400.00	1,000.00	-	-	-	3,200.00
5241 Telephone	-	-	-	-	-	-	-	-	-	-	-	-	-
5213 Seminars and conferences	-	-	-	-	-	-	-	-	859.26	-	-	-	859.26
Total	\$ 100.00	\$ 311.70	\$ 370.93	\$ 311.70	\$ 382.63	\$ 321.06	\$ 211.00	\$ 461.20	\$ 5,190.77	\$ -	\$ -	\$ -	\$ 7,660.99
MARK ROBAK (DETAILED IN SECTION H):													
5211 Mileage - Commuting	\$ 2.34	\$ 4.68	\$ 4.68	\$ 4.68	\$ 2.34	\$ 7.02	\$ 2.20	\$ 2.20	\$ 2.20	\$ -	\$ -	\$ -	\$ 32.34
5211 Mileage - Business	15.21	9.36	21.65	17.55	23.99	181.35	19.25	74.80	34.10	-	-	-	397.25
5212 Travel	-	-	-	-	-	510.90	-	-	723.10	-	-	-	1,234.00
5214 Business meetings	-	-	-	-	37.00	15.00	-	37.00	-	-	-	-	89.00
5281 Director's fees	300.00	300.00	500.00	400.00	200.00	800.00	200.00	400.00	600.00	-	-	-	3,700.00
5241 Telephone	-	-	-	-	-	-	-	-	-	-	-	-	-
5213 Seminars and conferences	-	-	10.00	-	-	628.00	-	-	400.00	-	-	-	1,038.00
5231 Books, Periodicals and Subscriptions	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 317.55	\$ 314.04	\$ 536.33	\$ 422.23	\$ 263.33	\$ 2,142.27	\$ 221.45	\$ 514.00	\$ 1,759.40	\$ -	\$ -	\$ -	\$ 6,490.59
TOTALS:													
5211 Mileage - Commuting	\$ 2.34	\$ 74.88	\$ 51.48	\$ 33.93	\$ 43.29	\$ 71.37	\$ 13.20	\$ 29.70	\$ 90.20	\$ -	\$ -	\$ -	\$ 410.38
5211 Mileage - Business	15.21	81.90	334.04	64.35	118.76	239.85	19.25	177.10	214.50	-	-	-	1,264.95
5212 Travel	-	-	1,396.07	-	-	510.90	-	412.90	7,355.56	-	-	-	9,675.43
5214 Business meetings	70.00	127.00	114.00	-	311.00	15.00	25.00	173.00	25.00	-	-	-	860.00
5281 Director's fees	900.00	1,500.00	2,200.00	1,200.00	1,200.00	2,000.00	700.00	2,200.00	3,100.00	-	-	-	15,000.00
5241 Telephone	-	-	-	-	-	-	-	-	-	-	-	-	-
5213 Seminars and conferences	-	-	1,430.00	-	-	628.00	25.00	687.00	1,659.26	-	-	-	4,429.26
5231 Books, Periodicals and Subscriptions	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 987.55	\$ 1,783.78	\$ 5,525.59	\$ 1,298.28	\$ 1,673.05	\$ 3,465.12	\$ 782.45	\$ 3,679.70	\$ 12,444.52	\$ -	\$ -	\$ -	\$ 31,640.03

**OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2008 THROUGH MARCH 31, 2009**

DIRECTOR'S NAME: BONILLA, JAIME

**ATTACHMENT D
SECTION D**

Account Name	Date	Descriptions	Amount
Seminars and conferences			
	3/26/2009	REGISTRATION FEE - 2009 BINATIONAL DROUGHT SCIENCE CONFERENCE	\$ 200.00
Seminars and conferences Total			200.00
Travel			
	3/31/2009	HOTEL - 3/15/09-3/22/09 WORLD WATER FORUM	2,217.84
	3/14/2009	AIRFARE - WORLD WATER FORUM	1,151.31
Travel Total			3,369.15
Grand Total			\$ 3,569.15

**OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2008 THROUGH MARCH 31, 2009**

DIRECTOR'S NAME: BREITFELDER, LARRY

**ATTACHMENT E
SECTION E**

Account Name	Date	Descriptions	Amount
Business meetings			
	7/15/2008		
	7/17/2008	COUNCIL OF WATER UTILITIES	\$ 25.00
	8/19/2008	WATER AGENCIES ASSOCIATION	45.00
	8/21/2008	COUNCIL OF WATER UTILITIES	25.00
	8/24/2008	CALIFORNIA SPECIAL DISTRICTS	37.00
	9/18/2008	WATER CONSERVATION GARDEN COMMITTEE MEETING	65.00
	9/19/2008	CALIFORNIA SPECIAL DISTRICTS	37.00
	9/26/2008	COUNCIL OF WATER UTILITIES	25.00
	11/13/2008	RANCHO SAN DIEGO-JAMUL MEETING	15.00
	11/18/2008	REGISTRATION FEE - ASIAN BUSINESS ASSOCIATION ANNUAL AWARDS	175.00
	11/20/2008	COUNCIL OF WATER UTILITIES	25.00
	2/19/2009	CALIFORNIA SPECIAL DISTRICTS	37.00
	2/17/2009	CALIFORNIA SPECIAL DISTRICTS	37.00
	3/17/2009	COUNCIL OF WATER UTILITIES	25.00
	1/20/2009	COUNCIL OF WATER UTILITIES	25.00
		COUNCIL OF WATER UTILITIES	25.00
Business meetings Total			623.00
Director's Fee			
	8/5/2008		
	8/6/2008	CSDA BOARD MEETING	100.00
	8/19/2008	REGULAR BOARD OF DIRECTORS MEETING	100.00
	8/20/2008	COUNCIL OF WATER UTILITIES	100.00
	8/21/2008	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	9/3/2008	CSDA BOARD MEETING	100.00
		REGULAR BOARD OF DIRECTORS MEETING	100.00

**OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2008 THROUGH MARCH 31, 2009**

DIRECTOR'S NAME: BREITFELDER, LARRY

**ATTACHMENT E
SECTION E**

Account Name	Date	Descriptions	Amount
Director's Fee	9/15/2008	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	9/16/2008	COUNCIL OF WATER UTILITIES	100.00
	9/18/2008	SPECIAL BOARD OF DIRECTORS MEETING	100.00
	9/25/2008	CSDA ANNUAL CONFERENCE SEPT. 22-25, 200	400.00
	10/9/2008	REGULAR BOARD OF DIRECTORS MEETING	100.00
	10/16/2008	WATER AGENCIES ASSOCIATION	100.00
	10/20/2008	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	10/28/2008	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	11/13/2008	REGULAR BOARD OF DIRECTORS MEETING	100.00
	11/18/2008	COUNCIL OF WATER UTILITIES	100.00
	11/20/2008	CSDA BOARD MEETING	100.00
	12/1/2008	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	12/9/2008	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	12/15/2008	REGULAR BOARD OF DIRECTORS MEETING	100.00
	1/7/2009	REGULAR BOARD OF DIRECTORS MEETING	100.00
	2/4/2009	REGULAR BOARD OF DIRECTORS MEETING	100.00
	2/19/2009	CSDA BOARD MEETING	100.00
	1/26/2009	ENGINEERING, OPERATION & WATER RESOURCE COMMITTEE MEETING	
	2/3/2009	CSDA BOARD MEETING	100.00
	2/10/2009	DIRECTOR CROUCHER & GM MEETING	100.00
	2/17/2009	COUNCIL OF WATER UTILITIES	100.00

**OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2008 THROUGH MARCH 31, 2009**

DIRECTOR'S NAME: BREITFELDER, LARRY

**ATTACHMENT E
SECTION E**

Account Name	Date	Descriptions	Amount
	3/3/2009		
	3/4/2009	CSDA BOARD MEETING	100.00
	3/9/2009	REGULAR BOARD OF DIRECTORS MEETING	100.00
	3/10/2009	CONSERVATION ACTION COMMITTEE MEETING	100.00
	3/12/2009	TOUR CIP PROJECT 850-4 RESERVOIR	100.00
	3/17/2009	ENGINEERING, OPERATION & WATER RESOURCE COMMITTEE MEETING	100.00
	3/24/2009	COUNCIL OF WATER UTILITIES	100.00
	3/26/2009	CONSERVATION ACTION COMMITTEE MEETING	100.00
	3/27/2009	WEF BINATIONAL DROUGHT SCIENCE CONFER	100.00
	3/30/2009	WEF BINATIONAL DROUGHT SCIENCE CONFER	100.00
		FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
Director's Fee Total			3,800.00
Mileage - Business			
	9/31/2008		
	8/31/2008	MEETING - SEPTEMBER 16, 18, 22, 23, 24, & 2	184.86
	10/31/2008	MEETING - AUG. 19 & 21, 2008	72.54
	11/20/2008	MEETING - OCT. 16 & 20, 2008	46.80
	12/16/2008	MEETING - NOV. 18 & 20, 2008	72.54
	2/28/2009	MEETING - DEC. 16, 2008	49.14
	3/31/2009	MEETING - FEBRUARY 3, 10 & 17, 2009	89.10
		MEETING - MARCH 9, 17, 24, 26 & 27, 2009	134.20
Mileage - Business Total			649.18
Mileage - Commuting			
	9/31/2008		
		MEETING - SEPTEMBER 3 & 15, 2008	35.10

**OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2008 THROUGH MARCH 31, 2009**

DIRECTOR'S NAME: BREITFELDER, LARRY

**ATTACHMENT E
SECTION E**

Account Name	Date	Descriptions	Amount
Mileage - Commuting	8/31/2008		
	10/9/2008	MEETING - AUG. 5, 6 & 20, 2008	58.50
	11/13/2008	MEETING - OCT. 9, 2008	17.55
	12/15/2008	MEETING - NOV. 13, 2008	17.55
	2/28/2009	MEETING - DEC. 1, 9 & 15, 2008	52.65
	3/31/2009	MEETING - FEBRUARY 3, 2009	16.50
	1/31/2009	MEETING - MARCH 4, 10, 12, & 30, 2009	66.00
		MEETING - JANUARY 7 & 26, 2009	
Mileage - Commuting Total			263.85
Seminars and conferences			
	9/22/2008	REGISTRATION FEE - CSDA ANNUAL CONFERENCE 9/22-25/08	425.00
		REGISTRATION FEE - CSDA GOVERNANCE FOUNDATIONS WORKSHOP SEPT. 22, 2008	225.00
	9/24/2008	REGISTRATION FEE - CSDA CALIFORNIA WOMEN LEAD PANEL	35.00
	3/26/2009	REGISTRATION FEE - 2009 BINATIONAL DROUGHT SCIENCE CONFERENCE	200.00
	1/29/2009	THE ASIAN BUSINESS ASSOCIATION ANNUAL LUNAR EVENT	25.00
Seminars and conferences Total			910.00
Travel			
	9/25/2008	HOTEL - CSDA ANNUAL CONFERENCE IRVINE CA ON SEPT 22-25, 2008	788.12
Travel Total			788.12
Grand Total			5,703.85

**OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2008 THROUGH MARCH 31, 2009**

DIRECTOR'S NAME: CROUCHER, GARY

**ATTACHMENT F
SECTION F**

Account Name	Date	Descriptions	Amount
Business meetings			
	2/19/2009	CALIFORNIA SPECIAL DISTRICTS	\$ 37.00
Business meetings Total			37.00
Director's Fee			
	7/2/2008	REGULAR BOARD OF DIRECTORS MEETING	100.00
	7/16/2008	COMMITTEE AGENDA REVIEW	100.00
	7/22/2008	ENGINEERING, OPERATION & WATER RESOURCE COMMITTEE MEETING	100.00
	7/23/2008	LEGAL AND LEGISLATIVE COMMITTEE MEETING	100.00
	7/28/2008	BOARD AGENDA REVIEW	100.00
	8/6/2008	REGULAR BOARD OF DIRECTORS MEETING	100.00
	8/18/2008	COMMITTEE AGENDA REVIEW	100.00
	8/19/2008	ENGINEERING, OPERATION & WATER RESOURCE COMMITTEE MEETING	100.00
	8/22/2008	AD HOC - GM PERFORMANCE REVIEW COMMITTEE	100.00
	9/3/2008	REGULAR BOARD OF DIRECTORS MEETING	100.00
	9/4/2008	SEMINAR - SPECIAL DISTRICT & LOCAL GOVERNMENT INSTITUTE	100.00
	9/5/2008	SEMINAR - SPECIAL DISTRICT & LOCAL GOVERNMENT INSTITUTE	100.00
	9/6/2008	SEMINAR - SPECIAL DISTRICT & LOCAL GOVERNMENT INSTITUTE	100.00
	9/17/2008	ENGINEERING, OPERATION & WATER RESOURCE COMMITTEE MEETING	100.00
	9/18/2008	SPECIAL BOARD OF DIRECTORS MEETING	100.00
	10/28/2008	LEGAL AND LEGISLATIVE COMMITTEE MEETING	100.00
	11/3/2008	ENGINEERING, OPERATION & WATER RESOURCE COMMITTEE MEETING	100.00
	11/13/2008	REGULAR BOARD OF DIRECTORS MEETING	100.00

**OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2008 THROUGH MARCH 31, 2009**

DIRECTOR'S NAME: CROUCHER, GARY

**ATTACHMENT F
SECTION F**

Account Name	Date	Descriptions	Amount
Director's Fee	11/20/2008	ENGINEERING, OPERATION & WATER RESOURCE COMMITTEE MEETING	100.00
	12/1/2008	LEGAL AND LEGISLATIVE COMMITTEE MEETING	100.00
	12/8/2008	BOARD AGENDA REVIEW	100.00
	12/9/2008	CSDA BOARD MEETING	100.00
	12/10/2008	MEETING WITH MAYOR SANDERS	100.00
	12/12/2008	LEGAL AND LEGISLATIVE COMMITTEE MEETING	100.00
	12/15/2008	REGULAR BOARD OF DIRECTORS MEETING	100.00
	11/4/2008	BOARD AGENDA REVIEW	100.00
	2/4/2009	REGULAR BOARD OF DIRECTORS MEETING	100.00
	2/11/2009	WATER CONSERVATION JPIA MONTHLY MEETING	100.00
	2/19/2009	CSDA QUARTERLY MEETING	100.00
	1/23/2009	FINANCE AND ADMINISTRATIVE COMMITTEE MEET	100.00
	1/26/2009	ENGINEERING, OPERATION & WATER RESOURCE COMMITTEE MEETING	100.00
	2/3/2009	CSDA BOARD MEETING	100.00
	3/4/2009	REGULAR BOARD OF DIRECTORS MEETING	100.00
	3/10/2009	TOUR CIP PROJECT 850-4 RESERVOIR	100.00
	3/12/2009	ENGINEERING, OPERATION & WATER RESOURCE COMMITTEE MEETING	100.00
	3/26/2009	SPECIAL DISTRICTS ASSOCIATION MEETING	100.00
	1/17/2009	REGULAR BOARD OF DIRECTORS MEETING	100.00
	2/20/2009	ENGINEERING, OPERATION & WATER RESOURCE COMMITTEE MEETING	100.00
	2/23/2009	ACWA LEGISLATIVE WORKSHOP	100.00
	2/24/2009	ACWA LEGISLATIVE WORKSHOP	100.00
	2/25/2009	ACWA LEGISLATIVE WORKSHOP	100.00

**OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2008 THROUGH MARCH 31, 2009**

DIRECTOR'S NAME: CROUCHER, GARY

**ATTACHMENT F
SECTION F**

Account Name	Date	Descriptions	Amount
Director's Fee	2/27/2009		
	3/11/2009	JAMUL CHAMBER OF COMMERCE MEETING	100.00
		WATERREUSE MEETING AT OTAY WATER DISTRICT	100.00
Director's Fee Total			4,300.00
Mileage - Business	9/31/2008		
		MEETING - SEPT. 4 & 6, 2008	105.30
Mileage - Business Total			105.30
Seminars and conferences	9/5/2008		
		REGISTRATION FEE - SPECIAL DISTRICT AND LOCAL GOVERNMENT INSTITUTE SEPT. 4-6, 2008	735.00
	2/23/2009		
		MEAL - PER DIEM	61.00
		REGISTRATION FEE - ACWA LEGISLATIVE WORKSHOP	565.00
	2/24/2009		
		MEAL - PER DIEM	61.00
Seminars and conferences Total			1,422.00
Travel	12/8/2008		
		HOTEL - SPECIAL DISTRICT LOCAL GOVERNMENT INSTITUTE FINANCE CONFERENCE FALL CONFERENCE SEPT. 3 - 6, 2008	607.95
	2/23/2009		
		AIRFARE - WASHINGTON ATTENDED ACWA LEGISLATIVE WORKSHOP	361.20
	2/24/2009		
		TRANSPORTATION - HOTEL TO CONFERENCE	8.00
	2/25/2009		
		SHUTTLE-HOTEL TO BALTIMORE/WASHINGTON AIRPORT	23.37
	2/21/2009		
		SHUTTLE-BALTIMORE/WASHINGTON AIRPORT TO HOTEL	20.33
Travel Total			1,020.85
Grand Total			\$ 6,888.15

**OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2008 THROUGH MARCH 31, 2009**

DIRECTOR'S NAME: LOPEZ, JOSE

**ATTACHMENT G
SECTION G**

Account Name	Date	Descriptions	Amount
Business meetings			
	9/18/2008		
	11/20/2008	CALIFORNIA SPECIAL DISTRICTS	\$ 37.00
	2/19/2009	CALIFORNIA SPECIAL DISTRICTS	37.00
		CALIFORNIA SPECIAL DISTRICTS	37.00
Business meetings Total			111.00

Director's Fee

7/22/2005	ENGINEERING, OPERATION & WATER RESOURCE COMMITTEE MEETING	100.00
8/4/2008	CITY OF CHULA VISTA INTERAGENCY WATER TASK FORCE	100.00
8/6/2008	REGULAR BOARD OF DIRECTORS MEETING	100.00
8/22/2008	ENGINEERING, OPERATION & WATER RESOURCE COMMITTEE MEETING	100.00
9/3/2008	REGULAR BOARD OF DIRECTORS MEETING	100.00
9/17/2008	ENGINEERING, OPERATION & WATER RESOURCE COMMITTEE MEETING	100.00
9/18/2008	SPECIAL BOARD OF DIRECTORS MEETING	100.00
10/9/2008	REGULAR BOARD OF DIRECTORS MEETING	100.00
10/16/2008	DEVELOPERS/BUSINESS MEETING	100.00
10/27/2008	CHULA VISTA WATER AGENCIES TASK FORCE MEETING	100.00
11/3/2008	ENGINEERING, OPERATION & WATER RESOURCE COMMITTEE MEETING	100.00
11/13/2008	REGULAR BOARD OF DIRECTORS MEETING	100.00
11/20/2008	ENGINEERING, OPERATION & WATER RESOURCE COMMITTEE MEETING	100.00
12/12/2008	ENGINEERING, OPERATION & WATER RESOURCE COMMITTEE MEETING	100.00

**OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2008 THROUGH MARCH 31, 2009**

DIRECTOR'S NAME: LOPEZ, JOSE

**ATTACHMENT G
SECTION G**

Account Name	Date	Descriptions	Amount
Director's Fee	12/15/2008		
	12/19/2008	REGULAR BOARD OF DIRECTORS MEETING	100.00
		MEETING WITH ASSEMBLYWOMAN MARY SALAS REGARDING WATER ISSUES	100.00
	1/7/2009		
	2/4/2009	REGULAR BOARD OF DIRECTORS MEETING	100.00
	2/11/2009	REGULAR BOARD OF DIRECTORS MEETING	100.00
	2/19/2009	STATE OF THE SD COUNTY ADDRESS	100.00
		FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	1/23/2009		
		FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	2/2/2009		
		AD HOC - MEETING WITH BOB FILNER	100.00
	3/3/2009		
		MEETING WITH GENERAL MANAGER & BOARD PRE	100.00
	3/4/2009		
		REGULAR BOARD OF DIRECTORS MEETING	100.00
	3/10/2009		
		SPECIAL BOARD OF DIRECTORS MEETING	100.00
	3/17/2009		
		5TH WORLD WATER FORUM	100.00
	3/26/2009		
		WEF BINATIONAL DROUGHT SCIENCE CONFERENC	100.00
	3/27/2009		
		WEF BINATIONAL DROUGHT SCIENCE CONFERENC	100.00
	3/30/2009		
		QUARTERLY CHULA VISTA WATER TASK FORCE	100.00
	3/5/2009		
		FINANCE AND ADMINISTRATIVE COMMITTEE MEET	100.00
	3/16/2009		
		5TH WORLD WATER FORUM	100.00
	3/18/2009		
		5TH WORLD WATER FORUM	100.00
Director's Fee Total			3,200.00

**OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2008 THROUGH MARCH 31, 2009**

DIRECTOR'S NAME: LOPEZ, JOSE

**ATTACHMENT G
SECTION G**

Account Name	Date	Descriptions	Amount
Mileage - Business			
	9/18/2008		
		MEETING - SEPT. 18, 2008	22.23
	11/20/2008		
		MEETING - NOV. 20, 2008	22.23
	12/19/2008		
		MEETING - DEC. 16, 2009	9.36
	2/11/2009		
		MEETING - FEBRUARY 11, 2009	13.20
	3/31/2009		
		MEETING - MARCH 26 & 27, 2009	46.20
Mileage - Business Total			113.22
Mileage - Commuting			
	8/6/2008		
		MEETING - AUGUST 6, 2008	11.70
	9/3/2008		
		MEETING - SEPT. 3, 2008	11.70
	10/16/2008		
		MEETING - OCT. 16, 2008	11.70
	11/20/2008		
		MEETING - NOV. 13 & 20, 2008	23.40
	12/15/2008		
		MEETING - DEC. 15, 2008	11.70
	1/7/2009		
		MEETING - JANUARY 7, 2009	11.00
	2/4/2009		
		MEETING - FEBRUARY 4, 2009	11.00
	3/31/2009		
		MEETING - MARCH 4 & 10, 2009	22.00
Mileage - Commuting Total			114.20
Seminars and conferences			
	3/26/2009		
		REGISTRATION FEE - 2009 BINATIONAL DROUGHT SCIENCE CONFERENCE	200.00
	3/23/2009		
		REGISTRATION FEE - WORLD WATER FORUM	659.26
Seminars and conferences Total			859.26
Travel			
	3/31/2009		
		HOTEL - MARCH 15 - 22, 2009 ATTENDED WORLD	2,112.00
	3/14/2009		
		AIRFARE - WORLD WATER FORUM	1,151.31
Travel Total			3,263.31
Total			\$ 7,681.99

**OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2008 THROUGH MARCH 31, 2009**

DIRECTOR'S NAME: ROBAK, MARK

**ATTACHMENT H
SECTION H**

Account Name	Date	Descriptions	Amount
Business meetings			
	11/20/08		
	12/12/08	CSDA BOARD MEETING	\$ 37.00
	02/19/09	REGISTRATION FEE - RANCHO SAN DIEGO-JAMUL	15.00
		CALIFORNIA SPECIAL DISTRICTS	37.00
Business meetings Total			89.00
Director's Fee			
	07/02/08		
	07/09/08	REGULAR BOARD OF DIRECTORS MEETING	100.00
	07/21/08	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	08/06/08	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	08/20/08	REGULAR BOARD OF DIRECTORS MEETING	100.00
	08/21/08	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	08/21/08	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	09/03/08	REGULAR BOARD OF DIRECTORS MEETING	100.00
	09/10/08	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	09/15/08	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	09/18/08	SPECIAL BOARD OF DIRECTORS MEETING	100.00
	09/19/08	ANNUAL JOINT MEETING WITH BOARD OF DIRECTORS FROM HELIX, LAKESIDE, PADRE DAM & SWEETWATER	100.00
	10/07/08	WATER CONSERVATION GARDEN AUDIT COMMITTEE MEETING	100.00
	10/08/08	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	10/09/08	REGULAR BOARD OF DIRECTORS MEETING	100.00

**OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2008 THROUGH MARCH 31, 2009**

DIRECTOR'S NAME: ROBAK, MARK

**ATTACHMENT H
SECTION H**

Account Name	Date	Descriptions	Amount
	10/28/08	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	11/12/08	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	11/13/08	REGULAR BOARD OF DIRECTORS MEETING	100.00
	12/01/08	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	12/02/08	ANNUAL LUNCHEON RECOGNIZING NON-PROFIT INNOVATION & EXCELLENCE - ATTENDED WITH GARDEN EXECUTIVE DIRECTOR	100.00
	12/03/08	ASSOCIATION OF CALIFORNIA WATER AGENCIES - LONG BEACH	100.00
	12/04/08	ASSOCIATION OF CALIFORNIA WATER AGENCIES - LONG BEACH	100.00
	12/05/08	ASSOCIATION OF CALIFORNIA WATER AGENCIES - LONG BEACH	100.00
	12/09/08	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	12/10/08	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	12/15/08	REGULAR BOARD OF DIRECTORS MEETING	100.00
	01/07/09	REGULAR BOARD OF DIRECTORS MEETING	100.00
	01/08/09	ECONOMIC TRENDS EVENT- TOWN & COUNTRY CONVENTION CENTER	100.00
	02/04/09	REGULAR BOARD OF DIRECTORS MEETING	100.00
	02/09/09	WATER CONSERVATION GARDEN - COX CONSERVES HEROES EVENT	100.00
	02/11/09	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	02/19/09	CSDA BOARD MEETING	100.00
	03/04/09	REGULAR BOARD OF DIRECTORS MEETING	100.00

**OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2008 THROUGH MARCH 31, 2009**

DIRECTOR'S NAME: ROBAK, MARK

**ATTACHMENT H
SECTION H**

Account Name	Date	Descriptions	Amount
Director's Fee	03/24/09		
	03/11/09	CALIFORNIA WATERREUSE ASSOCIATION	100.00
		WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	03/23/09		
	03/22/09	CALIFORNIA WATERREUSE ASSOCIATION	100.00
	03/20/09	CALIFORNIA WATERREUSE ASSOCIATION	100.00
		WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
Director's Fee Total			3,700.00
Mileage - Business			
	9/31/2008		
		MEETING - SEPT. 6,10,15,18 & 19, 2008	21.65
	07/31/08		
		MEETING - JULY 2, 9 & 21, 2008	15.21
	08/31/08		
		MEETING - AUGUST 6, 20 & 21 2008	9.36
	10/31/08		
		MEETING - OCT. 7, 8, 9 & 28, 2008	17.55
	11/30/08		
		MEETING - NOV. 12, 13, & 20, 2008	23.99
	12/31/08		
		MEETING - DEC. 1, 2, 3, 5, 9, 10 & 15, 2008	181.35
	02/28/09		
		MEETING - FEBRUARY 4, 9, 11 & 19, 2009	74.80
	03/31/09		
		MEETING - MARCH 4, 11, 20, 22, 23 & 24, 2009	34.10
	01/31/09		
		MEETING - JANUARY 7 & 8, 2009	19.25
Mileage - Business Total			397.25
Mileage - Commuting			
	9/31/2008		
		MEETING - SEPT. 3 & 15, 2008	4.68
	07/31/08		
		MEETING - JULY 4, 2008	2.34
	08/31/08		
		MEETING - AUGUST 6 & 20, 2008	4.68
	10/31/08		
		MEETING - OCT. 9 & 28, 2008	4.68
	11/13/08		
		MEETING - NOV. 13, 2008	2.34
	12/31/08		
		MEETING - DEC. 1, 9, & 15, 2008	7.02
	1/7/2009		
		MEETING - JANUARY 7, 2009	2.20
	02/04/09		
		MEETING - FEBRUARY 4, 2009	2.20
	03/31/09		
		MEETING - MARCH 4, 2009	2.20
Mileage - Commuting Total			32.34

**OTAY WATER DISTRICT
SUMMARY - BOARD OF DIRECTORS EXPENSES
FOR THE PERIOD JULY 1, 2008 THROUGH MARCH 31, 2009**

DIRECTOR'S NAME: ROBAK, MARK

**ATTACHMENT H
SECTION H**

Account Name	Date	Descriptions	Amount
Seminars and conferences			
	09/26/08		
	12/05/08	RANCHO SAN DIEGO-JAMUL MEETING	10.00
	03/23/09	2008 ACWA FALL CONFERENCE DEC. 2-5, 2008	628.00
		REGISTRATION FEE - WATERREUSE CONFERENCE	400.00
Seminars and conferences Total			1,038.00
Travel			
	12/08/08		
		HOTEL - ACWA FALL CONFERENCE LONG BEACH CA ON DEC 3-6, 2008	510.90
	3/24/2009		
		SHUTTLE HOTEL TO AIRPORT	20.00
		AIRPORT PARKING	22.00
	03/22/09		
		SHUTTLE AIRPORT TO HOTEL	20.00
		AIRFARE - SAN FRANCISCO ATTENDED WATERREUSE CONFERENCE	155.20
		HOTEL - 3/22/09-3/24/09 WATERREUSE CONFERENCE	505.90
Travel Total			1,234.00
			\$ 6,490.59



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

Pay To: Larry Breitfelder

Period Covered:

Employee Number: 7013

From: 1-1-09 To: 1-31-09

ITEM	DATE	MEETING	PURPOSE / ISSUES DISCUSSED	MILEAGE HOME to OWD OWD to HOME	MILEAGE OTHER LOCATIONS
	1-2	CV Tax Forum			
*	1-7	owd Bod		30	
	1-9	F.C.			
	1-12	AHC			
	1-13	CV State of Chamber Addr.			
	1-20	CV City Council Mtg			
	1-21	owd Employee Reception			
	1-23	CV TAVA			
	1-24	FRA			
*	1-26	owd Engineering		30	
	1-28	RWF			
	1-28	CV Chamber PP Comm.			

Total Meeting Per Diem: \$ 200.00
(\$100 per meeting)

Total Mileage Claimed: 60 miles

Dir. Breitfelder is not requesting reimbursement for the month of Jan. This is to file for the record.

[Signature]
(Director's Signature)

GM Receipt: _____

Date: _____

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$ _____

INSTRUCTIONS ON REVERSE

[Handwritten notes and signatures]
4-9-09



AB0000-1B1000-2101-528171 500.00
 AB0000-1B1000-2101-521102 10.50 EXHIBIT B

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

Pay To: Larry Breitfelder

Period Covered:

Employee Number: 7013

From: 2-1-09 To: 2-30-09

✓*
✓*
✓*
✓*
✓*

ITEM	DATE	MEETING	PURPOSE / ISSUES	MILEAGE HOME to OWD OWD to HOME	MILEAGE OTHER LOCATIONS
	2-3	CSDA Board Mtg	DISCUSSED		40
	2-4	OWD B.O.D		30	
	2-4	AMC			
	2-7	FRA			
	2-10	Crauder / Water mtg.			38
	2-11	State of County Address	Per Diem 0.*		
	2-17	Council of Water Units	5.*		84
	2-19	CSDA	100.00 =		
	2-22	PTF HOPE	500.00* †		
	2-25	CVCH PP Comm.	Mileage 0.*		
			30.*		
			0.55 =		
			16.5* †		

10 - 5

Total Meeting Per Diem: \$ 400.00 500.-

Total Mileage Claimed: 192 miles

(Director's Signature)

GM Receipt: [Signature]

Date: 2/9/09

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$ _____

INSTRUCTIONS ON REVERSE

AB 000-1B1000-2101-528101 11,000.00

AB 000-1B1000-2101-521102 6.00



EXHIBIT B

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

Pay To: Larry Breitfelder

Period Covered:

Employee Number: 7013

From: 3-1-09 To: 3-31-09

ITEM	DATE	MEETING	PURPOSE / ISSUES DISCUSSED	MILEAGE HOME to OWD OWD to HOME	MILEAGE OTHER LOCATIONS
✓*	3-2	GPAO			
✓*	3-9	CAC			
✓*	3-9	CAC			40
✓*	3-10	owd Intra Tour	(850-4 Res Tour)	30	
✓*	3-12	owd Eng Comm		30	
	3-12	mtg w/ C.V. Mayor			
✓*	3-17	Council of Water Units			84
✓*	3-24	CAC		34	40
	3-25	RWF			
✓*	3-26	Int'l Water Seminar	(Bi-national conf. on drought)		40
✓*	3-27	Int'l Water Seminar	↓		40
	3-31	GPAO			
✓*	3-30	OWD Finance Committee		30	
✓*	3-3	CSDA Board mtg.			
✓*	3-4	owd BoD		30	

Total Meeting Per Diem: \$ ~~800.00~~ 1,000.00
(\$100 per meeting)

Total Mileage Claimed: 364 miles

Larry Breitfelder
(Director's Signature)

Date: 4/2/09

GM Receipt: [Signature]

FOR OFFICE USE: TOTAL M

per Diem 0.00
10.00
100.00
1,000.00
Mileage 0.00
30.00
30.00
30.00
30.00
120.00
120.00
0.55
66.00



AB000. 1B3000. 2101. 528101

300.00

EXHIBIT B

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

Pay To: Gary Croucher

Period Covered:

Employee Number: 7011

From: 01/01/09 To: 01/31/09

Table with columns: ITEM, DATE, MEETING, PURPOSE / ISSUES DISCUSSED, MILEAGE HOME to OWD, MILEAGE OWD to HOME, MILEAGE OTHER LOCATIONS. Includes handwritten checkmarks and calculations.

Per items

0 * A
0 * *
3 * x
100 * =
300 * 00 * X

6-3

Total Meeting Per Diem: \$300 (\$100 per meeting)

Total Mileage Claimed: 0 miles

Handwritten signature of Gary Croucher

(Director's Signature)

Receipt GM Approval: [Signature]

Date: 2/6/2009

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$

Handwritten notes: 2-10-09



AB000-133000 2101 528101

900.00

EXHIBIT B

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

Pay To: Gary Croucher

Period Covered:

Employee Number: 7011

From: 02/01/09 To: 02/28/09

Table with columns: ITEM, DATE, MEETING, PURPOSE / ISSUES DISCUSSED, MILEAGE HOME to OWD OWD to HOME, MILEAGE OTHER LOCATIONS. Contains 9 rows of meeting data.

Per Diem

0.*
9.*
100.00=
900.00*

\$900

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

Total Mileage Claimed: 0 miles

Receipt GM Approval:

[Signature]

(Director's Signature)

[Signature]

Date: 3/9/09

3/17/09

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$

11-9

* per Sec 16.0 on 3-16-09

09 MAR 11 AM 10:21

3-16-09



AB000-1B3000-2101-528101

500.00

EXHIBIT B

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

Pay To: Gary Croucher

Period Covered:

Employee Number: 7011

From: 03/01/09 To: 03/31/09

Table with columns: ITEM, DATE, MEETING, PURPOSE / ISSUES DISCUSSED, MILEAGE HOME to OWD OWD to HOME, MILEAGE OTHER LOCATIONS. Contains 5 rows of meeting data.

Per Diem

0.*

5.*

100.00 =

500.00*

0.*

6-5

Total Meeting Per Diem: \$500 (\$100 per meeting)

Total Mileage Claimed: 0 miles

Director's Signature

(Director's Signature)

Date: 4/3/09

Receipt GM Approval: [Signature]

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$

4/14/09

4-809



AB000-34000-2101-528101 200.00
 AB000-134000-2101-521102 EXHIBIT B 11.00

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

Pay To: Jose Lopez

Period Covered:

Employee Number: 7010

From: 01/01/09 To: 01/31/09

ITEM	DATE	MEETING	PURPOSE / ISSUES DISCUSSED	MILEAGE HOME to OWD OWD to HOME	MILEAGE OTHER LOCATIONS
✓ 1.	01/07 ⁰⁷	OWD	Board Meeting	20	
✓ 2.	01/23	OWD	Finance/Administration Committee meeting	0	
3.					
4.					
5.					
6.					
7.					
8.					
9.				0.*	
10.				2.*	
11.				100.00=	
12.				200.00* ✓	
13.				0.*	
14.				20.*	
15.				0.55=	
16.				11.00* ✓	
17.					
18.					

Per Diem

Mileage

Total Meeting Per Diem: \$ 200.-
 (\$100 per meeting)

Total Mileage Claimed: 20 miles


 (Director's Signature)

GM Receipt: 

Date: 2/11/09

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$ _____

09 MAR 16 AM 11:27 ✓

3-16-09



AB000. 1B4000. 2101. 5281 01 400.00
 AB000. 1B4000. 2101. 521102 EXHIBIT/B

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

Pay To: Jose Lopez

Period Covered:

Employee Number: 7010

From: 02/01/09 To: 02/28/09

*OK
m-pres GAO*

ITEM	DATE	MEETING	PURPOSE / ISSUES DISCUSSED	MILEAGE HOME to OWD OWD to HOME	MILEAGE OTHER LOCATIONS
1.	02/02	OWD	AdHoc Int. Issues meeting w/Bob Filner	0	
2.	02/04	OWD	Regular Board Meeting	20	
3.	02/11	Cuyamaca Col	State of the SD County Address		24
4.	02/19	OWD	Finance/Admin Committee Meeting	0	
5.					
6.					
7.					
8.					
9.					
10.				0.*	
11.				4.*	
12.				100.00=	
13.				400.00*	
14.				0.*	
15.				20.*	
16.				0.55=	
17.				11.00*	
18.					

