

OTAY WATER DISTRICT
ENGINEERING, OPERATIONS & WATER RESOURCES COMMITTEE MEETING
and
SPECIAL MEETING OF THE BOARD OF DIRECTORS

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA
Board Room

Monday
September 28, 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

INFORMATION / ACTION ITEMS

3. APPROVE THE PURCHASE OF 17,414 ¾" THROUGH 2" (SMALL) RADIO READ (AMR) METERS FROM MASTER METER, INC. TO COMPLETE THE DISTRICT'S AMR RETROFIT PROGRAM AND AUTHORIZE THE PURCHASE OF SMALL AMR METERS ON AN AS-NEEDED BASIS THAT ARE REQUIRED FOR NEW INSTALLS AND CHANGE-OUTS (ANDERSON) [5 minutes]
4. APPROVE THE PURCHASE OF 3" AND LARGER (LARGE) RADIO READ (AMR) MASTER METERS AS-NEEDED TO COMPLETE THE RETROFIT OF EXISTING MANUAL READ METERS TO AMR METERS WITHIN THE DISTRICT'S EXISTING AMR ROUTES AND AUTHORIZE THE PURCHASE OF ADDITIONAL LARGE AMR MASTER METERS ON AN AS-NEEDED BASIS AS REQUIRED TO MEET THE DISTRICT'S LARGE METER NEEDS (ANDERSON) [5 minutes]
5. APPROVE A NON-COMPETITIVE PROFESSIONAL SERVICES AGREEMENT WITH MWH AMERICAS, INC. FOR THE PREPARATION OF A NORTH DISTRICT-SOUTH DISTRICT SERVICE AREA INTERTIE STUDY FOR AN AMOUNT NOT-TO-EXCEED \$119,505 (PEASLEY) [5 minutes]

6. APPROVE A PROFESSIONAL ENGINEERING SERVICES AGREEMENT WITH MWH AMERICA, INC. FOR THE RALPH W. CHAPMAN WATER RECLAMATION FACILITY UPGRADE PROJECT IN AN AMOUNT NOT-TO-EXCEED \$460,000 (COBURN-BOYD) [5 minutes]
7. APPROVE AN AGREEMENT FOR PROFESSIONAL SERVICES FOR AS-NEEDED ELECTRICAL DESIGN SERVICES WITH ENGINEERING PARTNER, INC. IN AN AMOUNT NOT-TO-EXCEED \$100,000 DURING FISCAL YEARS 2010 AND 2011 (ENDING JUNE 30, 2011) (KAY/RIPPERGER) [5 minutes]
8. APPROVE AN AGREEMENT FOR PROFESSIONAL SERVICES FOR AS-NEEDED GEOTECHNICAL SERVICES WITH SOUTHERN CALIFORNIA SOIL AND TESTING, INC. FOR AN AMOUNT NOT-TO-EXCEED \$175,000 DURING FISCAL YEARS 2010 AND 2011 (ENDING JUNE 30, 2011) (KAY/RIPPERGER) [5 minutes]
9. APPROVE AN AGREEMENT FOR PROFESSIONAL SERVICES FOR AS-NEEDED ENGINEERING DESIGN SERVICES WITH LEE & RO, INC. IN AN AMOUNT NOT-TO-EXCEED \$175,000 DURING FISCAL YEARS 2010 AND 2011 (ENDING JUNE 30, 2011) (KAY/RIPPERGER) [5 minutes]
10. 2009 FISCAL YEAR-END CAPITAL IMPROVEMENT PROGRAM STATUS REPORT (RIPPERGER) [10 minutes]
11. UPDATE ON LARRY C. LARSON SAFETY AWARD FOR 2009 (SARNO) [5 minutes]
12. ADJOURNMENT

BOARD MEMBERS ATTENDING:

Gary Croucher, Chair
Larry Breitfelder

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.

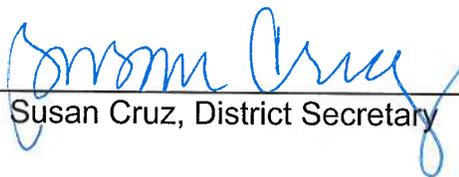
The Agenda, and any attachments containing written information, are available at the District's website at www.otaywater.gov. Written changes to any items to be considered at the open meeting, or to any attachments, will be posted on the District's website. Copies of the Agenda and all attachments are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

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

Certification of Posting

I certify that on September 25, 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 September 25, 2009.



Susan Cruz, District Secretary

AGENDA ITEM 3



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 7, 2009
SUBMITTED BY:	Frank Anderson, Utility Services Manager <i>F.A.</i>	W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)	Pedro Porras, Chief, Water Operations <i>[Signature]</i>		
APPROVED BY: (Asst. GM):	Manny Magaña, <i>[Signature]</i> Assistant General Manager, Engineering & Operations		
SUBJECT:	Approval to Purchase Additional ¾" - 2" AMR Meters through Master Meter, Inc.		

GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize the General Manager to:

1. Purchase an additional 17,414 ¾" through 2" (small) radio-read (AMR) meters, needed to complete the District's AMR meter retrofit program, from Master Meter, Inc. through the Master Meter, Inc. Agreement approved by the Board on December 7, 2005, and
2. Purchase small AMR meters required for new installs and change-outs on an as-needed basis through the Master Meter, Inc. Agreement approved by the Board on December 7, 2005.

COMMITTEE ACTION: _____

See Attachment "A"

PURPOSE:

To obtain Board authorization to purchase from master Meter, Inc. the remaining AMR meters needed to complete the District's retrofitting program, scheduled for completion through FY 2014 and purchase additional Master Meter, Inc. on an as-needed basis

to meet District's additional small meter needs through FY 2014 utilizing the Master Meter Agreement authorized by the Board on December 7, 2005.

If approved, purchase of AMR meters will be on an annual as-needed basis dependent upon AMR retrofit progress and the routes' needs. Additional meters required for new installation and change-outs will also be purchased on an annual basis.

Retrofit AMR meter purchases will be funded from CIP 2458 and funding and new meter purchase funds will be customer generated and charged to the Meter Maintenance Annual Operating Budget.

ANALYSIS:

On December 7, 2005 the Board authorized the General Manager to enter into a ten-year agreement for the purchase of 11,500 AMRs. The agreement set the terms and conditions for purchasing AMRs from Master Meter, Inc. and authorized the purchase of 11,500 meters during the first three years of the agreement for initial scheduled AMR meter retrofits.

On December 6, 2006 the Board authorized the purchase of an additional 17,000 meters for the change-out of the failing RAMAR units.

Consequently, the total number of ¾" through 2" meters authorized for purchase using the Master Meter, Inc. Agreement is 28,500. As of this date, the District has purchased 23,685 AMRs with the remaining 4,815 already committed to be purchased. Currently we are on schedule with the number of change outs.

It is expected that during the next five years the District will require an additional 17,414 small meters to complete the AMR meter retrofit program.

The purchasing of meters for new installations will be performed separately, on an annual as-needed basis, determined from yearly estimated expected growth and meter sales projections.

To date, Master Meter, Inc. AMR meters continue to be a reliable and sustainable product and are meeting the District's needs.

FISCAL IMPACT:



The purchase of the meters for new meter installations will be charged against the Meter Maintenance Annual Operating Budget,

which will be off-set by the meter fees paid by new customers. The purchase of new meters will take place only on an as-needed basis to meet customer demand.

It is estimated that the cost to purchase the proposed 17,414 AMR retrofit program meters will be \$2,991,208.40 to be charged against the AMR/Manual Meter Replacement CIP 2458. The annual purchase of these meters is dependant upon the schedule of replacements projected from FY 2010 to FY 2014. As a condition of the Master Meter, Inc. agreement, the per-meter cost is based on a defined discount of Master Meter, Inc's published standard price schedule. To date, Master Meter, Inc. has not made any adjustments to this schedule.

The total budget for the AMR/Manual Meter Replacement CIP 2458 is \$10,477,000. Current expenditures and encumbrances for the CIP, including the meters purchased under this request if approved, are \$6,324,786.

Costs include contract retrofit for three-quarter-inch and one-inch meters, angle meter stops, ball valves and meter boxes, and in-house labor for retrofit of meters larger than one-inch.

Expenditure Summary:

AMR/Meter Replacement CIP 2458 Budget:		\$ 10,447,000
Expenditures and Encumbrances to Date:	\$3,333,578	
Proposed Meter Purchases:	\$2,991,208	
Total Expenditures and Encumbrances:		\$6,324,786
Projected Balance of AMR/Meter Replacement CIP 2458 Budget:		\$ 4,122,214

STRATEGIC GOAL:

Implementation of the AMR program per schedule.

LEGAL IMPACT: _____

None



General Manager

Attachment "A" Committee Action

QA/QC approval:

Name: 

Date: 9-17-2009



ATTACHMENT A

SUBJECT/PROJECT:	Approval to Purchase Additional Master Meters through Master Meter, Inc.
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on September 28, 2009. The committee supported staffs' recommendation.

NOTE:

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

AGREEMENT
BETWEEN THE OTAY WATER DISTRICT AND MASTER METER, INC. TO PROVIDE
FOR THE PURCHASE, SALE AND WARRANTY
OF CERTAIN WATER METERS

This Agreement (the "Agreement") is made and entered into by and between the Otay Water District ("District"), a municipal water district, formed and existing pursuant to the provisions of the Municipal Water District Law of 1911, commencing with Section 71000 of the Water Code of the State of California, as amended, and Master Meter, Inc., a corporation organized, existing and in good standing under the laws of the State of Texas ("Seller" and together with District, the "Parties"), to provide terms and conditions pursuant to which District agrees to purchase, install and operate and Seller agrees to sell, repair, replace and warrant certain radio transmitter read water meters, all as provided herein. This Agreement shall be dated and effective as of the date it is approved by the Board of Directors of District, as indicated on the signature page hereof and on District records (the "Effective Date").

WITNESSETH

WHEREAS, District desires to establish a working automated meter reader program and has been searching for a company that produces reliable radio transmitter read water meters to automate as many of its meter reading routes as deemed advisable by District; and

WHEREAS, Seller is in the business of manufacturing, or causing to be manufactured, to its own standard and specifications radio transmitter read water meters capable of transmitting data to a receiver connected to either a laptop computer or handheld devices; and

WHEREAS, Seller represents that it causes its meters to be manufactured to all applicable AWWA and California Proposition 65 standards; and

WHEREAS, Seller has agreed to sell and deliver to District 6,500 Dialog 3G-DS radio transmitter read water meters, as set forth in Exhibit A attached hereto (the "Scheduled AMR Water Meters"), under the terms and conditions set forth in this Agreement; and

WHEREAS, if the Scheduled AMR Water Meters prove as accurate as anticipated by District and if other conditions set forth herein are met, District will also purchase from Seller additional radio transmitter read water meters of similar design, specification and function to the Scheduled AMR Water Meters, as set forth in Exhibit B attached hereto (the "Additional AMR Water Meters" and together with the Scheduled AMR Water Meters, the "AMR Meters"); and

WHEREAS, if the Scheduled AMR Water Meters prove satisfactory to District, District will order at least 5,000 Additional AMR Water Meters pursuant to one or more purchase orders to be delivered over a period of not less than twenty-four (24) months in accordance with a schedule to be agreed upon by the Parties; and

WHEREAS, Seller has represented to District that it has the right, title and interest in and to the AMR Meters and all related software and equipment, including the transmitter component of the Prior Meters (as defined below) and the AMR Meters (collectively, the "Transmitters") that transmit the data in the manner required to automate the reading of the water meters, and including the authority to sell, warrant, repair, replace or otherwise provide the same to District; and

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WHEREAS, in connection with the purchase of AMR Meters by District, Seller will provide a twenty (20) year warranty to District to cover each and every Transmitter purchased by District from Seller and will also provide its standard warranty to cover all other parts of the AMR Meters purchased by District from Seller; and

WHEREAS, prior to the execution of this Agreement, District has purchased approximately 3,600 narrow band automated meter reader water meters from Seller (the "Prior Meters"), most of which have been installed and all of which are intended by the Parties to be covered under similar terms as the AMR Meters and Transmitters; and

WHEREAS, Seller's warranty will cover the cost of repair or replacement of the Transmitters, the AMR Meters and the Prior Meters, including the cost of manufacturing or acquiring any parts needed to repair or replace said Transmitters and meters, to the extent further described in the warranties attached hereto as Exhibit D, each as hereafter extended or increased by Seller (collectively, the "Warranty"); and

WHEREAS, the warranty period for the AMR Meters and the Transmitters will commence from the date that is sixty (60) calendar days from the date each AMR Meter and/or Transmitter, as applicable, is shipped to District and, with respect to any AMR Meters that arrive in damaged condition, District will cooperate with Seller in the filing of any required damaged claims; and

WHEREAS, Seller has provided District a warranty letter extending the coverage described in the Warranty to the Prior Meters and Seller and District agree that, with respect to each of the Prior Meters the warranty coverage will be retroactive, commencing on the date each Prior Meter was shipped by Seller to District; and

WHEREAS, Seller and District agree that District shall be responsible for the initial installation of all meters purchased from Seller; and

WHEREAS, Seller has provided initial training to designated District staff and will provide any additional training in the proper use, configuration, handling and/or installation of its AMR Meters, as from time to time required by District and agreed to by the Parties at a rate of \$850.00 per day, inclusive of transportation and other administrative costs incurred by Seller; and

WHEREAS, Seller and District have agreed that Seller shall provide technical support to District on an ongoing basis and that during regular business hours Seller will respond to inquiries from District within a period of time not to exceed four (4) hours from the time a question concerning the performance of any AMR Meters, Prior Meters, Transmitters or any related parts of said meters supplied by Seller is tendered to the Seller, provided that District shall have performed troubleshooting procedures as set forth in the troubleshooting guide provided by Seller and attached hereto as Exhibit E; and

WHEREAS, in connection with all software Seller recommends that District acquire from Sellers subsidiary, GreenTree, to be used in connection with the AMR Meters and/or Transmitters, Seller has informed District that software support is available for one year from date of purchase as part of the purchase, and, after the one year, under a support contract if one is executed; and

WHEREAS, Seller and District believe that it is in their respective best interest to enter into this Agreement for the purposes specified herein.

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, District and Seller agree as follows:

I. Incorporation of Recitals

The recitals above are accurate and true to the best of the understanding of the Parties and are incorporated herein by reference as if fully set forth herein.

II. Scope of Use – Right to Protocols

Upon receipt or replacement of any AMR Meters and any related hardware provided by Seller during the term of this Agreement, District is hereby authorized to use all the aforementioned for all legal purposes of District. Seller grants to District all right, title and interest necessary for District to use the AMR Meters and/or cause the transmitter component of the AMR Meters to be constructed and installed in the meters.

A. Technology Escrow. On or prior to ninety (90) calendar days of the execution of this Agreement by District, Seller shall place the protocols (including all technology, technical information, and intellectual property that is necessary and vital) for the manufacturing of the AMR Meters into a technology escrow, in form and substance acceptable to District. The technology escrow may, at District's request, be opened with District's general counsel office or with District provided that the reassurances as to the storage, handling and confidentiality of the information so escrowed shall be acceptable to Seller.

B. Survival. The rights granted hereunder and under the escrow described above shall survive the termination or expiration of this Agreement as well as any event of bankruptcy, reorganization or transfer of assets of Seller or other similar events and shall remain in effect for as long as District owns and operates any AMR Meters purchased hereunder.

C. Integration. Proper protocols or codes and other relevant information shall be made available by Seller as needed to support any integration with another meter or hardware manufacturer. Seller will be compensated at its normal travel and/or programming charges, as appropriate, to support integration; provided that any software data for a new billing system provider will be supplied at no cost, except any bridge programming which shall be compensated at the normal programming rate.

III. Term

This Agreement shall be for the term of ten (10) years from the Effective Date (the "Initial Term"), unless extended by the Parties or unless earlier terminated as set forth herein; provided that any warranty, license, indemnity or insurance given by Seller hereunder shall continue in effect during the term specified in connection therewith, or as required in connection with District's ownership and operation of the AMR Meters or the Prior Meters, as applicable.

A. Extension Terms. This Agreement may be extended for three additional two-year terms, or one additional six year term (each an "Extension Term"), upon request of the District and agreement by Seller. On a date that is at least sixty (60) calendar days prior to the expiration of the Initial Term, District will give notice to Seller of its intent to extend this Agreement either for one two-year term or for one six year term. If District opts to extend for only two years, then, prior to the expiration of the first two-year term or second two year term, as applicable, District will give notice to Seller if it desires to extend for an additional two year term.

- B. Term. As used herein, the defined term "Term" refers to the period of time during which this Agreement is in effect, including the Initial Term and any Extension Terms.

IV. Purchase; Price and Payment

A. Orders. The Scheduled AMR Water Meters will be delivered by Seller as set forth on Exhibit A. In connection with the purchase of any Additional AMR Water Meters, District will contact Seller via facsimile, electronic communication or as otherwise requested by Seller to specify the quantity of Additional AMR Water Meters being purchased and to agree on the delivery schedule on a per order basis.

1. Special Order. On a date that is within twelve (12) calendar months of the Effective Date, if the Scheduled AMR Water Meters have proved satisfactory, District agrees to place an order for not less than 5,000 Additional AMR Water Meters (the "Special Order") to be delivered to District based on an agreed-upon schedule not to exceed twenty-four (24) calendar months from the date this Special Order is placed. The price per meter shall be calculated pursuant to the price schedule in effect at the time of each shipment made by Seller pursuant to this Special Order.

2. Obligation to Buy. The obligation of District to purchase the Scheduled AMR Meters, Special Order meters or any other meters or parts shall be void and non-enforceable, and this Agreement may be terminated by District effective immediately, if it becomes unlawful for District to order, purchase, use or install any such meters or parts thereof.

B. Price. For the purchase of the Scheduled AMR Water Meters the District will pay the price per meter specified in Exhibit A. For the purchase of any Additional AMR Water Meters described in Exhibit B, or subsequent or improved series or versions of 3G-DS meters or other similar or improved technology meters purchased by District hereunder, the Parties agree that the price per meter shall be calculated as set forth in Exhibit C attached hereto, as from time to time amended or revised in the manner provided below.

1. The price schedule set forth in Exhibit C is subject to change no more than twice annually. Any adjustment made shall be made only as necessary to bring the price schedule into compliance with Seller's published market rate schedule. However, any price adjustment shall not cause the price multipliers set forth in Exhibit C, nor any price multiplier applicable to District at the time of the adjustment, to be increased. The price multiplier shall be applicable to any other meters of any kind or series purchased by District from Seller.
2. Each such adjustment shall become effective on the thirtieth (30th) calendar day following delivery of notice together with a copy of the proposed price schedule to District. If Seller fails to give District at least thirty (30) calendar days notice, Seller may request a waiver and the written consent of District for an adjustment to become effective at an earlier day, but District shall be under no obligation to grant such waiver or consent, and the revised price schedule shall become

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effective on the earlier of, the agreed upon date or thirty (30) calendar days from the date of actual notice.

3. On the date a revised price schedule becomes effective, it shall replace or become part of Exhibit C, as applicable, and shall be in effect for any purchases made by District from the date it is effective to the date one (1) business day prior to the day the next revised price schedule becomes effective.
4. The term "business day" for the purpose of this Section and this Agreement shall mean all regular working days in the United States of America, composed of the traditional five (5) calendar day work-week and excepting traditional holidays. "Day" shall mean a traditional calendar day if not preceded by the word "business." If a date specified as the last day for the taking of any action hereunder falls on a Saturday or Sunday, the deadline for such action shall be the first business day following such date.

C. The Seller shall invoice District concurrently with the first scheduled delivery of the Scheduled AMR Water Meters for all such meters in accordance with the price set forth on Exhibit A, and upon delivery of any Additional AMR Water Meters for the meters so delivered in accordance with Exhibit C, or any revised price schedule in effect at the time of purchase, as provided above. In connection with each invoice the following shall be applicable:

1. Shipment. For any shipment of \$20,000 or more, Seller shall pay the freight and the meters and/or parts shall be shipped FOB Mansfield, Texas, freight allowed. For any shipment less than \$20,000, freight will be paid by District, all prices, handling and freight charges must be shown separately on the invoice and the shipment shall be FOB Mansfield, Texas. If Seller moves its plant closer to a different shipping location, the new location may become the new shipping point if agreed upon by the Parties, but it is the intent of the Parties that Seller will continue to be responsible for all shipping costs on shipments of \$20,000 or more.
2. Invoices. District shall have forty-five (45) calendar days from the date of receipt of an invoice to, without incurring interest and/or penalty charges, either (i) make payment, or (ii) provide written notice to Seller that District is contesting all or some of the invoiced amounts.
3. Contest of Invoiced Amounts. District may contest any amounts invoiced for damaged, defective, non conforming or non delivered items. If District contests an invoice, District will provide Seller with information and, if applicable, documentation supporting the contest. District may withhold payment of the entirety of the invoice if more than forty percent (40%) of the invoiced amounts are being contested. Otherwise, District shall remit payment for uncontested amounts concurrently with its written notice of contested amounts.
4. Seller Review of Contested Amounts; Resolution. After Seller has an opportunity to review District's notice of contested amounts, Seller shall contact District to discuss. If the Parties are able to reach an agreement on the amounts due, Seller will issue an invoice for the agreed-upon amounts which shall be paid by District within thirty (30) calendar days of receipt thereof. If the Parties are unable to

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reach an agreement concerning the amounts due within a reasonable time not less than sixty (60) calendar days from the date negotiations commence, after good faith efforts to settle the matter are made, Seller or District may pursue any remedy available to it hereunder or at law or equity.

V. *Termination*

A. This Agreement may be terminated by District or Seller as follows:

1. Upon sixty (60) calendar days notice by District to Seller of District's election to terminate this Agreement for any reason, with or without cause, provided that District shall have fulfilled its obligation to purchase the Scheduled AMR Water Meters and the Special Order prior to any such termination;
2. Upon thirty (30) calendar days notice by non-defaulting Party that this Agreement is being terminated due to the occurrence of an Event of Default by defaulting Party which has occurred and continued for thirty (30) calendar days, provided that defaulting Party may give non-defaulting Party written notice of its election to cure the Event of Default, specifying a reasonable cure period (not to exceed sixty (60) calendar days or other time period acceptable to non-defaulting Party) during which defaulting Party will cure and present evidence of cure satisfactory to non-defaulting Party. If such notice is given, and non-defaulting Party agrees to the cure period specified by defaulting Party, the notice of termination shall be deemed rescinded and this Agreement will continue in full force and effect as if the Event of Default had not occurred unless, after the expiration of the cure period, non-defaulting Party notifies defaulting Party that the cure is not satisfactory or has not been completed and the Agreement is terminated effective on a date specified in this failure to cure notice;
3. Upon thirty (30) calendar days notice by Seller to District, if District fails to pay the Seller any amounts due by District hereunder, provided that any amounts contested in the manner provided above are considered amounts due and are not basis for termination until the Parties have reached an Agreement concerning said amounts or have declared themselves unable to reach an Agreement despite good faith efforts, and further provided that District shall have an opportunity to cure the default by paying to Seller prior to the expiration of said thirty (30) calendar day period all amounts then due, which payment shall rescind the notice of termination and this Agreement shall thereafter continue in full force and effect as if the Event of Default had not occurred; or
4. Upon twenty (20) calendar days written notice by either Party to the other if a force majeure event continues for more than ninety (90) calendar days or if the other Party becomes insolvent or bankrupt or makes an assignment for the benefit of creditors. A force majeure event shall mean, for purposes of this Agreement, damage caused by an act of God, war, terrorism or other casualty, which would prevent or make impractical compliance with the provisions hereof, or damage caused under circumstances where it would be impractical or impossible for either Party to notify the other of the necessity for temporary interference with compliance of any provision hereof.

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B. Survival of Obligations. It is agreed and understood that Seller's obligations under the Warranty and under Section VII, sub-paragraphs entitled "Accuracy" and "Percent Failure" shall survive the termination of this Agreement and that Seller, or its successors or assigns, as applicable, shall be responsible for fulfilling said obligations during the longer of (i) the Term of this Agreement, or (ii) the term such obligation is applicable under the provisions thereof or the Warranty.