Per Diem

Mileage

Total Meeting Per Diem: \$ 400. —
 (\$100 per meeting)

Total Mileage Claimed: 44 miles

Jose Lopez
 (Director's Signature)

GM Receipt: *[Signature]*

Date: 2/11/09

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$ _____

3-16-09



EXHIBIT B

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

Pay To: Jose Lopez

Period Covered:

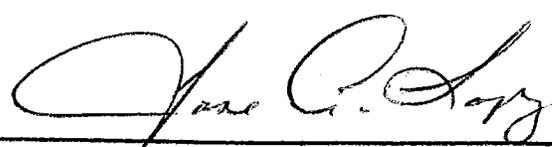
Employee Number: 7010

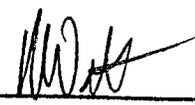
From: 03/01/09 To: 03/31/09

ITEM	DATE	MEETING	PURPOSE / ISSUES DISCUSSED	MILEAGE HOME to OWD OWD to HOME	MILEAGE OTHER LOCATIONS
✓ 1.	03/03	OWD	Mtg with General Manager & Board President		0
✓ 2.	03/04	OWD	Regular Board meeting	20	
✓ 3.	03/05	OWD	Finance & Administration Committee Meeting	10	
✓ 4.	03/10	OWD	850-4 Reservoir Tour	20	
✓ 5.	03/16	Conference	5 th World Water Forum		0
✓ 6.	03/17	Conference	5 th World Water Forum		0
✓ 7.	03/18	Conference	5 th World Water Forum		0
✓ 8.	03/26	BDSC	Binational Drought Science Conference		42
✓ 9.	03/27	BDSC	Binational Drought Science Conference		42
✓ 10.	03/30	CVWTF	Quarterly Chula Vista Water Task Force		0
11.					
12.					
13.					
14.					
15.					
16.					
17.					
18.					

Total Meeting Per Diem: \$ 1000 ✓ @ 1000.-
(S100 per meeting)

Total Mileage Claimed: 0 miles


(Director's Signature)

GM Receipt: 

Date: 5.15.09

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$ _____

AB000-1B5000-2101-528101

400.00

AB000-1B5000-2101-521119

2.20



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

Pay To: Mark Robak

Period Covered:

Employee Number: 70140209

From: 2-1-09 To: 2-28-09

3217 Fair Oaks Lane, Spring Valley, CA 91978

Table with 6 columns: ITEM, DATE, MEETING, PURPOSE / ISSUES DISCUSSED, MILEAGE HOME to OWD OWD to HOME, MILEAGE OTHER LOCATIONS. Contains 8 rows of meeting data.

Total Meeting Per Diem: \$400 (\$100 per meeting)

Total Mileage Claimed: 140

Receipt GM Approval: [Signature]

FOR OFFICE USE: TOTAL MIL

Per Diem

Mileage

Handwritten calculations: 0.* 4.* 100.* 400.00* X 0.* 4.* 0.55= 2.20* 0.*

Mark Robak

(Director's Signature)

Date: 3/5/2009

[Signature] 3/17/09

3-16-09

8-4

OTAY WATER DISTRICT



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

Pay To: Mark Robak

Period Covered:

Employee Number: 70140309

From: 3-1-09 To: 3-31-09

3217 Fair Oaks Lane, Spring Valley, CA 91978

ITEM	DATE	MEETING	PURPOSE / ISSUES DISCUSSED	MILEAGE	
				HOME to OWD OWD to HOME	OTHER LOCATIONS
1	3-2	Lunch with Yen Tu	Discuss Water Conservation Garden Issues - No Charge	0	0
2	3-4	RSD-Jamul Chamber of Commerce	Networking Lunch - No Charge	0	0
✓ 3	3-4	Monthly Otay Board Meeting	General District Business	4	6
4	3-10	Tour of 850-4 Reservoir Site	Review construction progress - No Charge	0	0
5	3-11	San Diego Water ReUse Chapter Meeting	Monthly meeting hosted by Otay - No Charge	0	0
✓ 6	3-11	Water Conservation Garden	Monthly Meeting / General Business (See Exhibit A - Agenda)	0	9
✓ 7	3-20	Water Conservation Garden	Budget Meeting Ad-Hoc Committee	0	9
✓ 8	3-22	California Water ReUse Association	Annual Conference - San Francisco (See Exhibit B - Sessions)	0	19
✓ 9	3-23	California Water ReUse Association	Annual Conference - San Francisco	0	0
✓ 10	3-24	California Water ReUse Association	Annual Conference - San Francisco	0	19
				4	62

10-6

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

Total Mileage Claimed: 66 miles

Mark Robak

(Director's Signature)

Receipt: *[Signature]*
GM Approval: _____

Date: 5.7.2009

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$ _____



AGENDA ITEM 4

STAFF REPORT

TYPE MEETING:	Administration, Finance, and Communications Committee	MEETING DATE:	May 18, 2009
SUBMITTED BY:	Armando Buelna <i>AB</i> Communications Officer	W.O./G.F. NO:	DIV. NO.
APPROVED BY: (Chief)			
APPROVED BY: (Asst. GM):			
SUBJECT:	Review of the 2009 Consumer Confidence Report		

GENERAL MANAGER'S RECOMMENDATION:

That the Administration, Finance, and Communications Committee review and provide direction on the 2009 Consumer Confidence Report.

COMMITTEE ACTION: _____

See Attachment A

PURPOSE:

To solicit input/direction from the Administration, Finance, and Communications Committee on the Otay Water District's 2009 Consumer Confidence Report.

ANALYSIS:

In 1996, Congress amended the Safe Drinking Water Act adding a requirement that water systems deliver to their customers a brief water quality report. The requirement is also found in the California Health and Safety Code Section 116470 (Title 22, Chapter 15, Article 20). To catch the customer's attention, the annual water quality report can also be called a Consumer Confidence Report (CCR).

The rationale for CCRs is that consumers have the right to know what is in their water and where it comes from. The reports are intended to help consumers make informed decisions that affect the health and safety of themselves and their families. Because educated consumers are more likely to help protect their drinking water sources and to understand the true costs of safe

drinking water, the reports encourage consumers to consider the challenges of delivering safe drinking water.

The CCR is based on calendar year data and must include information on the source water, the levels of any detected contaminants, compliance with drinking water regulations, and educational material. The CCR must be delivered to customers by July 1, 2009.

The Otay Water District's 2009 Consumer Confidence Report meets the requirements of the California Department of Public Health's 2009 Guidance Manual with a minimum of frills. The document will consist of two 17" x 11" sheets of 80 lb. matte paper folded-down to letter size. This is an appropriate weight of paper that accepts a four-color printing process, and can be readily processed by the Post Office. Lighter weight papers may not accept the ink as well and could potentially generate additional postage charges since the Post Office may experience difficulty processing very light weight papers.

In addition to mailing the CCR to customers, copies will be delivered to local libraries and community centers, and an electronic version will be posted to the District's website.

FISCAL IMPACT:



The cost for printing and mailing the 2009 Consumer Confidence Report is approximately \$18,300 (Printing \$8,800, Postage \$6,800, and handling charges estimated at \$2,700). Based on a review of the Operating Budget by the Communications Officer, funds are available and sufficient for this expense.

LEGAL IMPACT:



General Manager

Attachment A -

Attachment B - Draft 2009 Consumer Confidence Report



ATTACHMENT A

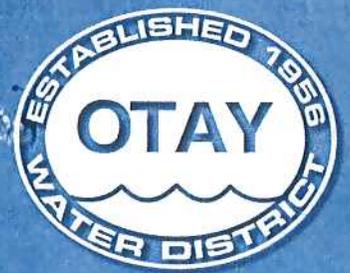
SUBJECT/PROJECT:	Review of the 2009 Consumer Confidence Report
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COMMITTEE ACTION:

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for board approval. This report will be sent to the Board as a committee approved item, or modified to reflect any discussion or changes as directed from the committee prior to presentation to the full board.

Consumer Confidence Report 2009





The Otay Water District is pleased to provide you with your annual consumer confidence report. This brochure is a snapshot of last year's water quality. Included are details about where your water comes from, what it contains and how it compares to state standards.

The information included in this water quality report represents only a small fraction of what we do to ensure high quality drinking water. Using state certified laboratories, we routinely scrutinize the water supply for an entire range of elements that have the potential to degrade the quality of your water.

As in years past, your tap water met all U.S. Environmental Protection Agency (USEPA) and State of California drinking water health standards. The Otay Water District vigilantly safeguards its water supplies and once again we are proud to report that our system has never violated a maximum contaminant level or any other water quality standard.

Your Consumer Confidence Report

Sources

The Otay Water District imports an average of 85 percent of its water. This imported water is provided by the San Diego County Water Authority, which purchases water from the Metropolitan Water District of Southern California. Imported water is a blend of Colorado River water and State Water Project water. The Otay Water District also purchases treated water from the City of San Diego and the Helix Water District.

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include:

- Microbial contaminants, such as viruses and bacteria that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- Inorganic contaminants, such as salts and metals, that can be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- Pesticides and herbicides that may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses.
- Organic chemical contaminants, including synthetic and volatile organic chemicals that are byproducts of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, agricultural application, and septic systems.
- Radioactive contaminants that can be naturally-occurring or be the result of oil and gas production and mining activities.





Safety

In order to ensure that tap water is safe to drink, the USEPA and the State Department of Public Health (Department) prescribe regulations that limit the amount of certain contaminants in water provided by public water systems. Department regulations also establish limits for contaminants in bottled water that must provide the same protection for public health.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the USEPA's Safe Drinking Water Hotline 1-800-426-4791 or online at www.epa.gov/safewater/hfacts.html.

Some people may be more vulnerable to contaminants in drinking water than the general population. Immunocompromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. USEPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by Cryptosporidium and other microbial contaminants are available from the Safe Drinking Water Hotline (1-800-426-4791).

Conservation *It's Easy to Conserve!*

San Diego County has a semi-arid climate that receives only about 10 inches of rainfall per year. This does not provide enough water to meet local needs and the region must import as much as 90 percent of its water from the Colorado River and Northern California. To maintain our quality of life and ensure adequate water supplies now and for future generations, San Diego County residents are encouraged to make a conscious effort to use our limited supply of water as efficiently as possible.

The Otay Water District offers a number of programs to save water both indoors and outdoors. For water wise landscaping tips, visit the Water Conservation Garden at Cuyamaca College or go to www.thegarden.org. For useful ways to conserve water around the house visit our website at www.otaywater.gov and click on conservation.

The Truth about Tap

BELIEFS — Surveys have found that most consumers who drink bottled water do so because they enjoy its taste or its portable convenience. Others drink bottled water because they believe it to be more pure or safer than their tap water.



THE TRUTH — Did you know that the average bottle of water can cost up to 1,000 times more than tap water? Despite what its higher cost would lead us to believe, estimates are that 25- 40% of the bottled water on the market is simply repackaged tap water.

Tap water is regulated by the Environmental Protection Agency (EPA) under the Safe Drinking Water Act, while bottled water is considered a food and is thus regulated by the Food and Drug Administration (FDA). Though some bottlers may voluntarily exceed FDA standards, those standards are less stringent than the EPA standards for tap water. For more information, visit www.DrinkTap.org.

YOUR OPTIONS — During these economically sensitive times, it's important to know that you have other, more affordable, options to bottled water.

Chill a pitcher of tap water in your refrigerator

- To enhance the taste of tap water, one simple suggestion is to leave an open pitcher in the refrigerator overnight. The exposure to the air allows the small amount of chlorine, which is added to all tap water to ensure adequate disinfection and maintain high quality, to evaporate. Using the chilled water pitcher with refillable water bottles or thermoses allows for an inexpensive way to achieve portability and a refreshing taste.

Water Filtration Systems

- Another possibility is to install a home water filter system. These systems are convenient, easy to use, and enhance the taste of water. These systems achieve the same desired results, while still costing a fraction of the price of bottled water.

For more information on California state certified water filtration systems, click on the Devices and Machines link under the Certificates and Licenses section of the California Department of Public Health website, www.cdph.ca.gov.