VI. *Events of Default & Remedies*

A. Seller Default. An "Event of Default" as to Seller under this Agreement shall include any of the following:

1. any breach of any provision or obligation of Seller hereunder, or misrepresentation by Seller or any person or entity other than Seller providing warranties or security under this Agreement, which continues uncorrected for fifteen (15) business days after notice of such breach or misrepresentation is given by District;
2. failure of more than three percent (3%) or a determination by Seller or District that there is a design or manufacturing problem with the Transmitters that renders the AMR Meters not usable or unreliable for the purpose for which they are intended, provided that Seller will have an opportunity to cure this default in the manner provided in Section VII, below;
3. the revocation of, attempt to revoke or terminate, or failure to honor, the Warranty, indemnity or Seller's obligation to investigate the reason for excessive failures and to provide labor for replacement, as applicable;
4. failure by Seller to honor an obligation to give District technical assistance with any problems related to the AMR Meters within the time periods specified herein;
5. the insolvency of Seller or its failure generally to pay its debts as such debts become due;
6. the commencement as to Seller of any voluntary or involuntary proceeding under any laws relating to bankruptcy, insolvency, reorganization, dissolution, liquidation, arrangement, debt adjustment or relief, including any assignment by Seller for the benefit of its creditors, the appointment, or commencement of any proceedings for the appointment, of a receiver, trustee, custodian or similar official for all or a substantial part of Seller's property;
7. the occurrence of an event that, in the reasonable opinion of District after investigation, threatens the corporate existence or financial soundness of Seller including the: (i) filing or recording against Seller, or the property of Seller, of any notice of levy, notice to withhold, or other legal process for taxes other than property taxes; (ii) default by Seller for amounts owed or on an obligation concerning the borrowing of money; or (iii) issuance against Seller, or the property of Seller, or, or failure of Seller to comply with, a writ of attachment, execution, or other order, judgment, injunction, decree or judicial lien.

B. District Default. An "Event of Default" as to District under this Agreement shall include any of the following:

1. any breach, or misrepresentation by District of any provision of this Agreement that continues uncorrected for fifteen (15) calendar days after notice of such breach or misrepresentation is given by Seller to District; or
2. the failure of District to pay any uncontested invoice, or any portion due, as provided in Paragraph IV, above.

C. Remedies on Default. Remedies of the Parties upon the occurrence of an Event of Default shall include any of the following:

1. Give written notice of the Event of Default to the defaulting Party; and
2. Give, pursue or request any remedy or cure provided under this Agreement, or agreed by the Parties, including request for specific performance; and/or
3. In connection with a default described in paragraph A.2, above, due to a failure of more than three (3%) of the Transmitters or a manufacturing problem, the cure described under Section VII, below; and/or
4. Following the termination of any applicable cure period, declaring this Agreement terminated and pursuing any remedy available at law or equity.

VII. Covenants, warranties and representations of Seller

In connection with the AMR Meters, the Transmitters, this Agreement, and, as applicable to the Prior Meters where indicated, the Seller represents, covenants, warrants and agrees as follows:

A. Time for Delivery. Seller shall deliver, or cause to be delivered, the Scheduled AMR Water Meters in accordance with the schedule of delivery set forth in Exhibit A, and shall deliver, or cause to be delivered, the Special Order pursuant to the delivery schedule agreed upon by the Parties in connection with the Special Order, and shall deliver, or cause to be delivered, any other Additional AMR Water Meters purchased by District within standard delivery times based on availability but, unless otherwise agreed to by District, no later than sixty (60) calendar days from the day an order is made. An order shall be considered "made" on the date a confirmation of receipt of an order is given by Seller to District following the placement of an order by the District. Each shipment of AMR Meters, or parts, as applicable, shall contain the following:

1. Meter Information. At the time of each delivery, and subsequent thereof as requested by District from time to time, Seller shall provide District with all data relevant to the meters included in each shipment or delivery, including the manufacturer name, the model number, and any serial numbers for each item included in said delivery. This information shall be in both written and electronic form;
2. Electronic form of Data. The data included with each shipment in electronic form shall be in Microsoft Excel format or other format agreed upon by the Parties. Each shipment shall include only one (1) clean, final, usable form of the electronic data in the agreed upon format. Seller and District agree that Seller's failure to deliver a clean, usable error free spreadsheet will result in delays in the

proper installation and incorporation of the affected meters into District's system. *If Seller sends an incomplete or otherwise non-complaint spreadsheet to District, District shall be entitled to reject any and all future shipments, including those for which advanced orders have been placed, if any, and shall not be obligated to pay for the shipment containing the non-compliant spreadsheet until an error free spreadsheet is provided and data is incorporated into District's meter reader system;*

3. *Software.* District intends to use Green Tree meter reading software, or other software as from time to time recommended by Seller, for all meters purchased under this Agreement. As long as District is using any software at any time recommended by Seller, Seller shall insure that its AMR Meters continue to properly function with that software and any modification or updates to said software;

B. *Quality.* Seller will exert its best efforts to deliver high quality AMR Meters in conformance with its published specifications;

C. *Accuracy.* Seller will exert its best efforts to ensure that at least ninety-eight percent (98%) of the meter readings resulting from transmissions from its Transmitters will be accurate, exclusive of errors due to installation or programming by District or other vendors. If inaccurate readings in excess of two percent (2.0%) are evident, in addition to all other remedies available to District hereunder or at law or equity, District may request Seller, and Seller agrees, to designate at least one full time person from its staff for as long as needed for such person or persons to inspect all meter readers and run all software or hardware tests required to determine why inaccurate readings are being provided and to correct the problem;

D. *Percent Failure.* Seller warrants, represents and will make best efforts to ensure that the percent failure on the aggregate of the Transmitters and parts provided to District by Seller does not exceed three percent (3.0%), provided that the following terms shall apply:

1. while the aggregate failure rate of AMR Meters, Transmitters and/or parts sold or provided by Seller to District is equal to or below two percent (2.0%), Seller will only be obligated to repair or replace, as applicable, in the manner provided under the Warranty, provided that a subsequent failure of a 3GDS Meter or part previously repaired or replaced shall also be counted towards the total percentage of failure;
2. if the aggregate failure rate of the Transmitters and/or parts sold or provided to District by Seller exceeds two percent (2.0%) but is less than three percent (3.0%), Seller shall repair or replace, as appropriate under the Warranty, all the Transmitters that are in disrepair at the time the aggregate failure exceeded two percent (2%). Seller shall be responsible for all costs related to and incurred in connection with the repair and/or replacement of all such Transmitters, as applicable, and shall, in addition do the following:
 - a. within fifteen (15) business days of the date District informs Seller, either in writing or via telephone or facsimile communication, that the failure rate has exceed two percent (2%), Seller shall either (i) notify District that Seller will, within a time frame not to exceed sixty (60) calendar days, or as otherwise

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accepted by District in writing, provide or cause to be provided actual labor to accomplish the repair or replacement of all Transmitters in disrepair at the time the failure rate exceeded two percent (2%), or (ii) notify District that Seller will compensate District for the costs incurred by District to repair and/or replace, or cause to be repaired and/or replaced, all such Transmitters, including all administrative costs and all costs associated with shipping and handling of the Transmitters and, if applicable and necessary, the actual AMR Meters. If Seller fails to give this notice to District within said fifteen (15) business days, District may undertake to do all acts necessary to accomplish the repair and replacement and Seller shall be responsible for reimbursing all costs incurred by District in connection therewith upon the written request of District; AND

- b. designate and appoint, at its sole cost and expense, at least one full time person from its staff, or a contractor, in either case acceptable to District for as long as needed for such person or persons to (A) test and inspect all Transmitters, and run all software or hardware tests required to determine why the meters are failing, (B) prepare a report indicating the source of the problem and the recommended steps and/or procedures for fixing the problem and preventing same from occurring in the future; and (C) correct the problem. District agrees to cooperate with such person or persons by making the software and hardware, including lists of location as maintained by District, available to such person or persons. Seller shall be obligated to comply with this provision even if District has undertaken the responsibility to repair or replace the non-functioning meters in the manner provided in subparagraph (a) above;
3. if the aggregate failure rate of the AMR Meters and/or Transmitters purchased by or otherwise provided to District by Seller exceeds three percent (3%), Seller shall be in default hereunder (the "Failure Rate Default"). Seller will have sixty (60) calendar days, or if requested by Seller in writing, other longer period of time agreed to by District, from the date notice is given by District that the failure rate has exceeded three percent (3%) to cure such default. Cure shall include but not be limited to the following: (i) within ten (10) business days of the date of notice, provide or cause to be provided, actual labor to accomplish the repair or replacement of all the Transmitters in disrepair at the time the failure rate exceeded three percent (3%); (ii) promptly retain or designate professionals acceptable to District to investigate the reason for the repeated failures, to inspect and test all Transmitters provided by Seller to District and to provide or cause to be provided to District, no later than forty-five (45) calendar days from the date the professionals are agreed upon, a report making findings as to the cause for the excessive failure rate; and (iii) within a reasonable time agreed upon by Seller and District, Seller shall make or cause to be made, at its sole cost and expense, all other repairs, replacements or corrections recommended by the report, including any corrections, repair or replacement required to be made to non-failed meters to ensure the proper functioning of the AMR Meters in accordance with the goals of the District as set forth in this Agreement;

4. if Seller becomes aware that the failure rate of any series of AMR Meters or Transmitters sold to District and manufactured as a batch, or by the same subcontractor of Seller, exceeds ten percent (10%), Seller shall notify District of that fact and shall inform District of the actions Seller intends to take to correct the problem, which actions may include but not be limited to the replacement of all Transmitters manufactured in that batch at the sole cost and expense of Seller.

In computing the number of failures, Seller shall not be held responsible for any failures attributable to damage due to improper installation of any hardware delivered to District, and any such failure shall not be considered in the calculation of failure rate contemplated herein. It is also agreed that if a Transmitter fails due to an act of District or its agents or employees and is replaced by Seller within ninety (90) calendar days of initial installation by District, the failure will not be counted towards the failure rates identified above, provided that any failure due to a manufacturing defect, missing part or other similar cause will be counted against such failure rates;

E. Technical Support. Seller shall maintain offices or locations staffed by a sufficient trained and capable staff, adequate to provide District with assistance and instructions on setup, installation, and use of the Scheduled AMR Water Meters and Additional AMR Water Meters as needed. Said staff shall be available at the numbers specified herein or at such other numbers as from time to time provided by Seller to District;

1. During the term of this Agreement, Seller shall provide technical support to District within no more than four (4) hours from an initial request for assistance made during Seller's regular business hours (8:00 a.m. to 6:00 p.m.) CST Monday through Friday via telephone or facsimile to:

Master Meter Inc. – Service Center
Phone: (800) 765-6518
Fax: (817) 842-8100
email: jpotter@mastermeter.com

2. District may obtain software support directly from Greentree during regular business hours (7:00 a.m. to 6:00 p.m. EST) or as agreed between District and Greentree in any software support contract effective from time to time;
3. Seller shall also provide on-site support at the request of District, provided that District shall first apply any troubleshooting procedures described in the guide provided by Seller, entitled 3G Troubleshooting Guide and attached hereto as Exhibit E; and
4. Seller shall provide free software updates for purchased software as such updates are available or necessary to correct any software problem and will provide upgrades to the software if so agreed by the Parties under a separate software contract;

F. Rights Covenant. Seller warrants and represents to District that it has the right, title and interest in and to the AMR Meters, and all related software and equipment, and the authority to sell or otherwise provide the same to District. Seller represents that the AMR Meters and all associated hardware and software contemplated hereunder are proprietary. If District determines or elects to purchase similar meters or meter reading products from another vendor, Seller agrees to

promptly provide all access information and protocols to the new vendor as needed to insure a seamless incorporation of the other vendor's meters or product;

G. Performance. Seller warrants that the Transmitters will, when properly installed, transmit reliable meter readings to a receive manufactured by Seller and connected to either a laptop or a handheld device;