2009 Otay Water District Consumer Confidence Report

PARAMETER	UNITS	STATE OR FEDERAL MCL (MRDL)	PHG (MCLG) (MRDLG)	STATE DLR	RANGE AVERAGE	SKINNER PLANT	HELIX PLANT	TWIN OAKS PLANT	MAJOR SOURCES IN DRINKING WATER
Percent State Project Water	%	NA	NA	NA	Range	20-42	0-54	20-42	
					Average	31	29	31	
PRIMARY STANDARDS--Mandatory Health-Related Standards									
CLARITY									
Combined Filter Effluent Turbidity	NTU %	0.3 95 (a)	NA	NA	Highest % < 0.3	0.08 100	0.08 100	0.08 100	Soil runoff
MICROBIOLOGICAL									
Total Coliform Bacteria (b)	Distribution System-wide:		(0)	NA	Otay Distribution System = 0.1%			Naturally present in the environment	
	%	5.0							
E. coli	Distribution System-wide:		(0)	NA	Otay Distribution System = 0%			Human and animal fecal waste	
	(c)	(c)							
INORGANIC CHEMICALS									
Aluminum (d)	ppb	1000	600	50	Range	ND	120 - 300	ND - 28	Residue from water treatment process; natural deposits erosion
					Average	ND	188	ND	
Arsenic	ppb	10	0.004	2	Range	ND	ND-2.1	ND	Natural deposits erosion, glass and electronics production wastes
					Average	ND	ND	ND	
Barium	ppb	1000	2000	100	Range	ND-115	ND-110	100	Oil and metal refineries discharge; natural deposits erosion
					Average	107	103	100	
Fluoride Treatment-related	ppm	2.0	1	0.1	Control Range	0.7 - 1.3	0.7 - 1.3	0.7 - 1.3	Water additive
					Optimal Level	0.8	0.8	0.8	
					Range	0.7 - 1.0	0.4 - 1.0	0.8 - 0.9	
					Average	0.8	0.9	0.8	
Nitrate (as N)	ppm	10	10	0.4	Range	ND - 0.5	ND	ND	Runoff and leaching from fertilizer use; septic tank and sewage; natural deposits erosion
					Average	ND	ND	ND	
RADIOLOGICALS									
Gross Alpha Particle Activity	pCi/L	15	(0)	3	Range	3.3 - 4.3	3.2-5.4	ND	Erosion of natural deposits
					Average	3.6	4.6	ND	
Gross Alpha Particle Activity (e)	pCi/L	50	(0)	4	Range	ND - 8.8	NA	ND	Decay of natural and man-made deposits
					Average	ND	NA	ND	
Radium 228	pCi/L	NA	0.019	1	Range	ND	ND	1.12	Erosion of natural deposits
					Average	ND	ND	1.12	
Uranium	pCi/L	20	0.43	1	Range	2.3 - 2.7	1.6-4.6	1.9	Erosion of natural deposits
					Average	2.5	3.1	1.9	
DISINFECTION BY-PRODUCTS, DISINFECTANT RESIDUALS, AND DISINFECTION BY-PRODUCTS PRECURSORS									
Total Trihalomethanes (TTHM)	ppb	Distribution System-wide:		1	Otay Distribution System Range = 33 - 51			By-product of drinking water chlorination	
		80	NA		Otay Distribution System Highest RAA Average = 50				
Haloacetic Acids (five) (HAA5)	ppb	Distribution System-wide:		1	Otay Distribution System Range = 7 - 19			By-product of drinking water chlorination	
		60	NA		Otay Distribution System Highest RAA Average = 18				
Total Chlorine Residual	ppm	Distribution System-wide:		NA	Otay Distribution System Range = 0.2 - 4.0			Drinking water disinfectant added for treatment	
		[4.0]	[4.0]		Otay Distribution System Highest RAA Average = 2.5				
DBP Precursors Control (TOC) (h)	ppm	TT	NA	0.30	Range	1.9 - 2.5	2.0 - 2.9	1.9 - 2.7	Various natural and man-made sources
					Average	2.2	2.1	2.3	
PRIMARY STANDARDS — LEAD AND COPPER RULE — SAMPLED AT HOME TAP IN 2008									
Copper (s)	ppm	NL=1.3	0.17	0.05	0 sites above NL out of 54 sampled			Internal corrosion of household pipes; erosion of natural deposits	
					90th percentile=0.33				
Lead (s)	ppb	NL=15	2	5	0 sites above NL out of 54 sampled			Internal corrosion of household pipes; erosion of natural deposits	
					90th percentile=2				

ABBREVIATIONS

AI	Aggressiveness Index	N	Nitrogen	ppm	parts per million or milligrams per liter (mg/L)
AL	Action Level	NA	Not Applicable	ppt	parts per trillion or nanograms per liter (ng/L)
CFU	Colony-Forming Units	ND	Not Detected	RAA	Running Annual Average
DBP	Disinfection By-Products	NL	Notification Level	TOC	Total Organic Carbon
DLR	Detection Limits for purposes of Reporting	NTU	Nephelometric Turbidity Units	TON	Threshold Odor Number
MCL	Maximum Contaminant Level	P or ND	Positive or Not Detected	TT	Treatment Technique
MCLG	Maximum Contaminant Level Goal	pCi/L	picoCuries per Liter	µS/cm	microSiemen per centimeter
MRDL	Maximum Residual Disinfectant Level	PHG	Public Health Goal		
MRDLG	Maximum Residual Disinfectant Level Goal	ppb	parts per billion or micrograms per liter (µg/L)		

PARAMETER	UNITS	STATE OR FEDERAL MCL (MRDL)	PHG (MCLG) (MRDLG)	STATE DLR	RANGE AVERAGE	SKINNER PLANT	HELLX PLANT	TWIN OAKS PLANT	MAJOR SOURCES IN DRINKING WATER
SECONDARY STANDARDS--Aesthetic Standards									
Aluminum (d)	ppb	200	600	50	Range	ND	120 - 300	ND - 28	Residue from water treatment process; natural deposits erosion
					Average	ND	188	ND	
Chloride	ppm	500	NA	NA	Range	92 - 99	87 - 92	95	Runoff/leaching from natural deposits; seawater influence
					Average	96	89	95	
Color	Units	15	NA	NA	Range	2	1 - 2	ND - 2	Naturally occurring organic materials
					Average	2	1	ND	
Odor Threshold (g)	TON	3	NA	1	Range	7 - 29	NA	1	Naturally-occurring organic materials
					Average	17	NA	1	
Specific Conductance	µS/cm	1600	NA	NA	Range	857 - 971	842 - 940	920	Substances that form ions in water; seawater influence
					Average	913	895	920	
Sulfate	ppm	500	NA	0.5	Range	173 - 221	170 - 190	200	Runoff/leaching from natural deposits; industrial wastes
					Average	195	180	200	
Total Dissolved Solids (TDS)	ppm	1000	NA	NA	Range	502 - 590	506 - 580	530	Runoff/leaching from natural deposits; seawater influence
					Average	542	545	530	
Turbidity (a)	NTU	5	NA	NA	Range	0.04 - 0.05	0.04 - 0.08	0.05 - 0.08	Soil runoff
					Average	0.05	0.05	0.06	

FEDERAL UNREGULATED CONTAMINANTS MONITORING RULE (UCMR2)									
List 1 - Assessment Monitoring						ND	ND	ND	
List 2 - Screening Survey						ND	ND	ND	

OTHER PARAMETERS - Chemical									
Alkalinity	ppm	NA	NA	NA	Range	94 - 113	108 - 130	120	
					Average	105	122	120	
Boron	ppb	NA	NL=1000	100	Range	120 - 150	120 - 140	150	Runoff/leaching from natural deposits; industrial wastes
					Average	140	125	150	
Calcium	ppm	NA	NA	NA	Range	52 - 67	57 - 61	60	
					Average	59	59	60	
Chlorate	ppb	NA	NL=800	20	Range	24 - 58	NA	308 - 350	By-product of drinking water chlorination; industrial processes
					Average	25	NA	329	
Chromium VI	ppb	NA	NA	0.03	Range	0.09 - 0.30	ND	ND	Industrial waste discharge; could be naturally present as well
					Average	.021	ND	ND	
Corrosivity (h) (as Aggressiveness Index)	AI	NA	NA	NA	Range	12.1 - 12.4	NA	12.0	Elemental balance in water; affected by temperature, other factors
					Average	12.3	NA	12.0	
Hardness	ppm	NA	NA	NA	Range	222 - 273	250-260	250	Municipal and industrial waste discharges
					Average	247	249	250	
Magnesium	ppm	NA	NA	NA	Range	21 - 27	23 - 26	24	
					Average	24	24	24	
pH	pH Units	NA	NA	NA	Range	8.0 - 8.2	8.0 - 8.1	8.1	
					Average	8.1	8.1	8.1	
Potassium	ppm	NA	NA	NA	Range	4.1 - 4.7	4.5 - 4.8	4.5	
					Average	4.5	4.6	4.5	
Sodium	ppm	NA	NA	NA	Range	83 - 94	78 - 92	94	
					Average	89	87	94	
Vanadium	ppb	NA	NL=50	3	Range	ND	3.7 - 5.2	ND	Naturally-occurring, industrial waste discharge
					Average	ND	4.5	ND	
N-Nitrosodimethylamine (NDMA)	ppt	Distribution System-wide:		2	Range	ND	3.0	ND	By-product of drinking water chloramination; industrial processes
		NA	3		Average	ND - 10	ND - 3.3	ND	

FOOTNOTES

- (a) The turbidity level of the filtered water shall be less than or equal to 0.3 NTU in 95% of the measurements taken each month and shall not exceed 1 NTU at any time. Turbidity is a measure of the cloudiness of the water and is an indicator of treatment performance. The averages and ranges of turbidity shown in the Secondary Standards were based on the treatment plant effluent.
- (b) Total coliform MCLs: No more than 5.0% of the monthly samples may be total coliform-positive.
- (c) E. coli MCL: The occurrence of two consecutive total coliform-positive samples, one of which contains E. coli, constitutes an acute MCL violation. The MCL was not violated.
- (d) Aluminum has both primary and secondary standards.
- (e) The gross beta particle activity MCL is 4 millirem/year annual dose equivalent to the total body or any internal organ. The screening level is 50 pCi/L.
- (f) Lead and copper are regulated as a Treatment Technique under the Lead and Copper Rule. It requires systems to take water samples at the consumers' tap. The action levels, which trigger water systems into taking treatment steps if exceeded in more than 10% of the tap water samples, are 1.3 ppm for copper and 15 ppb for lead.
- (g) Metropolitan utilizes a flavor-profile analysis method that can detect odor occurrences more accurately, but has a different numbering scale.
- (h) AI <10.0 = Highly aggressive and very corrosive water
AI > 12.0 = Non-aggressive water
AI (10.0 - 11.9) = Moderately aggressive water



Su Reporte de Confianza al Consumidor

Otay Water District (OWD) está orgulloso de proporcionarle su reporte de confianza al consumidor. Este folleto es una fotografía de la calidad del agua del año pasado. Vienen incluidos los detalles de donde proviene el agua, que contiene y como se compara con los estándares del estado.

La información incluida en este reporte de calidad del agua representa una pequeña fracción de lo que hacemos para asegurar agua potable de alta calidad. Usando laboratorios certificados por el estado, rutinariamente escudriñamos el suministro de agua por un completo rango de elementos que tienen el potencial de degradar la calidad de su agua.

Así como en años pasados, su agua potable reunió todos los estándares de salud del EPA y el estado para agua potable. OWD de una manera vigilante salvaguarda los suministros de agua y una vez más estamos orgullosos de reportar que nuestro sistema nunca ha violado un nivel contaminante máximo o ningún otro estándar de calidad del agua.

Una Plática Directa Sobre Agua

Todos tienen interés en la calidad de su agua y algunos a veces preguntan, "¿Puedo sentirme seguro bebiendo agua de la llave?" En el Condado de San Diego, la respuesta es que sí. Sistemas Públicos de Agua, tales como los operados por Otay Water District, deben cumplir con estándares para agua potable muy altos impuestos por la United States Environmental Protection Agency (EPA).

El agua de la llave es regulada de una manera más rigurosa que el agua embotellada y debe cumplir con todos los estándares de calidad de agua tanto federales como estatales. Estas regulaciones son típicamente límites numéricos en las concentraciones, o cantidades de ciertos contaminantes en el agua. Para poder cumplir con estas regulaciones, los suministros de agua deben proporcionar un tratamiento específico, como desinfección y filtración, para asegurar que el agua sea potable.

Si todavía estás preocupado o prefieres beber agua con un sabor diferente, puedes comprar agua embotellada, pero puede costar hasta 1,000 veces más que el agua de la llave. Además, existen otras opciones más económicas que comprar agua embotellada. Para mejorar el sabor o el olor del agua de la llave, la cual está tratada con cloro para asegurar una desinfección adecuada y mantener su alta calidad, la manera más fácil de hacer esto es dejar un recipiente abierto en el refrigerador toda la noche. Al exponer el agua al aire permite que cantidades pequeñas de cloro se evaporen. Además enfriar el agua la hace más refrescante.

Otras opciones incluyen sistemas de filtración para casas que son convenientes, mejoran el sabor, y solo cuestan una fracción del precio de agua embotellada. Los consumidores que deciden comprar una unidad de tratamiento de agua para casas deben leer cuidadosamente la información del producto para que comprendan lo que están comprando. También, deben seguir cuidadosamente las instrucciones de manufactura para la operación y mantenimiento del sistema, y recordar cambiarle el filtro de una manera regular.

Este informe contiene información muy importante sobre su agua potable. Tradúzcalo o hable con alguien que lo entienda bien.

Mahalaga ang impormasyong ito. Mangyaring ipasalin ito

Chi tiết này thật quan trọng. Xin nhờ người dịch cho quý vị.

“هذا التقرير يحتوي على معلومات مهمة تتعلق بمياه الشفة (أو الشرب).
ترجم التقرير، أو تكلم مع شخص يستطيع أن يفهم التقرير.”

Additional Fluoride Information Available

The Otay Water District's water comes from multiple sources, each with varying fluoride levels, which blend together within the distribution system. As a result, levels of fluoride differ between individual service connections within our wide service area. In some communities, fluoride concentrations will be adequate for dental protection, and in others, supplemental fluoride prescriptions may be

needed. For consumers' benefit, fluoride levels are measured per area and posted to the district's website monthly. To view the fluoride concentration level in your community, please visit the Water Resources section of our website, www.otaywater.gov, and click on Fluoridation.

Public Participation

The Otay Water District encourages public participation from the customers we serve. The board of directors generally meets on the first Wednesday of each month at 3:30 p.m. at district headquarters, 2554 Sweetwater Springs Blvd., Spring Valley, 91978. We encourage the public to attend these meetings.

For directions, agendas or for further information, call (619) 670-2222 or visit our website at www.otaywater.gov.

Otay Water District Board of Directors

Gary Croucher, President..... Division 3
Jose Lopez, Vice President..... Division 4
Jaime Bonilla, Treasurer Division 2
Larry Breitfelder, Director Division 1
Mark Robak, Director..... Division 5

For More Information

The Otay Water District appreciates your comments and active participation. If you have questions about the information contained in this report, or testing processes, please contact Gary Stalker, System Operations Manager, at (619) 670-2228 or visit our website at www.otaywater.gov. You can also find helpful information by contacting the following agencies:



California Department of Public Health
Division of Drinking Water and
Environmental Management
1350 Front Street, Room 2050
San Diego, CA 92115
[www.cdph.ca.gov/programs/
Pages/DWP.aspx](http://www.cdph.ca.gov/programs/Pages/DWP.aspx)

United States Environmental Protection Agency
Office of Water (4101 M)
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460
Safe Drinking Water Hotline: (800) 426-4791
www.epa.gov/safewater/

www.otaywater.gov

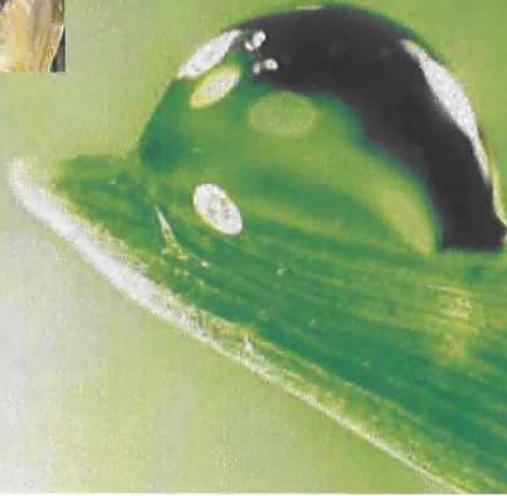
E-mail: opinion_form@otaywater.gov



Consumer Confidence Report 2009



www.otaywater.gov



OTAY WATER DISTRICT
2254 Sweetwater Springs Blvd.
Spring Valley, CA 91978-2096
619-670-2222



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AGENDA ITEM 5

STAFF REPORT

TYPE MEETING:	Special Board	MEETING DATE:	May 21, 2009
SUBMITTED BY:	<i>Rita Bell</i> Rita Bell, Finance Manager	W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)	<i>J.R. Beachem</i> Joseph R. Beachem, Chief Financial Officer		
APPROVED BY: (Asst. GM):	<i>G.A. Alvarez</i> German Alvarez, Assistant General Manager		
SUBJECT:	Adopt Resolution No. 4136 to Approve the FY 2009-2010 Operating and Capital Budget; Approve Fund Transfers for Potable, Recycled, and Sewer; and Obtain Approval of the Proposition 218 Notices and Direct Staff to Proceed with the 218 Hearing for the Recommended Rate Increases		

GENERAL MANAGER'S RECOMMENDATION:

That the Board:

- a) Adopt Resolution No. 4136 of the Board of Directors of Otay Water District to approve the Fiscal Year 2009-2010 Operating and Capital Budget.
- b) Approve the following fund transfers:

Potable:	
General Fund to Replacement	\$2,710,000
General Fund to Designated Betterment	\$3,700,000
General Fund to Sewer General Fund	\$200,000
Recycled:	
General Fund to Replacement	\$950,000
General Fund to Designated Expansion	\$1,610,000
General Fund to Designated Betterment	\$110,000
Sewer:	
General Fund to Designated Betterment	\$753,000
Expansion to Designated Betterment	\$410,000
- c) Direct staff to proceed with the Proposition 218 hearing and notices for the recommended rate increases, with changes as approved by the General Manager.

COMMITTEE ACTION: _____

See Attachment A.

PURPOSE:

To obtain approval of the Fiscal Year 2009-2010 Operating and Capital Budget; various fund transfers; adoption of Resolution No. 4136; and direction to move forward with the Proposition 218 hearing and notices. The average water rate increase being recommended is 19.9% and the sewer rate increase averages between 7.2% and 9.6% with two options being presented.

BACKGROUND:

Each year the District goes through a rate setting process with new challenges. The process begins in January of each year and ends with the implementation of rates in the following January. This year, CWA is not only raising rates by an unprecedented 18.1% but is also raising rates on September 1st, four months earlier than the typical process. This compressed timeline creates significant time constraints as the 218 notices must now be ready at the same time the budget is approved. Staff has prepared both the Operating Budget and CIP Budget and has water and sewer rates ready for presentation to the Board.

DISCUSSION:

This year, the challenges for water are the unprecedented water cost increases by CWA & MWD, the need to strengthen debt coverage ratios, continued economic recession, and reduced water sales. The focus on the sewer side is on higher costs due to regulations and the decision on whether to maintain existing reserves or draw down the reserves while revenues are increased gradually. The following discussion and the attached presentation review these significant issues.

Water Costs

The Fiscal Year 2010 has a number of challenges that have an impact on the water and sewer rates. The potable water suppliers, CWA and MWD, have had unprecedented rate increases of 18.1% and 21.1%, respectively. This is primarily a result of the water supply problems that face the State of California. The cost of securing a water supply, in this water crisis, is driving up the cost of water. In addition, new CWA and MWD facilities costs are adding to this cost pressure. Finally,

with lower water sales, due to conservation messages and economic challenges, the fixed costs are being spread over a smaller sales base. All these factors play a significant role in the higher cost of water to the District.

With water costs representing 49% of the District's operating budget, it is understandable that nearly half of the rate increase is providing the \$3.86 million more necessary to purchase approximately 8% less water than was planned to be purchased in the prior year. Likewise, some District customers will see that they will pay more for less water as these difficult times continue.

Debt Coverage and Credit Ratings

The District has had two credit rating upgrades over the past three years. From A+ to AA-, then from AA- to AA. While the credit rating is an overall rating and many factors are considered when these ratings are determined, one of the main financial ratios considered is the Debt Coverage Ratio. This ratio is the measure of net revenues compared to debt service. The District has historically held the "no growth" version of the debt coverage ratio over 125% with a target of 150%. In the 2009 budget approval, this ratio was brought down to 100% in order to alleviate the unusually high rate increases that were anticipated. This level was considered to be sufficiently high to retain a strong overall financial position, and in fact, the second upgrade occurred after this position was taken. However, with the economic difficulties experienced over the past year there are new expectations and the definition of a strong debt coverage has changed.

With a 19.9% rate increase, the District will raise this ratio for 2010 to 208%, a strong position. However, in 2011 with the debt service on the proposed new debt mentioned below the ratio will drop to 140%. This is still a strong position. Staff evaluated how secure this level was if sales fluctuated by significant amounts. The analysis shows that a drop in sales of 4.1% more than expected would still leave the District at 125% in 2011. The two year outlook is where the ratio is the lowest which leaves the District time to react in the rate setting of the 2011 budget. In addition, the District will have the ability to implement drought pricing if sales drop significantly below the 2011 budget expectations.

Financing Plan

The District uses a comprehensive approach to financing. The Finance Policy provides guidance on debt issuances and

refinancing and the Reserve Policy provides guidance on both fund transfers and reserve balances. With these policies, staff formulates a six-year financing plan that identifies the timing and amounts of debt issuance, the level of rate increases, debt coverage ratios, reserve balances, and necessary transfers. Staff is proposing that the District issue \$41 million of new debt in order to finance the next two years of capital improvements. The CIP is also supported by \$10.4 million of the transfers requested above.

With the proposed debt and transfers, the District will be able to maintain all reserve levels at or above target, as per the Reserve Policy, and provide sufficient funds to finance the capital improvements for fiscal years 2010 and 2011.

Water Sales

In the 2009 budget process the District anticipated that water sales would decline as a result of the drought and the conservation messages. The 2009 projected water sales were reduced by a 2% conservation factor generating a budget of 38,783 acre-feet of purchases from the District's water suppliers. With the economic recession added to the conservation messages, the actual level of conservation through March 2009 has exceeded the 2% conservation projection by 3.8% (5.8%).

The significance of the sales level was again highlighted in the 2010 budget cycle by the implementation of allocations by CWA. Prior to knowing the amount of the allocation, the focus was on the determination of the financial risk of selling more water than the allocation and the probability of this occurring. Projected water sales became one of the two key pieces of information in determining this risk. If the allocation was exceeded, the financial cost to the District would be substantial at twice the Tier 2 water rate.

With the difficulty of determining an accurate sales projection in this economy and with the drought messages, staff hired the firm of Rea & Parker to perform a survey on planned water conservation of the District's residential customers. District staff supplemented this survey by contacting other classes of customers. The results were used to project a future sales reduction of 4.8%. This conservation factor was then placed into the District's Rate Model, along with projections of meter sales and conversions of potable customers to recycled, to determine a projected water purchases amount of 35,554 acre-feet.

Due to the substantial investment in recycled water and the conservation already being achieved by Otay customers the allocation for the District is well above the anticipated purchases in 2010. The allocation level is set at 39,832 acre-feet while the projected purchases for 2010 are only 35,554 acre-feet, leaving a 10.7% cushion before the District is at risk of incurring penalty pricing.

With these two pieces of information, projected sales and the allocation, the District has determined that, even with the high uncertainty of projecting sales, there is only a minimal chance of exceeding the allocation level. This leaves a positive financial impact of selling more than budget and the standard negative impact of selling less than budget. The District's focus on sales now is centered on the possibility of greater conservation than is anticipated.

Variable revenues on water sales represent 72% of District's budget with variable costs representing 38% of budgeted expenses. The District will monitor sales closely in order to determine the financial impact of lower than expected sales. While reserves are sufficient to cover even a dramatic cut in sales, the debt coverage ratios need to be maintained to insure that the District can retain its ability to issue additional low cost debt.

Adjustment to Tiers

Typically, rate studies are not revisited for four to five years. However, with the change in customer's consumption, District staff, in concert with the firm of PBS&J, revisited the tier structures of the District's customer classes. The 2009 rate study methodology was used to propose modifications to the consumption levels of each tier. The winter average is the break point for the base tier and the middle tier. The summer average is the break point for the highest tier. The new tiers have a modest impact on rates, reducing the anticipated rate increase by 0.4%. This also keeps the District in sync with the rate study methodology. The detailed changes can be found in the attached proposed 218 notices.

Relative Position to Other Districts

Annually, the District performs a survey of how Otay's rates compare to other water providers in the county. For many years the District has remained in the lower half of this comparison. It is expected that all water providers in the county are facing the same rate pressures as they are all purchasing water from

CWA and MWD, some to a greater extent than others, depending on the relative dependence on CWA water. Many water districts are looking at implementing rates that are close to 20% or greater. The District's survey, shown in the attached presentation, shows that an average water user in the county, 15 units, will be charged the seventh lowest rates if they are an Otay customer. A conserving customer, 10 units, will be charged the sixth lowest rates if they are an Otay customer.

Water Rates

In addition to the high cost of water, reduced water sales puts additional pressure on the rate increase required to balance the budget and maintain a healthy financial position. This year, because of the water shortage and the pending allocation to be set by CWA, projected water sales and purchase levels are even more important in the budgeting process. The starting point for water sales was the past 12 months of consumption. This was considered a good starting point because it takes into account some of the economic pressures and drought messages that customers will continue to experience.

To better estimate the future conservation of customers, staff conducted two surveys; one conducted by the professional survey firm of Rea and Parker and one by Otay's staff. Rea and Parker contacted single-family residential customers, and customer service and conservation staff contacted master metered, commercial, public, and landscape customers. Customers were asked about how they might be changing their consumption levels as a result of both the economic pressures and the conservation messages that they have heard. They were also asked about their plan to achieve this conservation level. The results of these surveys were analyzed, and the following conservation factors were used in the Rate Model:

- Single-family and mastered metered residential customers conservation is 5.3%
- Landscape and recycled customers plan to cut consumption by 10%
- Public and commercial customers have no consumption changes

The most realistic set of the above stated factors have been used in the FY 2010 budget creation and rate setting. Although we cannot predict with certainty how these factors will actually occur, collecting as much information as possible improves the accuracy of the most likely financial scenario. Using this information in the budget process helps prepare the District to anticipate likely outcomes.