H. Warranty. Seller hereby provides District with a twenty (20) year warranty for the registers and Transmitters consisting of a full replacement warranty for ten (10) years and a tiered warranty for an additional ten (10) years reflecting a percent discount from years 11 through 20 of the warranty, all as set forth in Exhibit D under the form of warranty entitled "Dialog 3G-DS Component Warranty". Seller hereby extends such warranty to provide District with the same coverage for the Prior Meters as set forth in the letter entitled "Supplemental Warranty" and attached hereto under Exhibit D. In addition, Seller hereby provides coverage for the body of the AMR Meters and Prior Meters in accordance with the terms of the warranty entitled "Utility Products Performance Warranty" attached hereto under Exhibit D. Seller will extend or upgrade such warranties from time to time as required to provide District any benefits greater than the ones described under the Warranty which Seller makes available to another customer or to all its customers. In connection with each meter sold or provided by Seller to District, and each meter or Transmitter replaced by Seller pursuant to the Warranty, the Warranty shall become effective sixty (60) calendar days from the date the meter or Transmitter is shipped to District, and, for every replacement meter, Transmitter or other part, on the date the part is either shipped to District or installed by Seller, as applicable, and shall remain in effect as provided under the Warranty;

I. Compliance with laws. All items sold by Seller hereunder shall be in conformance with AWWA Standards (including ANSI/AWWA C708-05, as hereinafter amended or supplemented) and all other applicable laws, rules and regulations, including Proposition 65 of the State of California. Seller shall be responsible for obtaining any required permits, inspection certificates or any other documentation of compliance required in connection with any such items. Failure to comply with those standards or permits may subject Seller to a product's liability action in accordance with the laws of the State of California;

J. Manufacturing Standards and Testing. Seller shall test or cause to be tested each batch of meters in accordance with its practice and procedures before delivering same to District;

K. Product Recall. If a government entity with jurisdiction over Seller, the AMR Meters or the Transmitters, a court of competent jurisdiction or Seller at any time determines, finds and determines (or orders) that the AMR Meters, or any particular batch or series, should be recalled, or that a manufacturing defect renders the meters not fit for the purpose for which they are intended, Seller shall be responsible for all costs and expenses of the recall. For purposes of this Agreement, said costs and expenses include without limitation, the removal, transportation, disposal and replacement of the AMR Meters. Replacement meters shall be reliable radio transmitter read water meters capable of transmitting data to either a laptop or handheld device;

L. Time is of the Essence. Seller agrees and understands that time and accuracy are of the essence to District in connection with meter readings. Seller will place an agreed upon number of meters and parts in consignment with District to facilitate the replacement or repair of any meters under the warranty within forty-eight (48) hours of notification of failure of a meter;

M. Rejected Meters/Shortages. Upon notice by District to Seller that a meter arrived in a damaged, defective or nonconforming condition, or any shortage in quantity of any shipment of meters, Seller shall replace the rejected meter or make up the shortage as soon as possible at no cost to District;

N. Consignment Meters. At all times during the term of this Agreement, Seller will maintain no less than two (2) boxes of ¾ x 7.5" and two (2) boxes of ¾ x 9" on consignment with District to be used to replace any defective, nonconforming or failed meter and shall replace such consignment meters when used in accordance herewith. Seller will provide a greater number of consignment meters, or different sizes of meters, upon agreement by the Parties. There will be no charge or cost to District for consignment meters, provided that said meters, or parts thereof, shall only be used as needed under the Warranty or as provided above upon failure rate of meters.

VIII. Insurance and Indemnification

A. Seller Insurance. Seller shall procure, and maintain during the term of this Agreement, from insurance companies with a Best rating of A VII or better, commercial general liability insurance and all other insurance required to be maintained by Seller under all laws applicable to Seller.

B. Seller Indemnification. Seller shall defend, indemnify and hold harmless District, its Board of Directors and each member thereof, its officers, agents, attorneys, insurers and representatives against any and all liability, damages, costs or expenses resulting from any claim, action, proceeding, lawsuit or other occurrence of similar nature, in connection with the manufacture, design, sale, title, intellectual property or any other right or interest in or to the AMR Meters and/or the Prior Meters and/or arising out of the negligence of Seller, its board, subcontractors, agents or employees. The extent of this indemnification includes, but is not limited to, Seller's obligation to reimburse all amounts paid by District to Seller hereunder if a court determines that Seller had no right to sell the meters to District as provided under this Agreement or that the meters were no manufactured in accordance with the applicable AWWA or California Proposition 65 standards.

C. District Indemnification. District shall defend, indemnify, and hold harmless Seller, its board, agents and employees against any and all liability, damages, costs or expenses resulting from any third-party claims made or suits brought against Seller (that are not related to the issues covered by Seller Indemnification) and which arise out of the negligent storage, handling, installation or use by District of the AMR Meters, Prior Meters or Transmitters.

IX. Successors and Assigns; Notice

A. This Agreement and all of the terms, conditions, and provisions hereof shall inure to the benefit of and be binding upon the Parties hereto, and their respective successors and assigns; provided, however, that no assignment of this Agreement shall be made without prior written consent of the other Party to this Agreement. Any attempt by the Seller to assign or otherwise transfer any interest in this Agreement without the prior written consent of District shall be void. Since the primary consideration of District in entering this Agreement is the qualifications of the

Handwritten signature and initials in the bottom right corner of the page.

Seller, as opposed to a low bid, District will refuse to consent to assignments if it considers the assignee to have lesser qualifications.

B. Notice. Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, registered or certified, postage prepaid, or via facsimile, provided that sender shall retain and be able to produce proof of successful fax, addressed to:

District:

Otay Water District
2554 Sweetwater Springs Boulevard
Spring Valley, California 91978-2004
Phone: (619) 670-2280
Fax: (619) 660-0829
Attention: General Manager

Seller:

Master Meter, Inc.
101 Regency Parkway
Mansfield, Texas 76063
Phone: (800) 765-6518
Fax: (817) 842-8100
Attention: Jerry Potter, President

Any notice given as indicated above shall be effective upon date of mailing or facsimile delivery.

X. Miscellaneous

A. Entire Agreement. This Agreement and the attached Exhibits represent the entire understanding by and between District and the Seller as to those matters contained herein. All Exhibits, documents or certificates attached to or referenced in this Agreement are incorporated into this Agreement as if fully set forth herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder.

B. Amendment. This Agreement may not be modified or altered except in writing signed by the Parties.

C. Applicable Laws. The Agreement shall be interpreted in accordance with the laws of the State of California without regard to its conflict of laws principles.

D. Venue. The proper venue for the resolution of any dispute hereunder which the Parties are unable to resolve in an amicable manner shall be with the superior courts within the County of San Diego, California. Each Party hereby submits to the jurisdiction of said courts.

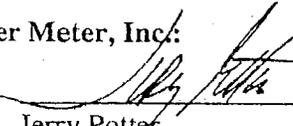
E. Drafting. The terms of this Agreement have been negotiated by the Parties and the Agreement shall be considered to have, and shall be construed as it has, been drafted by both Parties.

F. Effect of Waiver. No waiver of any default or other provision hereof, or failure of either Party to enforce a right hereunder, shall be deemed a permanent waiver of said term, right or provision or prevent or limit the enforcement of any other concurrent violation of the waived right, default or provision in the future.

XI. *Execution. Each person executing and delivering this Agreement represents to the other Party that it has full authority to enter into and execute this Agreement and bind the Party on whose behalf it is signing to comply with all terms and conditions of this Agreement.*

Effective Date= Date of Approval by Board of Directors of District = 12 - 7, 2005

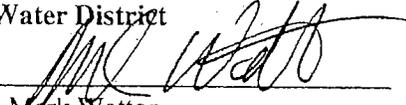
Master Meter, Inc:

By: 
Jerry Potter

Its: President

Date: 11/7/05

Otay Water District

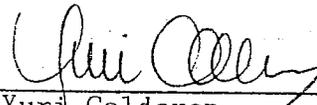
By: 
Mark Watton

Its: General Manager

Date: 12-7-05

COPIES: FILE (1 Orig.), Seller (1 Orig), PROJECT MANAGER, ACCOUNTS PAYABLE

APPROVED AS TO FORM:

 12-7-2005
Yuri Calderon
General Counsel
Otay Water District

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EXHIBIT B

Additional AMR Water Meters

Dialog Meter Descriptions

- ¾ x 7.5 BL06-2GD-NAA-2-3G or equal or superior Master Meter meter
- ¾ x 9 BL07-2GD-NAA-2-3G or equal or superior Master Meter meter
- 1" MJ09-2(G or L)D-(N or A)AA-2-3G or equal or superior Master Meter meter
- 1 1/2" MJ11-2(G or L)D-(N or A)AA-2-3G or equal or superior Master Meter meter
- 2" MJ13-2(G or L)D-(N or A)AA-2-3G or equal or superior Master Meter meter

At the option of District, as specified at the time each order is placed, an Additional AMR Water Meter will be either as identified above, or any other similar, equivalent or better meter. All meters purchased shall be counted towards the aggregate number used to identify the pricing category of the meter purchase, provided that, if the pricing schedule for the meter ordered is different from the pricing schedule attached to this Agreement as Exhibit C, the proper pricing schedule shall be used to set the price of the meter so purchased.

EXHIBIT A

**Scheduled AMR Water Meters
Price and Delivery Schedule**

Price Schedule for Scheduled AMR Meters

<u>Size</u>	<u>Price per meter</u>
¾ x 7.5"	\$112.50
¾ x 9"	125.00
1"	135.38
1- ½"	215.38
2"	275.38

Price and Delivery Schedule for Scheduled AMR Meters

<u>Delivery Date</u>	<u>Quantity</u>	<u>Description</u>	<u>Price per Meter</u>	<u>Total</u>
January 1, 2006	500	¾ x 7.5"	\$112.50	\$ 56,250
	2750	¾" x 9"	125.00	343,750
March 25, 2006	500	¾ x 7.5"	112.50	56,250
	2750	¾" x 9"	125.00	<u>343,750</u>
TOTAL	6,500			\$800,000

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EXHIBIT B

Additional AMR Water Meters

Dialog Meter Descriptions

- ¾ x 7.5 BL06-2GD-NAA-2-3G or equal or superior Master Meter meter
- ¾ x 9 BL07-2GD-NAA-2-3G or equal or superior Master Meter meter
- 1" MJ09-2(G or L)D-(N or A)AA-2-3G or equal or superior Master Meter meter
- 1 1/2" MJ11-2(G or L)D-(N or A)AA-2-3G or equal or superior Master Meter meter
- 2" MJ13-2(G or L)D-(N or A)AA-2-3G or equal or superior Master Meter meter

At the option of District, as specified at the time each order is placed, an Additional AMR Water Meter will be either as identified above, or any other similar, equivalent or better meter. All meters purchased shall be counted towards the aggregate number used to identify the pricing category of the meter purchase, provided that, if the pricing schedule for the meter ordered is different from the pricing schedule attached to this Agreement as Exhibit C, the proper pricing schedule shall be used to set the price of the meter so purchased.

EXHIBIT C

Price Schedule for Purchase of 3G Meters by the Otay Water District

METER SIZE	Material	No. of Meters	0-5,000	5001-10,000	10,001-15,000	≤15,001+
		List Price/ Multiplier	0.51	0.49	0.48	0.46
			PRICE (per meter)	PRICE (per meter)	PRICE (per meter)	PRICE (per meter)
3/4 x 7.5"	EnviroBrass	\$312.52	\$159.39	\$153.13	\$150.01	\$143.76
1"	Bronze	365.22	186.26	178.96	175.31	168.00
1.5"	Bronze	574.12	292.80	281.32	275.58	264.10
2"	Bronze	705.34	359.72	345.62	338.56	324.46
1"	EnviroBrass	401.69	204.86	196.83	192.81	184.78
1.5"	EnviroBrass	661.02	337.12	323.90	317.29	304.07
2"	EnviroBrass	825.26	420.88	404.38	396.12	379.62

METER SIZE	Material	No. of Meters	0-5,000	5001-10,000	10,001-15,000	≤15,001+
		List Price/ Multiplier	0.49	0.47	0.46	0.45
			PRICE (per meter)	PRICE (per meter)	PRICE (per meter)	PRICE (per meter)
3/4 x 9"	EnviroBrass	348.56	170.79	163.82	160.34	156.85

Seller and District have agreed that, in consideration of the discount given by Seller to District in connection with the Scheduled AMR Water Meters, District will initially purchase Additional AMR Water Meters at the list price multiplier under the first column, above, (.51), except for any 3/4 x 9" meters in connection with which the special schedule above has been agreed upon. There will be no credits or reimbursement for any meters purchased under a higher multiplier, however, District and Seller has agreed that the multipliers identified above will apply to the purchase by District of any other meters of Seller.

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EXHIBIT D

Warranty

See Attached

DIALOG® 3G-DS Component Warranty

DIALOG 3G-DS registers and external transmitters (herein know as "product") are warranted to be free from defects in materials and workmanship for Ten (10) years from date of shipment by Master Meter and at a prorated replacement cost of list price during the following Ten (10) years based on the discounted rate value listing below.

All other 3G-DS System components are warranted to be free from defects in materials and workmanship for One (1) year from date of shipment by Master Meter.

If a product fails to perform as warranted, Master Meter will repair or replace the product, at Master Meter's sole option, at no charge to the customer, subject to the terms of the warranty. This warranty shall not be applicable to products that have been damaged by willful misconduct, negligence, vandalism, act of God, exposure to adverse service conditions or improper installation, use or repair.

Master Meter's liability under this warranty is expressly limited to repair or replacement of the product, at Master Meter's option. The repaired or replacement product will maintain the original meter's warranty based on the original purchase date. The customer must pay for freight cost of the returned product or products to the factory or service center designated by Master Meter. The product replaced becomes the property of Master Meter.

Master Meter further warrants that any 3G register or external transmitter installed shall be free from battery defects in manufacturing and design for a period of ten (10) years from the date of shipment in the relevant DIALOG 3G-DS product (such period is defined as the "Battery Warranty Period"). Master Meter will repair or replace a product that is non-performing due to battery failure free of charge for the first Ten (10) years and at a prorated replacement cost based on the current list price during the remaining Ten (10) years as follows:

Year of Failure	Replacement Cost
1-10	Full Replacement
11	30%
12	35%
13	40%
14	45%
15	50%
16	55%
17	60%
18	65%
19	70%
20	75%

DISCOUNT PERCENTAGES WILL BE APPLIED AGAINST PUBLISHED LIST PRICES IN EFFECT AT THE TIME THE PRODUCT IS ACCEPTED BY MASTER METER UNDER WARRANTY CONDITIONS. THE WARRANTIES CONTAINED ABOVE HEREOF ARE THE ONLY WARRANTIES WITH RESPECT TO THE LISTED PRODUCTS, AND ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, BETWEEN THE PARTIES OR ARISING BY LAW. IN PARTICULAR, MASTER METER DISCLAIMS ANY AND ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THESE WARRANTIES SHALL BE VOID IN THE EVENT THAT THE FAILURE OR DEFECT IN THE LISTED PRODUCT HAS ARISEN AS A RESULT OF THE PRODUCT BEING USED FOR ANY PURPOSE OTHER THAN THAT WHICH WAS INTENDED AND APPROPRIATE AT THE TIME OF MANUFACTURE, INCLUDING USE IN A CONFIGURATION OTHER THAN AS RECOMMENDED BY MASTER METER OR AS A RESULT OF IMPROPER INSTALLATION OR MAINTENANCE. MASTER METER'S LIABILITY SHALL IN NO EVENT EXCEED THE PURCHASE PRICE. MASTER METER SHALL NOT BE SUBJECT TO AND DISCLAIMS THE FOLLOWING: (1) ANY OTHER OBLIGATIONS OR LIABILITIES ARISING OUT OF BREACH OF CONTRACT OR WARRANTY (2) ANY OBLIGATIONS WHATSOEVER ARISING FROM TORT CLAIMS (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR ARISING UNDER OTHER THEORIES OF LAW WITH RESPECT TO PRODUCTS SOLD OR SERVICES RENDERED BY MASTER METER, OR ANY UNDERTAKINGS, ACT OR OMISSIONS RELATING THERETO, AND (3) ALL CONSEQUENTIAL, INCIDENTAL, SPECIAL, MULTIPLE, EXEMPLARY, AND PUNITIVE DAMAGES WHATSOEVER.



FORM MM1008 06/20/2005



101 REGENCY PARKWAY
MANSFIELD, TX 76063
817-842-8000
FAX 817-842-8100

Supplemental Warranty

Master Meter specifically agrees to extend our 3GDS warranty to all of the 3GNB units that the Otay Water District currently has within its coverage area as of November 1, 2005. The warranty period on these units began when they were shipped to the District or an authorized Master meter Distributor. The additional Warranty becomes effective when and only when the contract titled "Agreement Between the Otay Water District and Master Meter Inc. to provide for the purchase, sale, and warranty of certain water meters" is executed.

Jerry Potter

President
Master Meter Inc.

UTILITY PRODUCTS PERFORMANCE WARRANTY

- Multi-jet Meters manufactured by Master Meter, Inc. are warranted to perform to AWWA new meter accuracy standards, and to be free from defects in materials and workmanship, for a period of two (2) years from date of Master Meter shipment.

- Additionally, Master Meter Multi-jet Meters will perform to AWWA repaired meter accuracy standards for fifteen (15) years from Master Meter shipment date, or the registration limits indicated, whichever occurs first:

5/8" - 1.5 million gallons 3/4" - 2.25 million gallons 1" - 3.0 million gallons
1-1/2" - 5.5 million gallons 2" - 8.0 million gallons

- Master Meter 2" to 8" waterworks bronze body and 10" and 12" cast iron body MMT Turbine Meters are warranted to perform to AWWA accuracy standards, and be free from material and workmanship defects for two (2) years from date of Master Meter shipment. Master Meter 2" to 8" cast iron body WT Turbine Meters and Fire Hydrant Meters are warranted to perform to AWWA accuracy standards, and be free from material and workmanship defects, for one (1) year from date of Master Meter shipment.

- Master Meter 2" to 6" DB Compound Meters are warranted to meet AWWA performance standards, and be free from defects in materials and workmanship, for two (2) years from date of Master Meter shipment. Further, the Multi-jet Meter installed for low flow measurement in the DB Compound Meter is covered by the Multi-jet Meter performance warranty as described above.

- Master Meter Electromagnetic Flowmeters, including sensors and converters, are warranted to be free from defects in materials and workmanship for one (1) year from date of Master Meter shipment.

- The waterworks bronze maincases for 5/8" to 2" Multi-jet Meters are warranted to be free from defects in materials and workmanship for twenty-five (25) years from the date of shipment by Master Meter.

- Direct read and DIALOG® System registers are warranted to be free from material and workmanship defects for fifteen (15) years from date of Master Meter shipment. Electrical Output and Rate of Flow registers are warranted to be free from material and workmanship defects for one (1) year from date of Master Meter shipment.

- DIALOG System Electronic Modules are warranted to be free from defects in materials and workmanship for ten (10) years from date of shipment by Master Meter. All other DIALOG System components are warranted to be free from material and workmanship defects for one (1) year from date of shipment by Master Meter.

- All Master Meter products not specifically identified above are warranted to be free of defects in materials and workmanship for one (1) year from date of Master Meter shipment.

- If a product fails to perform as warranted, Master Meter will repair or replace the product, at Master Meter's option, at no charge to the customer, subject to the terms of the warranty.

- This warranty shall not be applicable to products that have been damaged by willful misconduct, negligence, vandalism, act of God, exposure to adverse service conditions or improper installation, use or repair.

- Master Meter's liability under this warranty is expressly limited to repair or replacement of the product, at Master Meter's option, upon the customer's returning the product to the factory or service center designated by Master Meter and paying freight cost to and from such factory or service center. The product replaced becomes the property of Master Meter. Master Meter shall not be liable for special, incidental, indirect or consequential damages of any kind.

THE ABOVE WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES OR GUARANTEES, EXPRESS, IMPLIED OR STATUTORY, WITH RESPECT TO QUALITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE.



041201

101 Regency Parkway
Mansfield, TX 76063
800-765-6518
817-842-8100 FAX
info@mastermeter.com

visit our website: www.mastermeterinc.com

EXHIBIT E



3G Trouble Shooting Guide

Problems that can occur out in the field when reading 3G installed routes:

1. No transmission from unit (3G under the glass, universal 3G single or dual switch, and WR clip on).
2. Transmitter number mismatches.
3. Receiver failure.
4. Cable failure: Antenna cable between the receiver and antenna, USB cable or RS 232 cable between the receiver and PC.
5. Reads not matching: PC read to odometer read.
6. Wrong user codes

No Transmission from unit or weak transmission:

1. List of things to check.
 - a) Check cable connection between receiver and computer is not loose
 - b) Check the antenna connection to the receiver is not loose.
 - c) Check that the receiver is on, and the led is blinking orange or solid orange.
 - d) Check that the stop button in your route management software wasn't accidentally clicked.
 - e) Make sure you've imported the correct route.
 - f) Make sure you are close to the pit of transmitting register if trouble shooting.
 - g) Check the pit status, it can be filled with dirt or water which can at times attenuate RF signals
 - h) Cross check the transmitting number on the register or Universal to the number and address it corresponds to in the route.
 - i) Try communicating with another unit then try the problematic unit once more.
 - j) Query the unit using the 3G technician software for TX ON/OFF; if TX is of, activate unit. If TX is ON check Transmission interval; the transmission interval for a drive-by system should be 10 seconds and for fixed area network, Sub-metering only, it should be 300 seconds.
 - k) If the unit is transmitting, check the user code and make changes if it is different.
 - l) If all above is checked and the unit is not responding replace register or WR. Note; when replacing the 3G register on a bottom load meter you don't have to turn the water off and take the meter out of the pit. Refer to 3G register change out guide. If you are replacing WR, refer to the WR installation guide.

Transmitter number mismatches:

When a transmitting number doesn't match the number in the route management software, you will get a no response meaning the number/address will not clear from the list in the bottom window of your Route management software; it could be possible that the number assigned to the particular address may in fact be transmitting from another location. It is always good to cross check numbers in your software to the transmitting number for verification when ever you are confronted with an unusual read or no read.

If numbers are mismatched, make necessary corrections in local data base

Receiver failure:

Make sure the receiver is fully charged at all times; when charging, make sure the receiver is turned off. When using in drive-by, make sure the power is always plugged.

Cable failure:

Cables are very important components of the system. Be careful when handling, plugging, unplugging, and installing cables to your receiver and computer.

Typical failures of cables are: loose connections, cuts in the cable, tangled cables, and end connections stripped from the cable.

Reads not matching: PC read to odometer read.

This is identified when there is an abnormal difference in usage in the reports printed from the reads.

Note: before any changes verify that the number in the route is the same as the transmitter number you are trouble shooting.

1. In this case you need to compare the pc read to the odometer read of the meter with the problem using the 3G technician software.
2. If the read difference is more than 3 pulses, this means that the register is not registering properly, if this is the case replace register. Refer to register change out guide.

Alerts/statuses:

Leak (Alarm), CCW, and Tamper are the three statuses transmitted from the 3G register.

Leak (Alarm): This means that there is a leak at that location on the customer's side. This will appear on your screen only if water is being used continuously for 24 hours.

Locations with leaks need to be double checked to verify the leak status. Some leaks will not be noticeable. The register is very sensitive and will detect the slightest movement in the line. It will detect a leak as small as a commode leak in the bathroom. If it is a temporary leak the alarm will reset itself.

CCW: This means counter clockwise read. This will appear on your screen if water flows in the opposite direction as much as 30 gallons or more, or if the meter was installed in the wrong direction.

When you receive a CCW status you can interrogate the unit to see how much water passed through the meter CCW. You can reset the status and the CCW read to zero any time after problem is taken care of.

CCW is also helpful in installations. If a meter is installed facing the wrong direction, once 30 gallons of water passes through the meter, it will send a CCW status

Tamper: This will appear on your screen when meter is tampered with a magnet.

AGENDA ITEM 4



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 7, 2009
SUBMITTED BY:	Frank Anderson, Utility Services Manager <i>FA</i>	W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)	Pedro Porras, <i>[Signature]</i> Chief, Water Operations		
APPROVED BY: (Asst. GM):	Manny Magaña, <i>[Signature]</i> Assistant General Manager, Engineering & Operations		
SUBJECT:	Authorize the General Manager to Purchase Large Meters		

GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize the General Manager to:

1. Purchase 3" and larger (large) Master Meter, Inc. radio-read (AMR) meters as needed to complete the retrofit of existing manual read meters to AMR meters within the District's existing AMR routes, and
2. Purchase additional large Master Meter, Inc., or other manufacuted, radio-read meters on an as-needed basis as required to meet the Districts large meter needs.