Sewer Rate Options

There are two options being presented to the Board for sewer rate increases. This year, due to the increased regulations, staff will be budgeting a greater level of monitoring of the sewer system. This monitoring effort makes up the majority of the \$400,000 increase in expenses in this year's sewer budget. This is a substantial increase on only a \$2.4 million budget.

The first option (staff's recommendation) is to implement a 7.2% average rate increase over the next six years, raising the operating revenues over time to be on par with operating expenses. This would draw down the sewer general fund reserves by \$1.3 million. This drawdown is consistent with the Reserve Policy as the general fund is over the target level and will even exceed the maximum as the potable general fund repays the transfer that was made last year. This option will place a draw down of general funds into the budget in order to balance the budget in the next six years. No sewer funds are under target levels, the general fund will exceed target levels, and the replacement fund currently exceeds the maximum level.

The second option is to implement a 9.6% average rate increase over the next six years, which will draw down reserves in the first three years but replenish them in the later three years. Following this six-year time period the rate increases would drop significantly as the operating revenues would be well above operating expenses.

Efficiencies Through Strategic Management

In addition to the budget and rate setting process, the District's focus on strategic planning has played a positive role in the financial strength of the District. By managing staffing, automating processes, and implementing best management practices, the District has become more efficient, therefore more cost effective, as demonstrated by its relative rate position and bond rating among other agencies in the region.

Operating Budget

The Fiscal Year 2009-2010 balanced budget supports the pass-through of CWA's increases in water costs, effects of reduced water sales, an increased Capital Budget, new programs to meet regulatory requirements, and the strengthening of the District's financial position. The budget includes a 19.9% rate increase for potable and recycled, and a 7.2% rate increase for sewer. The Rate Model projects a 19.9% increase for the next two years and a 7.0% increase for the following four years.

Rate Implementation - Water

The 19.9% rate increase is being implemented for both potable and recycled customers. Staff is recommending an increase in the variable water rate to all classes of potable customers of 20.9%, and the adjustment of the tiers in accordance with our most recent rate study, to reflect the lower water consumption. The fee increases for a single-family residence is \$7.02 to \$9.77. The MWD/CWA pass-through fee is proposed to increase 39.2% to fully collect the fixed cost by our water providers as shown below:

Customer Service Charge	\$1,148,800
Emergency Storage Charge	\$2,246,600
Infrastructure Access Charge	\$1,344,900
Capacity Reservation Charge	\$628,800
Readiness-to-Serve Charge	\$1,140,700
Total MWD/CWA Fixed Charges	\$6,509,800

An increase in the system fee of 5.5%, from \$13.83 to \$14.58 for a single-family residence, is also necessary to balance the budget. This mix of increases between MWD/CWA and system fees brings the fixed revenue sources closer to the 30% maximum recommended by the Best Management Practices (BMP) 11. The fixed fee components of the District's revenues are important to maintain revenue stability. However, maintaining a balance with variable revenue promotes conservation.

For the recycled water customers, staff is also recommending the same percentage increases of 20.9% in the variable water rates, and 5.5% for the system fee. Recycled water rates are set at 85% of the potable irrigation rate in accordance with our recycled rebate agreement with CWA.

Rate Implementation - Sewer

In Fiscal Year 2009, a 4.6% rate increase was projected based on cost estimates at the time. Now, due to the higher cost associated the regulatory requirements of the Sewer System Management Plan, the estimated rate increase is increased to 7.2%. Since sewer costs only represent 3.7% of the total Operating Budget, even relatively small changes in the budget can cause significant fluctuations in the sewer rate.

Budgeted Revenues

The budgeted revenues include an increase in potable water sales of 14.7% and in recycled water sales of 19.8%. These increases, despite reduced water sales of 8.3% for potable and 4.5% for recycled, because of the economy and conservation, are offset by a 12.4% rate increase on January 1, 2009 and another 19.9% rate increase planned for September 1, 2009.

Sewer budgeted revenues increased 17.1% due to half year's increase from last fiscal year of 4.6% (one-half of this is 2.3%), another half year for this year's planned 7.2% increase, and a small amount of growth in this area of 0.6%. Another factor is the implementation of the third year of the winter-consumption based rate structure, where the maximum charge is now based on 30 units (after the 15% discount) increasing the charge for higher consumption customers. This change is revenue neutral to the District, but it will bring the District into compliance with Best Management Practices 11 which encourages conservation and ensures users pay their fair share for services.

Other changes in the Operating Revenues include the following:

- Due to lower meter sales, Meter Fee Revenues are expected to decrease by 59.2%.
- Capacity Fee Revenues are expected to increase by 7.3% due to more than expected work in the planning area.
- Betterment Fees for Maintenance are expected to decrease 36.2% due to more planned maintenance, which reduces the more costly corrective maintenance.
- Annexation Fees are expected to decrease by 75.1% due to lower meter sales and fewer parcels requiring to be annexed.
- Property Tax revenues are expected to decrease 5.3% due to an anticipated reduction in assessed values of 6%.
- Non-Operating Revenues are expected to slightly decrease by 2.9%.

Property Tax

For Fiscal Year 2010, there is an anticipated Proposition 1A borrowing of 8% of the property taxes built into the Rate Model as a transfer out of funds to the state.

Expenses

The most significant item in expenses is the 12.2% increase in water purchases which is due to the same conservation and CWA

price increases mentioned above. This increase has both a variable and fixed component. The total increase in variable potable water costs is \$2,850,100. The price component of this increase is expected to be \$119 per acre-foot for purchases from CWA. The fixed costs paid to CWA and MWD are projected to increase the District's expenses by \$1,189,900 which is highlighted in the section above. Recycled water costs are expected to decrease by \$178,800. This is mostly due to a volume decrease of 3.3% combined with a reasonable price inflator by the City of San Diego. The estimated increase was based on CPI inflators from the start of the contract and would be an increase of 27.2% on January 1, 2010.

Sewer costs are expected to increase by \$411,300 due to increases in the state regulatory requirements of the Sewer System Management Plan.

Power costs are budgeted to decrease 6.6% due to the volume decreases of water sales requiring less pumping costs, combined with an anticipated SDG&E rate increase of 3.5% on January 1, 2010.

Labor and benefits costs are expecting a minimal increase of 0.16% or \$27,400. These changes are due to the following:

- Reduction in FTE by 2.75 and position changes decrease of \$166,900
- Cost of living of 3% and merit increases pursuant to current MOU increase of \$502,900
- Changes in the vacancy factor and vacation and sick leave decrease of \$23,900
- Reduction in overtime of \$30,800
- Benefit cost increases of \$221,100
- Increase of charges to CIP which reduces cost by \$475,000

The Administrative Expenses decreased by 10.2% or \$605,900. This is due largely to three main factors:

1. The shifting of three projects in the engineering department to the CIP budget based on further analysis of this work. The three projects are Asset Management for \$300,000, Multiple Species for \$141,000, and San Miguel Habitat Management for \$225,000.

2. Increases in the pump station paving program of \$80,000 and an increase in bad debt expense of \$70,000 due to the current economic conditions.
3. A decrease in the overhead allocation of \$92,600 due to the shifting of cost between Operating and CIP budgets.

The Materials and Maintenance budget experienced an overall decrease of 1.84% or \$71,200. Two large decreases are due to reduced fuel cost (\$137,600) and a slight decrease in the Metropolitan charge of \$60,900. An offsetting increase in the Safety budget of \$124,400 is for disaster preparedness expenses for the Emergency Operations Center, which is one of the District's Strategic Plan items.

Funding to reserves is increasing by \$3.8 million as compared to last year. This year, the funding is needed to keep the Betterment and Replacement Reserves on target and to fund these projects. This funding will keep reserve levels in compliance with the Reserve Policy. Additionally, the Operating budget is funding the Potable and Sewer General Fund Reserves in the amount of \$1.5 million to keep these reserves on target and to strengthen the District's debt coverage ratio.

Capital Improvement Program (CIP) Budget

Each year with the budget process, the Engineering Department updates the CIP Budget. This year, the six-year CIP budget has increased by \$52 million from last year's CIP. This increase is mostly a result of the integrated water resources plan and new water supply projects developed from this plan. These new projects and cost changes to existing projects are reviewed and approved along with the Operating Budget. The following process is used to prepare the CIP Budget:

- o CIP projects selected are based on CIP criteria, the Water Resources Master Plan (WRMP), the Urban Water Management Plan (UWMP), and Integrated Water Resources Plan (IRP).
- o The CIP goes through an iterative process to meet the criteria of financial, growth, and service levels.
- o The CIP targets expenditures for the next six years.

The Engineering staff uses the following general criteria to determine the reasonableness of a project before it is included in the CIP Budget:

- o Existing Facility Conditions

- o Operating System Conditions
- o Water and Sewer System Deficiencies
- o Regulatory and Permitting Requirements
- o Developer Driven Schedules
- o Economic Outlook and Growth Projections
- o Board and Management Directives

This year, the CIP Budget includes the following amounts by project category. Project details within each of the categories are located in Attachment C under the Capital Budget tab.

Capital Backbone	\$28.7
Developer Reimbursement	0.1
Replacement and Renewal	6.7
Capital Purchases	<u>1.8</u>
Total (millions)	\$37.3

There are a total of 83 projects in the current six-year CIP plan. Each project is listed in the FY 2009-10 Preliminary Operating and Capital Budget (Attachment C). The total six-year cost of the 83 projects is \$222.4 million.

Staff has attempted to present the most realistic set of factors and assumptions based on information received from various sources, including water suppliers MWD and CWA, vendors such as SDG&E, and other suppliers, and finally other economic indicators affecting revenues such as property taxes and lease agreements.

By being proactive, the District can better educate its customers and ensure we take the least amount of risk, minimizing the rate impacts, and ensuring the fiscal strength of the District throughout these difficult economic times.

FISCAL IMPACT:



The recommended balanced budget totals \$75.7 million for Operating and \$37.2 for the CIP. With budget approval, the District will move forward into the 2010 Fiscal Year with clear financial direction. Staff is recommending to set rates based on the same methodology as the recent rate study, and prepared the Proposition 218 notices with recommended rate changes which support this budget. This budget provides sufficient funding to pay increased water costs; continued funding for the District's administration, maintenance, and operations; strengthens our financial position, and is consistent with the Strategic Plan and Reserve Policy.

STRATEGIC OUTLOOK:

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

LEGAL IMPACT: _____

None.



General Manager

Attachments:

- A) Committee Action Form
- B) Fiscal Year 2010 Budget Workshop Presentation
- C) Resolution No. 4136
- D) Preliminary Operating and Capital Budget Fiscal Year 2009-2010
- E) Proposition 218 Notice - Residential Water and Sewer Rates
- F) Proposition 218 Notice - Residential Water Rates
- G) Proposition 218 Notice - Residential Sewer Rates
- H) Proposition 218 Notice - Public and Commercial Water Rates
- I) Proposition 218 Notice - Landscape, Agriculture & Construction Water Rates
- J) Proposition 218 Notice - Recycled Water Rates
- K) Proposition 218 Notice - Commercial Sewer Rates
- L) Proposition 218 Notice - Land Only



ATTACHMENT A

SUBJECT/PROJECT:

Adopt Resolution No. 4136 to Approve the FY 2009-2010 Operating and Capital Budget; Approve Fund Transfers for Potable, Recycled, and Sewer; and Obtain Approval of the Proposition 218 Notices and Direct Staff to Proceed with the 218 Hearing for the Recommended Rate Increases

COMMITTEE ACTION:

The Finance, Administration, and Communications Committee recommends that the Board adopt Resolution No. 4136 to approve the FY 2009-2010 Operating and Capital Budget; approve fund transfers for potable, recycled, and sewer; and obtain approval of the Proposition 218 notices and direct staff to proceed with the 218 hearing for the recommended rate increases.

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for board approval. This report will be sent to the Board as a committee approved item, or modified to reflect any discussion or changes as directed from the committee prior to presentation to the full board.

RESOLUTION NO. 4136

A RESOLUTION OF THE BOARD OF DIRECTORS OF
OTAY WATER DISTRICT ADOPTING THE
FISCAL YEAR 2009-2010
OPERATING AND CAPITAL BUDGET

WHEREAS, the Otay Water District Board of Directors have been presented with a budget for the operation of the Otay Water District for Fiscal Year 2009-2010; and

WHEREAS, the Operating and Capital Budget has been reviewed and considered by the Board, and it is in the interest of the District to adopt a budget for said year; and

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the Otay Water District that the Operating and Capital Budget for the operation of the District, incorporated herein by reference, is hereby adopted as the District's budget for Fiscal Year 2009-2010.