COMMITTEE ACTION:

See Attachment "A"

PURPOSE:

To obtain Board authorization for the General Manager to purchase large meters to complete the District's AMR meter retrofitting program and as required to meet the District's on-going large meter needs.

It is anticipated that the AMR retrofit program should be completed no later than FY 2014. Meters for the AMR retrofit program will be purchased under the AMR Retrofit CIP.

Large meters purchased to replace under-registering meters per AWWA standards and for new meter requirements will be purchased separately on an as-needed basis from Master Meter, Inc. or from a different vendor, as dictated by its application. These meters will be purchased from a specific Large Meter Testing Program CIP funding account or from the an operating budget as appropriate.

ANALYSIS:

For the purpose of these projects, large meters are considered three-inch and larger; therefore, in order to fully complete the routes as AMR routes, and ensure a more accurate consumption reading, a specific amount of large meters need to be purchased. This process is expected to be completed in conjunction with the AMR Retrofit Program, estimated to take four more years. Staff determined that there is a need to purchase 112 large meters to complete the District's retrofit program.

It is also expected that as a best management practice that the District will regularly flow test all large meters starting with the remaining large meters not yet in AMR routes. During this testing, several meters could be deemed inaccurate and under-registering based on AWWA standards thus reducing revenue to the District. Larger meters typically consume more water and create more revenue for the District. Due to the higher expense of larger meters, expediting the purchase of these large meters in order to recover water loss from the under-registering meters could surpass the current purchase level approval of the General Manager.

The purchasing of new large meters for new installations will be performed separately, on an annual basis, from expected growth, estimated every year per meter sale projections.

FISCAL IMPACT:



It is estimated that the cost to purchase the proposed 112 large AMR retrofit program meters will total \$410,088 to be charged against the AMR/Manual Meter Replacement CIP 2458. The annual purchase of these meters is dependant upon the schedule of replacements projected from fiscal year 2010 to fiscal year 2014.

The total budget for the AMR/Manual Meter Replacement CIP 2458 is \$10,447,000. Current expenditures and encumbrances for the CIP, including the meters purchased under this request, and the retrofit meter request if approved, are \$6,734,874.

The total budget for the Large Meter Testing CIP 2484 is \$535,000. This CIP account will fund the contractual testing of large meters, meter testing data analysis by District Engineering staff, and for any large meter purchase deemed necessary due to failing test results. Current expenditures and encumbrances for this CIP are \$ 7,524.

AMR/Manual Meter Replacement Expenditure Summary:

AMR/Meter Replacement CIP 2458 Budget:		\$ 10,447,000
Expenditures and Encumbrances to Date with proposed purchase of two-inch and smaller AMR meters:	\$6,324,786	
Proposed Large Meter Purchase:	\$410,088	
Total Expenditures and Proposed Encumbrances:		\$6,734,874
Projected Balance of AMR/Meter Replacement CIP 2458 Budget:		\$ 3,712,126
Large Meter Testing CIP 2484 Budget:		\$535,000
Current Expenditures:	\$7,524	
Current Balance of Large Meter Testing CIP 2484 Budget:		\$527,476

STRATEGIC GOAL:

Implementation of the AMR/Meter Replacement program and Large Meter Testing program per schedule.

LEGAL IMPACT:

None

LEGAL IMPACT: _____

None



General Manager

Attachment "A", Committee Action

QA/QC approval:

Name: Tim Kuman

Date: 9-17-2009



ATTACHMENT A

SUBJECT/PROJECT:	Approval to Purchase Additional Large Meters
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COMMITTEE ACTION:

The Engineering, Operations and Water Resources Committee reviewed this item at a meeting held on September 28, 2009. The committee supported staff's recommendation.

NOTE:

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



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 7, 2009
SUBMITTED BY:	James F. Peasley <i>JFP</i> Engineering Manager	W.O./G.F. NO:	P2010- DIV. NO. ALL 001101
APPROVED BY: (Chief)	Rod Posada <i>R. Posada</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>M. Magaña</i> Assistant General Manager, Engineering & Operations		
SUBJECT:	Authorization of General Manager to Execute a Non-Competitive Professional Services Agreement with MWH Americas Inc. for a North District-South District Service Area Intertie Study		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District's (District) Board of Directors (Board) authorize the General Manager to execute a non-competitive professional services agreement with MWH Americas Inc. (MWH), a professional engineering consulting firm, to prepare for the District a North District-South District Service Area Intertie Study in an amount not to exceed \$119,505.

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

That the Board authorize the General Manager to execute a non-competitive professional services agreement with MWH in an amount not to exceed \$119,505 for preparation of a North District-South District Service Area Intertie Study (Study).

ANALYSIS:

In April 2007 staff made a presentation to the Board regarding the Integrated Water Resources Plan (IRP). The IRP formalized the development of strategies and approaches for water supply diversification, which included the continued exploration of the feasibility for local water treatment plant supply opportunities and pursuit of a North District to South District inter-connection.

The Sweetwater Authorities (SWA) Robert A. Perdue Water Treatment Plant (Perdue WTP) is one such obvious example of supply diversification and the conveyance system can also be used for a North District to South District interconnection. Staff has had discussions with SWA staff regarding the feasibility of potential cooperative efforts to implement mutually beneficial projects consistent with the goals and objectives of the IRP.

Given the current water supply uncertainties and supportive encouragement from SWA, it is believed that it is a good time to pursue the important Perdue WTP opportunity.

The scope of work for the Study, Attachment B, includes the evaluation of conveyance, pumping, and storage system requirements to convey the SWA Perdue WTP supply and interconnection between the North District and South District Systems, as well as an evaluation of various routing and site alternatives. The South District to North District interconnection would be capable of conveying Rosarito Desalination water supplies to the North District.

Mr. William Moser, with MWH, has recent and extensive past experience of 37 years with regional water systems in San Diego County working on water supply and conveyance for SDCWA, SWA, Helix Water District, and the District. Mr. Moser is well respected, is held in high regard, and has developed an excellent level of trust with SWA and District staff. Staff believes, and is confident, that it is in the District's best interest to have MWH, with Mr. Moser as project manager, to perform the Study scope of work.

Mr. Moser is very familiar with Water District facilities, through preparation of the District's 1995 Water Resources Master Plan, and familiar with the water facilities and SWA Perdue WTP's numerous projects since 1985 and its past Master Plans. Mr. Moser recently prepared a brief technical memorandum on options for connection to SWA system, which will serve as a starting point for this proposed Study.

The schedule to award the MWH professional services consultant contract for the Study is October 2009. The Study effort is projected to take four to five months, with completion projected in March 2010.

FISCAL IMPACT: 

The total budget for CIP P2010, Sweetwater Authority Perdue WTP Connection to 36-Inch Main, for the next six years is \$4,000,000 approved as a part of the Fiscal Year 2010 budget process.

Expenditures to date are \$11,209.86. Total expenditures, plus outstanding commitments and forecasts to date, are approximately \$130,714.86.

Based on a review of the budget, the Project Manager anticipates the budget will be sufficient to support the Study effort.

Finance has determined that 40% of the funding is available from the Expansion Fund and 60% of the funding is available from the Betterment Fund.

STRATEGIC GOAL:

Preparation of a North District-South District Service Area Intertie Study supports the District's Mission Statement, "To provide the best quality of water and wastewater service to the customers of the Otay Water District, in a professional, effective, and efficient manner," and the District's Strategic Goal, in planning for infrastructure and supply to meet current and future potable water demands.

LEGAL IMPACT: _____

Legal counsel reviewed District policies and determined that the Board, at its discretion, may authorize and direct the General Manager to enter into non-competitive professional services agreements.



General Manager

P:\jpeasley\BD 10-07-09, Staff Report, Otay Sweetwater Supply Feasibility Study-MWH, (JP-RP).doc

JFP/RP:jf

Attachments: Attachment A
Attachment B

QA/QC Approval:



NAME

9/16/09

DATE



ATTACHMENT A

SUBJECT/PROJECT: P2010-001101	Authorization of General Manager to Execute a Non-Competitive Professional Services Agreement with MWH Americas Inc. for a North District-South District Service Area Intertie Study
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on September 28, 2009. The Committee supported Staff's recommendation.

NOTE:

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

ATTACHMENT B

OTAY WATER DISTRICT

North District-South District Service Area Intertie Study

Scope of Work

Objectives:

The North District to South District Service Area Intertie Study (Study) and subsequent report preparation will address three potential alternatives to meet the following two primary objectives:

1. Obtain perhaps up to 10,000 gallons per minute (gpm) from Sweetwater Authority (SWA) in the winter months and possibly in emergency conditions such as scheduled or unscheduled treated water pipeline shutdowns (i.e., Pipeline Number 4) by the San Diego County Water Authority (SDCWA).
2. Convey treated water from the Otay Water District (WD) North District to the South District and from the South District to the North District service areas during normal or emergency conditions. Water supplied from the proposed Rosarito Desalination Plant could be conveyed to the North District via the interconnection.

Three general alignments are to be addressed; Western alignment, RWCWRF force main, alignment, and Proctor Valley alignment. The goal is to provide two benefits, (1) a link between the 640 Pressure Zone of Regulatory System using the existing 36-inch transmission main in San Carlos Street as the northern connection point, which is connected to the SDCWA Otay WD No. 11 Flow Control Facility (FCF) in Paradise Valley Road and the 624 Pressure Zone in the Central Area System in H Street and (2) as an emergency 10,000 gpm supply source connected to SWA with the treatment at the Robert A. Perdue Water Treatment Plant (Perdue WTP) located at the Sweetwater Reservoir.

Approach:

Brief descriptions of the RWCWRF force main and the Proctor Valley alignment options will be presented in the report along with the reasons that they are not competitive with the western alignment possibilities. These reasons include the need to wait for development along Proctor Valley Road (not build now and then later having to move a pipeline), pumping to 1296 hydraulic grade elevation only to bleed back to 640 elevation, the need to upgrade existing pump stations, etc.

The RWCWRF force main alignment involves three pump stations (all new) – two feed north to south and one feeds south to north. It would also be necessary to review the capacities of pump stations from the 624 Pressure Zone to the 980 Pressure Zone to assure water can flow in this direction.

The Proctor Valley Road alignment would require one new pump station at Perdue WTP and evaluation of the 832-1 Pump Station, 944-1 Pump Station, and 1296-1 Pump Station for the north to south flow. The south to north would require review of existing pump stations plus a new station to the 1296 Pressure Zone.

There are a number of potential pipeline alignments for the western alternative as could be multiple connection points to the SWA system. It has been assumed that two connection points and no more than four pipeline alignments will be presented.

It has also been presumed that Otay WD will provide support. One area will be in the preparation of GIS graphics that can be used to illustrate pipeline locations and to determine pipeline construction lengths. The second will be to run the Otay WD network model to provide hydraulic information in determining pipeline size and pump station total dynamic head.

Western Alternative(s)

A previously prepared technical memorandum described a pump station and pipeline that would connect to pipelines of the SWA in Bonita Valley and run in Central Avenue and Corral Canyon Road to H Street or in a combination of Conduit Road, San Miguel Road., Proctor Valley Road., and Corral Canyon Road to H Street. From either of these an extension to the San Carlos Street or to the FCF on Paradise Valley Road needs to be identified and costs estimated.

For the South District to North District flow condition it has been determined that water would be pumped from the 624 Pressure Zone into the 711 Pressure Zone (the existing pumping capacity is adequate) and from there through the proposed pipeline to the North District 640 Pressure Zone.

For the North District to South District flow condition it has been determined that a pipeline be also connected to the South 624 Pressure Zone and that a booster pump station would be required to move the water from the 640 Pressure Zone in the north to the 624 Pressure Zone in the south.

A second pump station would be required to move water from SWA to either of the Otay WD pressure zones.

Valving and metering will be required to allow the multiple flow scenarios.

The ability for SWA to take water from the new pipeline in an emergency will also be defined including the type of facility required.

Scope of Work

Project Administration and report QA/QC.

Project Meetings:

- Kickoff meeting with Otay WD and SWA
- Progress Meetings with Otay WD (assume three)
- Coordination meetings with Otay WD and SWA (assume three)

Establish design condition for 10,000 gpm emergency supply outage scenario

- Perdue WTP to Central Area System 624 Pressure Zone

- Perdue WTP to Regulatory System 640 Pressure Zone
- Month of emergency, i.e. what is demand condition of the system
- Flow to be taken from Perdue WTP during winter months
- Flow to be taken from Perdue WTP during summer to keep pipeline water fresh
- Flow to be transferred from 640 Pressure Zone to 624 Pressure Zone
- Flow to be transferred from 624 Pressure Zone to 640 Pressure Zone

Determine and map up to four pipeline alignment possibilities and points of connection to SWA, the North District service area, and the South District service area. Meet with Otay WD and SWA to verify and modify as necessary. Identify major utility crossings such as drainage, SDCWA aqueduct, Otay WD, and SWA transmission mains. Have Otay WD staff prepare GIS scaled maps illustrating pipeline locations.

Prepare hydraulic analyses of each alignment for each flow condition and for the likely demand in two seasons (summer or winter). Prepare schematics that illustrate connection points, valve arrangements, and meter locations to satisfy all flow conditions. This requires network analyses by Otay WD.

Prepare preliminary hydraulic profiles.

Determine makeup of each pump station for three conditions; pumping from Perdue WTP, pumping from North to South District and South to North District service areas. Determine if one or two pump stations are required. Make preliminary selection of pumps and prepare scaled mechanical layout.

Identify two potential locations for each pump station.

Meet with SWA and Otay WD to present preliminary layout and findings and solicit comment and input on SWA facilities that need to be upgraded, expanded, modified, etc. Modify, as appropriate, and estimate operating costs for annual and emergency take from the Perdue WTP.

Prepare table(s) of total capital cost for each of the three alternatives using unit cost estimates for pipeline and pump station construction estimates. Add reasonable factor for engineering and administration and contingency costs.

The construction cost estimates will be an **AACE International CLASS 5 Cost Estimate**. Class 5 estimates are generally prepared based on very limited information, and subsequently have wide accuracy ranges. Typically, engineering is from 2% to 10% complete. They are often prepared for strategic planning purposes, market studies, assessment of viability, project location studies, and long range capital planning. Virtually all Class 5 estimates use stochastic estimating methods such as cost curves, capacity factors, and other parametric techniques. Expected accuracy ranges are from -20% to -50% on the low side and +30% to +100% on the high side, depending on technological complexity of the project, appropriate reference information, and the inclusion of an appropriate contingency determination. Ranges could exceed those shown in unusual circumstances.

Prepare table(s) of annual cost using data from SWA for purchase from Perdue WTP and energy costs assuming \$0.16/kWh. Add pump station maintenance costs but no annual maintenance for pipelines.

Show annual costs with and without capital amortization; for annual cost of capital assume projects are funded using 25 year bonds at 5% interest.

Coordinate with the Otay WD environmental staff to prepare Initial Check List – provide mapping, and respond to questions.

Prepare a draft and final reports. Draft report will be submitted in pdf and word format on a compact disc. The final report will be printed with 10 copies for Otay WD and 10 copies for SWA.

The scope and fee are based on the assumption that Otay WD and SWA will provide the following:

- GIS support by Otay WD to prepare graphics of pipeline alignments and site plans for pump stations.
- Hydraulic network analyses of existing and proposed major pipelines in the 640, 624, and 711 Pressure Zones to determine the hydraulic grade line required at the pump station location options.
- Participation in the initial workshop to define alignments and connection points to existing facilities.
- Details on existing facilities (i.e., pipeline materials and size, etc.) that will be part of, or connected to, new facilities developed in the Study.



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 7, 2009
SUBMITTED BY:	Lisa Coburn-Boyd <i>Lis</i> Environmental Compliance Specialist	PROJECT/ SUBPROJECTS:	R2096-004000 DIV. NO. 4 R2095-004000 S2018-004000
	Ron Ripperger <i>m</i> Engineering Manager		
APPROVED BY: (Chief)	Rod Posada <i>Rod Posada</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>m magaña</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Award of a Professional Engineering Services Contract for the Ralph W. Chapman Water Reclamation Facility Upgrade Project		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) authorize the General Manager to execute a Professional Engineering Services agreement with MWH Americas, Inc. (MWH), a professional engineering consulting firm, for the Ralph W. Chapman Water Reclamation Facility (RWCWRF) Upgrade Project in an amount not to exceed \$460,000.

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

That the Board authorize the General Manager to execute a Professional Engineering Services agreement with MWH in an amount not to exceed \$460,000 for the RWCWRF Upgrade Project.

ANALYSIS:

The District's RWCWRF Upgrade Project consists of three CIP projects (CIP Nos. R2095, R2096, and S2018) that were combined

for this engineering services contract. The three projects are related because they are all components of an overall upgrade of the RWCWRF.

The first component of the upgrade project is the modification of the treatment process at the facility to improve the reduction of Total Nitrogen in the treatment plant effluent. The RWCWRF treatment process must be modified to improve nitrogen reduction because the Facility has not been meeting its monthly average effluent discharge limit of 9.4 mg/L total nitrogen. A Nitrogen Reduction Study of the treatment process was conducted in early 2009 by PBS&J. The conclusion of the Study was that the treatment process could be modified by the addition of an anoxic zone prior to the aeration zone (pre-anoxic) to meet the effluent requirements for total nitrogen (T-N). An abandoned aeration basin on the east side of the current aeration basin can be refurbished for use as the anoxic basin.

The second upgrade component is the rehabilitation of the facility's process air blower system. Currently, the RWCWRF blower system consists of two sets of blowers and associated piping. One set, which was installed in 1980, is seldom used since they were replaced in 1992 by two larger blowers. Under current plant operations, a single blower is used to supply air to the grit chamber, aerated channels, activated sludge basins, and filters. A Study of the process air blower system was done by District staff earlier this year. This Study concluded that the replacement of the existing blower equipment, controls, and piping would make the system more efficient and result in significant cost savings.

The third part of the facility upgrade is the enhancement of the level of automation at the RWCWRF. An Automation Enhancements Assessment of the facility was completed by Westin Engineering in 2008. The report provided an assessment of the processes, control approaches, and SCADA system with recommendations for improvements and an Action Plan. The work for this task under the contract will include miscellaneous improvements of facility automation at the Process Area Controller level utilizing some of the recommendations from the Westin Study as a basis for the design of the system.

The final component of the project is the removal of the damaged filter backwash storage reservoir floating cover at the facility and the design of a replacement cover. The replacement cover may be another floating cover or a fixed cover depending on the existing needs of the facility.

A Request for Proposals to provide the engineering services was issued on August 13, 2009 to eleven consulting firms. These eleven firms had submitted Letters of Interest and Statements of Qualifications in response to the advertisement for engineering services for the project. On September 2, 2009, three proposals were received from the following firms:

- Lee & Ro
- Malcolm-Pirnie
- MWH

The eight firms that chose not to propose are AECOM, Alfa Tech, Bailey Environmental, Carollo, PBS&J, RBF, RMC, and Tetra Tech.

In accordance with the District's Policy 21, staff evaluated and scored all written proposals and also conducted oral interviews with the three firms. The interview selection panel was comprised of five (5) Staff members. After completion of the interviews, the panel completed the consultant ranking process and concluded that MWH was the most qualified consultant, with the best overall proposal. References for MWH were checked and received high ratings. A summary of the complete evaluation is shown in Attachment B.

District Staff met with MWH to negotiate the fee and review the proposed scope of work. Staff added a component to the scope of work to provide construction support services and asked MWH to provide a cost proposal for these services. MWH reduced their costs for the project management, preliminary design and bid services tasks of their original cost proposal from \$160,000 to \$124,500 and added the costs for construction support services, \$70,000. These changes resulted in a net increase of \$34,500 in the cost of the project. District Staff is confident that MWH will perform to a very high level.

FISCAL IMPACT:



The funding for the engineering services for the RWCWRF Upgrade Project will be available from the budgets of the three CIP projects, R2095, R2096, and S2018. The approved total budget for R2095 is \$75,000, the approved total budget for R2096 is \$1,000,000, and the approved total budget for S2018 is \$50,000.

Based on a review of the budget, the Project Manager anticipates the budgets will be sufficient to support the engineering services. The funds for the engineering services will be

expended in FY2010. See Attachment C-1, C-2, and C-3 for additional details on the expenditures for each CIP Project.

Finance has determined that 100% of the funding is available from the General Replacement Fund for CIP projects R2095 and R2096 and that 100% of the funding is available from the Sewer Betterment Fund for CIP project S2018.

STRATEGIC GOAL:

This project supports the District's Mission Statement, "To provide the best quality of water and wastewater service to the customers of the Otay Water District, in a professional, effective, and efficient manner." This project also supports the District's Strategic Goal, "To develop and implement Treatment Plant Enhancements including automation for remote operation and shutdown, technology improvements, and upgrade of facilities."

LEGAL IMPACT:

None.



General Manager

P:\WORKING\CIP R2096 - RWCWRF Blower System Rehab-Replace\Staff Reports\RWCWRF Upgrade Project - Staff Report_09-14-09.doc

LCB/RR:jf

Attachments: Attachment A
Attachment B
Attachment C-1
Attachment C-2
Attachment C-3

QA/QC Approved:



NAME

9/16/09

DATE



ATTACHMENT A

SUBJECT/PROJECT:	
R2096-004000	Award of a Professional Engineering Services Contract for the Ralph W. Chapman Water Reclamation Facility Upgrade Project
R2095-004000	
S2018-004000	

COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on September 28, 2009. The Committee supported Staff's recommendation.

NOTE:

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

ATTACHMENT B

SUMMARY OF PROPOSAL RANKINGS BY PANEL MEMBERS

< RWCWRF UPGRADE PROJECT >

		← WRITTEN →						← ORAL* →				TOTAL SCORE	AVERAGE SCORE	References	
	SCORE	Qualifications of Staff	Understanding of scope, schedule, resources	Soundness and Viability of Proposed Project Plan	Proposed Fee	Consultant's commitment to DBE	SUBTOTAL	AVERAGE SUBTOTAL SCORE	Additional creativity, insight to issues	Strength of project manager	Presentation, communication skills				Quality of response to questions
		20	20	25	35	Y/N	100		15	15	10	10	150 **		Pass/Fail
Lee & Ro	<i>Lisa Coburn-Boyd</i>	15	12	18	35	Y	80	86	11	11	7	6	115	119	
	<i>Brandon DiPietro</i>	18	18	24	35		95		12	11	5	6	129		
	<i>Jim Peasley</i>	10	10	15	35		70		8	7	8	5	98		
	<i>Rod Posada</i>	20	19	24	35		98		10	12	8	8	136		
	<i>Gary Stalker</i>	16	15	20	35		86		10	8	6	8	118		
Malcolm-Pirnie	<i>Lisa Coburn-Boyd</i>	18	17	20	15	Y	70	71	12	11	7	7	107	110	
	<i>Brandon DiPietro</i>	17	16	19	15		67		13	15	8	8	111		
	<i>Jim Peasley</i>	20	20	25	15		80		14	15	10	8	127		
	<i>Rod Posada</i>	20	18	22	15		75		10	12	7	7	111		
	<i>Gary Stalker</i>	15	14	20	15		64		9	9	7	7	96		
MWH	<i>Lisa Coburn-Boyd</i>	20	19	24	29	Y	92	87	14	15	9	10	140	133	PASS
	<i>Brandon DiPietro</i>	17	18	23	29		87		15	15	8	10	135		
	<i>Jim Peasley</i>	15	15	20	29		79		15	15	10	9	128		
	<i>Rod Posada</i>	20	18	22	29		89		12	14	9	9	133		
	<i>Gary Stalker</i>	18	18	23	29		88		13	12	9	9	131		

Consultant	Proposed Fee	% Above Lowest Fee	Score
Lee & Ro	\$329,854	Lowest Fee	35
MWH	\$424,309	21-30%	29
Malcolm-Pirnie	\$659,954	91-100%	15

Project Manager: *Lisa Coburn-Boyd* Date: 9/14/09

QC Check: *Bernardo Lopez* Date: 9/15/09

Engineering Manager: *Ray Tupper* Date: 9/15/09



ATTACHMENT C-1

SUBJECT/PROJECT:	
R2096-004000	Award of a Professional Engineering Services Contract for the Ralph W. Chapman Water Reclamation Facility Upgrade Project
R2095-004000	
S2018-004000	