PASSED, APPROVED AND ADOPTED by the Board of Directors of Otay Water District at a special board meeting held this 21st day of May 2009, by the following vote:

Ayes:
Noes:
Abstain:
Absent:

President

ATTEST:

District Secretary

ITEM 5

Adopt Resolution No. 4136, Approving the Fiscal Year 2009-2010 Operating and Capital Budgets; Approve Fund Transfers for Potable, Recycled, and Sewer; and Obtain Approval of the Proposition 218 Notices and Direct Staff to proceed with the Proposition 218 Hearing for the Recommended Rate Increases

Please reference:

Attachment 1 for the Powerpoint Presentation and

Attachment 2 for Preliminary Operating and Capital Budget for Fiscal Year 2009 – 2010

**posted to
Otay Water District website.**

ITEM 5

Adopt Resolution No. 4136, Approving the Fiscal Year 2009-2010 Operating and Capital Budgets; Approve Fund Transfers for Potable, Recycled, and Sewer; and Obtain Approval of the Proposition 218 Notices and Direct Staff to proceed with the Proposition 218 Hearing for the Recommended Rate Increases

Copies of the Proposition 218 Notices will be distributed at the Committee meeting.



AGENDA ITEM 6

STAFF REPORT

TYPE MEETING:	Special Board	MEETING DATE:	May 21, 2009
SUBMITTED BY:		W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)	Joseph R. Beachem, Chief Financial Officer		
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager		
SUBJECT:	Approve a Five-Year Rate Increase and Five-Year Pass-through of Wholesaler Cost Increases		

GENERAL MANAGER'S RECOMMENDATION:

That the Board approve that provisions be placed in the 218 notices to adopt:

- A five-year rate increase, not to exceed 10%, on all water and sewer rates and charges to cover the added cost of providing water and sewer service. This rate increase does not include the added cost of wholesale services covered by the pass-through rate increase below.
- A five-year pass-through rate increase of water and sewer costs from the District's wholesalers and sewer service providers such as the Metropolitan Water District of Southern California (MWD), San Diego County Water Authority (CWA), County of San Diego, and the City of San Diego.

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

The purpose is to allow for timely and necessary periodic rate increases.

ANALYSIS:

With the passing of Proposition 218, the process of implementing rate changes became more restrictive with stringent restrictions on the notice, a required hearing, and an additional 45-day waiting period. In 2010, due to the economic challenges, CWA and MWD have implemented rate increases four months earlier in the year than is typical. This seriously compresses the time

available to the District to react. Many Districts have looked to a Prop 218 five-year option that allows for more rapid rate implementations at a lower cost. Staff is recommending that the District also use this option, allowing the District to be better able to react in a timely fashion to untimely wholesaler rate increases.

Water Pass-through

The water increase proposed to take effect on September 1, 2009, would pass-through the increases from the District's water wholesalers, namely MWD, CWA, and the City of San Diego. CWA and MWD do not expect to implement additional increases during 2010. However, they do expect to implement increases in January 2011, and annual rate increases in each subsequent year through 2014. The proposed 218 notices have the following language in them that will allow for an annual pass-through of these costs without an additional step of the annual 218 notices and hearing.

"..authorize timely and necessary periodic increases of rates and charges to pass-through increased or decreased charges implemented by the District's public agency wholesalers, such as the San Diego County Water Authority (CWA), the Metropolitan Water District of Southern California (MWD), and the City of San Diego."

The District would be required to provide a 30-day notice of rate changes but would not be subject to a stringent 218 public hearing process or protest. The District has always provided notice of increases to its customers even before the 218 requirements. This language will cover the next five years.

Sewer Pass-through

The sewer increase proposed to take effect on January 1, 2010, would pass-through the increases from the City and County of San Diego for sewer collection and treatment. It is expected that the city will also implement annual increases in each subsequent year through 2014. Just as in the 218 notices for water, the proposed sewer 218 notices have language that will allow for an annual pass-through of these wholesaler costs without an additional step of the annual 218 notices and hearing.

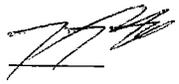
Five-year Rate Increase

The proposed 218 notices also include language notifying water and sewer rate-payers and property owners of the proposed five-year 10% increase. This is a not to exceed percentage so the increases would not exceed the cost of providing service. These

increases would also be subject to a 30-day prior written notice, but would not be subject to additional 218 hearings or protests. The language in the notices is as follows:

"The District is proposing to adopt a five-year schedule of proposed rate increases to be implemented beginning on September 1, 2009 and periodically thereafter through June 30, 2014. Under the proposed rate schedule, the average customer's water rates will increase by an amount sufficient to cover cost increases related to providing water service, but not to exceed 10% per year."

Each 218 notice includes tables showing the proposed 2010 rate increases followed by 10% rate increases for the following four years. Any increase under this provision will go through budget and Board approval.

FISCAL IMPACT: 

This action has no direct financial impact. If after the 218 hearing this is approved, then the rate setting process will become less complicated and costly, saving the District via fewer mailings, less legal review, and reduced staff time.

STRATEGIC GOAL:

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

LEGAL IMPACT: 

None.



General Manager

Attachments:

- A) Committee Action Form
- B) Legal Opinion



ATTACHMENT A

SUBJECT/PROJECT:

Approve a Five-Year Rate Increase and Five-Year Pass-through of Wholesaler Cost Increases

COMMITTEE ACTION:

The Finance, Administration, and Communications Committee recommends that the Board approve that provisions be placed in the 218 notices to adopt:

- A five-year rate increase, not to exceed 10%, on all water and sewer rates and charges to cover the added cost of providing water and sewer service. This rate increase does not include the added cost of wholesale services covered by the pass-through rate increase below.
- A five-year pass-through rate increase of water and sewer costs from the District's wholesalers and sewer service providers such as the Metropolitan Water District of Southern California (MWD), San Diego County Water Authority (CWA), County of San Diego, and the City of San Diego.

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for board approval. This report will be sent to the Board as a committee approved item, or modified to reflect any discussion or changes as directed from the committee prior to presentation to the full board.



April 28, 2009

Members of the Board of Directors and
 Mark Watton, General Manager
 Otay Water District
 2554 Sweetwater Springs Blvd.
 Spring Valley, California 91978-2096

Re: Analysis Concerning the Proposed Schedule of Rate Increases

Gentlemen:

We have been informed that, as a result of California's water shortage, the Metropolitan Water District (MWD) and the San Diego County Water Authority (CWA) anticipate increases on the costs of water sold to the Otay Water District (Otay) and other retailers. At the same time, the amount of water provided to Otay may be significantly decreased. Due to these changes, Otay may need to raise additional revenues to cover increased costs on a short notice.

To ensure that its customers share the increased costs, Otay may need to increase water rates and also may need to pass through any MWD and CWA cost increases ("pass through") as promptly as possible, within applicable provisions of the law. Otay has requested guidance as to how to implement these increases, especially as related to the "pass through," and the procedural requirements for providing notice to its customers. This correspondence addresses these issues in detail.

I. General Background Regarding Rate Schedules and Formulas

Otay may establish rate schedules and formulas that are "reasonably related" to the benefits received by its customers. See Cal. Const., Art. XIII D, § 6, subd. (b)(1) and (3); *Howard Jarvis Taxpayers Assn. v. City of Roseville* (2002) 97 Cal.App.4th 637, at 648. Generally, in order for pricing methodology for water rates to comply with the substantive provisions of Article XIII D, Section 6, of the California Constitution, the revenues derived from the rates must not exceed the reasonable cost of providing water service, taking into account both basic and incremental costs. Rate calculations may include a schedule of adjustments, including a clearly-defined formula for adjusting for inflation; provided that the property-related charge, as adjusted for inflation, does not exceed the cost of providing the service. Further, revenues should not exceed the proportional cost of providing water service attributable to a customer's parcel, as determined by considering: (1) customer classes based on service characteristics, demand patterns, and other factors; (2) basic use allocations; (3) meter size; (4) metered volume of water consumed; and (5) the public agency's discretionary allocation of incremental costs between and among the increments of water use subject to conservation charges.

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It should be noted that many public agencies, including Otay, have adopted tiered water rate structures. These structures are intended to encourage conservation by imposing higher charges per unit of water as the amount of consumption increases. This form of "inclining block" rate structure was validated in *Brydon v. East Bay Municipal Water District* (1994) 24 Cal. App.4th 178. After the adoption of Proposition 218, in the year 2000, and more importantly, after the court's decision in *Bighorn Desert-View Water Agency v. Virjil* (2006) 39 Cal. 4th 205, ruling that water is a property-related service, it was unclear whether a tiered rate structure could comply with the provisions of Proposition 218. Effective January 1, 2009, AB 2882, signed into law by the Governor in 2008, reaffirms the tiered structure and incorporates a requirement into the Water Code to implement tiered rates to prevent the waste and unreasonable use of water. Regardless of whether an agency implements a tiered-rate structure based on allocation or other method, the provisions of Article XIII D, Section 6, of the California Constitution apply.

II. Pass Through Rate Increases to Its Customers

Effective January 1, 2009, AB 3030, which added section 53756 to the California Government Code, established certain requirements for implementing rate increases structured to include annual inflationary increases or to authorize the agency to pass through increases or decreases in the cost of purchasing wholesale water from another agency. Such requirements must be read in light of the provisions of Article XIII D, section 6, of the California Constitution.

Section 53756 provides that a public agency, such as Otay, may adopt a schedule of fees or charges authorizing automatic adjustments that *pass through* increases in wholesale charges for water or adjustments for inflation. In compliance with the provisions of Section 53756, when adopting a schedule of fees or charges that implements a pass through, the following applies:

- (a) The schedule of fees or charges may not exceed five years;
- (b) The schedule of fees or charges may include a schedule of adjustments. If applicable, the schedule of adjustments may include a clearly defined formula to make annual adjustments for inflation. Regardless of the proposed form of the schedule of adjustments, and any formula used in connection therewith, the property-related fee or charge, as adjusted, should not exceed the cost of providing the service; and
- (c) The schedule of fees or charges may provide for automatic adjustments that pass through the adopted increases or decreases in the wholesale water charges established by MWD and CWA.

III. Notice to Customers

Article XIII D, Section 6 of the California Constitution imposes procedural and substantive requirements on new or increased fees or charges for on-going water service. Proposition 218 amended this Article and Article XIII C to add provisions requiring that a public



Members of the Board of Directors and
Mark Watton, General Manager
April 28, 2009
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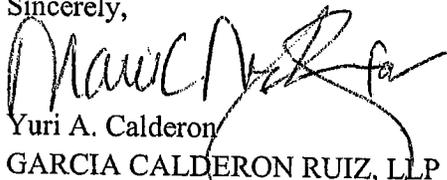
agency proposing to impose a new fee or increase an existing property-related fee or charge must provide written notice by mail to the record owner of each parcel upon which the fee or charge will be imposed. The notice must contain certain information respecting the proposed fee or charge and the date, time and location the public agency will conduct its public hearing on the proposed fee or charge. Article XIII D, section 6(a)(2) further requires that the public hearing be held not less than 45 days after the mailing of the notice. If at the conclusion of the public hearing the public agency receives written protests against the imposition of the proposed fee or charge from a majority of the affected property owners, the fee or charge may not be imposed. Ongoing water rates paid by water customers are "property-related" fees and thus subject to Proposition 218's substantive and procedural requirements. *See Howard Jarvis Taxpayers Assn. v. City of Fresno*, 127 Cal. App. 4th 914. Thus, normally, Otay's increased water rates would be subject to Proposition 218's notice and hearing requirements.

However, in certain circumstances, *these requirements may be waived*. Specifically, where implementing any adjustment made pursuant to a schedule of fees or charges as authorized pursuant to California Government Code section 53756, *an agency is not required to follow the notice provisions of California Constitution article XIII D, section 6*. Thus, the 45 day notice requirements of Prop 218 do not have to be followed. Otay must, however, provide written notice of any adjustment pursuant to a schedule not less than 30 days prior to the effective date of the adjustment. Such notice may be given, as provided in California Government Code section 53755(a), by including it in Otay's regular billing statement for the fee or charge or by any other mailing to the address to which Otay customarily mails the billing statement for the fee or charge.

IV. Conclusion

Otay is facing an increase in wholesale water costs as well as a decrease in wholesale water allocation. In order to effectively manage this increase in costs and decrease in water, Otay, among other things, must provide for increases to its water rates and charges. Pursuant to the provision of the California Government Code, section 53756, Otay may adopt up to a five-year schedule of rates of charges. Subject to the notice requirements specified above, the schedule may provide for automatic adjustments to pass through MWD and CWA increases or decreases and inflationary adjustments may also be implemented.

Sincerely,


Yuri A. Calderon
GARCIA CALDERON RUIZ, LLP



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