Otay Water District

Updated: 09/14/09

R2095 - RWCWRF - Filter Storage Reservoir Cover

<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment & Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor / Comments</i>
\$75,000					
Planning					
In House/Labor	149	149		149	
				-	
				-	
				-	
Total Planning	\$ 149	\$ 149	\$ -	\$ 149	
Design					
In House/Labor	2,500		2,500	2,500	
Consultant Contracts	7,500		7,500	7,500	MWH AMERICAS, INC
				-	
				-	
				-	
Total Design	\$ 10,000	\$ -	\$ 10,000	\$ 10,000	
Construction					
In House/Labor				-	
				-	
				-	
				-	
				-	
				-	
				-	
Total Construction	\$ -	\$ -	\$ -	\$ -	
Grand Total	\$ 10,149	\$ 149	\$ 10,000	\$ 10,149	

PM Signature Lisa Colman-Beyla QC Bob Sear Eng. Mgr. Ron Pappageer



ATTACHMENT C-2

SUBJECT/PROJECT:	
R2096-004000	Award of a Professional Engineering Services Contract for the Ralph W. Chapman Water Reclamation Facility Upgrade Project
R2095-004000	
S2018-004000	

Otay Water District
R2096 - RWCWRF - Blower System Rehabilitation/Re

Updated: 09/14/09

Budget	Committed	Expenditures	Outstanding Commitment & Forecast	Projected Final Cost	Vendor / Comments
\$1,000,000					
Planning					
In House/Labor	7,319	7,319		7,319	
Consultant Contracts	1,225	1,225	-	1,225	MWH CONSTRUCTORS INC
Service Contracts	250	250	-	250	UNION TRIBUNE PUB CO
	68	68	-	68	SD DAILY TRANSCRIPTS
			-	-	
			-	-	
Total Planning	\$ 8,861	\$ 8,861	\$ -	\$ 8,861	
Design					
In House/Labor				-	
Consultant Contracts	447,500		447,500	447,500	MWH AMERICAS, INC
			-	-	
			-	-	
Total Design	\$ 447,500	\$ -	\$ 447,500	\$ 447,500	
Construction					
In House/Labor				-	
				-	
				-	
				-	
				-	
				-	
Total Construction	\$ -	\$ -	\$ -	\$ -	
Grand Total	\$ 456,361	\$ 8,861	\$ 447,500	\$ 456,361	

PM Signature Lisa Colman-Boyd QC Bob Jay Eng. Mgr. Floyd Puffer



ATTACHMENT C-3

SUBJECT/PROJECT:	
R2096-004000	Award of a Professional Engineering Services Contract for the Ralph W. Chapman Water Reclamation Facility Upgrade Project
R2095-004000	
S2018-004000	

Otay Water District

Updated: 09/14/09

S2018 - RWCWRF - Secondary Process Automation

<i>Budget</i> \$50,000	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment &</i>	<i>Projected Final Cost</i>	<i>Vendor / Comments</i>
Planning					
In House/Labor			-	-	
			-	-	
			-	-	
			-	-	
Total Planning	\$ -	\$ -	\$ -	\$ -	
Design					
In House/Labor	1,500		1,500	1,500	
	5,000		5,000	5,000	
			-	-	
			-	-	
Total Design	\$ 6,500	\$ -	\$ 6,500	\$ 6,500	
Construction					
In House/Labor	2,060	2,060		2,060	
Materials & Supplies	4,113	4,113	-	4,113	CABLES PLUS LLC
			-	-	
			-	-	
			-	-	
Total Construction	\$ 6,173	\$ 6,173	\$ -	\$ 6,173	
Grand Total	\$ 12,673	\$ 6,173	\$ 6,500	\$ 12,673	

PM Signature Lisa Colman Boyd QC Brenda Sege Eng. Mgr. Ron Tippen

AGENDA ITEM 7



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 7, 2009
SUBMITTED BY:	Daniel Kay <i>DK</i> Associate Civil Engineer	PROJECT/ SUBPROJECT:	P1210- 003000
	Ron Ripperger <i>RR</i> Engineering Manager	DIV. NO.	ALL
APPROVED BY: (Chief)	Rod Posada <i>RPosada</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>M Magaña</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Award of an As-Needed Electrical Design Services Contract for Fiscal Years 2010 and 2011		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) authorizes the General Manager to enter into an agreement for Professional Services for As-Needed Electrical Design Services with Engineering Partners, Inc. (EPI) in an amount not to exceed \$100,000 during Fiscal Years 2010 and 2011 (ending June 30, 2011).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the award of a professional services contract for electrical design services on an as-needed basis in support of the District's Capital Improvement Program (CIP). The contract amount is not to exceed \$100,000 for Fiscal Years 2010 and 2011 commencing upon Board approval.

ANALYSIS:

The District will require the professional services of an electrical design consultant to perform electrical design in support of the District's CIP projects for Fiscal Years 2010 and

2011. The As-Needed Electrical Design Services contract will provide the District with the ability to obtain consulting services in a timely and efficient manner and on an as-needed basis.

The District will require the expertise of an electrical design consultant to design electrical systems for a variety of CIP projects. The District incurs expenses in requesting, reviewing, and ranking proposals, checking references, and preparing staff reports for Committee and Board approval. The electrical design services, individually, are small enough that preparation of formal proposals by consultants becomes expensive and these costs are then passed on to the District and the time that is lost in obtaining these formal proposals can delay projects. For these reasons, it is more efficient and cost effective to issue a contract on an as-needed basis. This concept has also been used in the past for other disciplines like geotechnical, engineering design, and environmental services.

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

The CIP projects that are estimated to require electrical design services for Fiscal Years 2010 and 2011, at this time, are listed below:

CIP	DESCRIPTION	ESTIMATED COST
P2185	640 Reservoirs - Pump Station Modifications	\$15,000
P2473	711-1 Pump Station Modification	\$10,000
P2487/ P2488	Interconnection Projects	\$10,000
P2370	Dorchester Reservoir and Pump Station Demolition	\$5,000
P2474	Fuel Storage Covers and Containment	\$5,000
R2048	Otay Mesa Distribution Pipelines and Conversions	\$5,000
R2087	20-inch Recycled Pipeline - Wueste Road - Pressure Reducing Station	\$10,000
R2091	944-1 Pump Station Upgrade	\$20,000
	TOTAL:	\$80,000

The electrical design scopes for the above projects are estimated from preliminary information and past projects. Future CIP projects may require the need for electrical design services during Fiscal Years 2010 and 2011. Therefore, staff believes that a \$100,000 cap on the As-Needed Electrical Design Services contract is adequate.

The contract is not to exceed \$100,000 for all task orders. Fees for professional services will be charged to the CIP Projects for which the electrical designs are performed.

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

The District solicited electrical design services by placing an advertisement on the District's website, San Diego Union Tribune, and the San Diego Daily Transcript on August 3, 2009. Nine (9) firms submitted a letter of interest and a statement of qualifications. The Request for Proposal (RFP) for As-Needed Electrical Design Services was sent to all nine (9) firms resulting in four (4) proposals received on August 25, 2009. They are as follows:

- BSE Engineering
- Engineering Partners, Inc.
- Lee & Ro, Inc.
- Richard Brady & Associates

The five (5) firms that chose not to propose are Carollo Engineers, G4 Engineering, MPA, Malcom Pirnie, and Tanner Engineering.

In accordance with the District's Policy 21, staff evaluated and scored all written proposals. Since the value of the contract amount is less than \$200,000, no interviews are required. EPI received the highest score for their services based on their experience, understanding of the scope of work, proposed method to accomplish the work, and their composite hourly rate. EPI was the most qualified consultant with the best overall proposal. A summary of the complete evaluation is shown in Attachment B.

FISCAL IMPACT: _____

[Handwritten signature]

The funds for this contract will be expended from the CIP projects noted previously. The fees for professional services requested herein are available in the authorized CIP project budgets. This contract is for professional services based on the District's need and schedule, and expenditures will not be made until a task order is approved by the District for the consultant's professional services on a specific CIP project.

The Project Manager anticipates that the budget will be sufficient to support the professional services required for specific CIP projects previously noted.

STRATEGIC GOAL:

This projects supports the District's Mission Statement, "To provide the best quality of water and wastewater service to the customers of the Otay Water District, in a professional, effective, and efficient manner," and the District's Strategic Goal, in planning for infrastructure and supply to meet current and future potable water demands.

LEGAL IMPACT: _____

None.

[Handwritten signature]

General Manager

P:\WORKING\As Needed Services\Electrical\FY 2010-2011\Staff Report\BD 10-07-09, As-Needed Electrical Services.doc

DK/RR:jf

Attachments: Attachment A
Attachment B

QA/QC Approval:

Lisa Colman-Boyd
Name

9-17-09
Date



ATTACHMENT A

SUBJECT/PROJECT: P1210-003000	Award of an As-Needed Electrical Design Services Contract for Fiscal Years 2010 and 2011
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COMMITTEE ACTION: _____

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on September 28, 2009. The Committee supported Staff's recommendation.

NOTE:

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

ATTACHMENT B

SUMMARY OF PROPOSAL RANKINGS BY PANEL MEMBERS

Professional As-Needed Electrical Design Services

		WRITTEN					TOTAL SCORE	AVERAGE SCORE	References
		Qualifications of Staff	Understanding of scope, schedule, resources	Soundness and Viability of Proposed Project Plan	Composite Hourly Rate ¹	Consultant's commitment to DBE			
SCORE		20	20	25	35	Y/N	100		Pass/Fail
BSE Engineering	<i>Daniel Kay</i>	18	18	22	35	Y	93	88	
	<i>Ron Ripperger</i>	17	16	20	35		88		
	<i>Don Anderson</i>	16	16	17	35		84		
	<i>Bob Kennedy</i>	12	15	15	35		77		
	<i>Rod Posada</i>	20	20	24	35		99		
Engineering Partners, Inc. (EPI)	<i>Daniel Kay</i>	17	17	21	34	Y	89	91	Pass
	<i>Ron Ripperger</i>	17	18	22	34		91		
	<i>Don Anderson</i>	18	17	17	34		86		
	<i>Bob Kennedy</i>	18	18	22	34		92		
	<i>Rod Posada</i>	19	19	24	34		96		
Lee & Ro, Inc.	<i>Daniel Kay</i>	18	18	21	33	Y	90	89	
	<i>Ron Ripperger</i>	17	17	21	33		88		
	<i>Don Anderson</i>	17	18	17	33		85		
	<i>Bob Kennedy</i>	17	17	20	33		87		
	<i>Rod Posada</i>	19	18	23	33		93		
Richard Brady & Associates	<i>Daniel Kay</i>	17	16	20	25	Y	78	74	
	<i>Ron Ripperger</i>	15	15	18	25		73		
	<i>Don Anderson</i>	11	12	11	25		59		
	<i>Bob Kennedy</i>	18	16	20	25		79		
	<i>Rod Posada</i>	18	18	22	25		83		

1. Hourly Rate Calculation Formula = $35 - \frac{(\text{Consultant Rate} - \text{Min. Rate}) * 10}{(\text{Max. Rate} - \text{Min. Rate})}$

PM Signature: 

QC: 

Engineering Manager: 

AGENDA ITEM 8



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 7, 2009
SUBMITTED BY:	Daniel Kay <i>DK</i> Associate Civil Engineer	PROJECT/ SUBPROJECT:	N/A DIV. NO. ALL
	Ron Ripperger <i>RR</i> Engineering Manager		
APPROVED BY: (Chief)	Rod Posada <i>RP</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>MM</i> Assistant General Manager, Engineering and Operations		<i>MM</i>
SUBJECT:	Award of As-Needed Geotechnical Services Contract for Fiscal Years 2010 and 2011		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) authorizes the General Manager to enter into an agreement for Professional Services for As-Needed Geotechnical Services with Southern California Soil and Testing, Inc. (SCST) for an amount not to exceed \$175,000 during Fiscal Years 2010 and 2011 (ending June 30, 2011).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the award of a professional services contract for geotechnical services on an as-needed basis in support of the District's Capital Improvement Program (CIP). The contract amount is not to exceed \$175,000 for Fiscal Years 2010 and 2011 commencing upon Board approval.

ANALYSIS:

The District will require the services of a geotechnical consultant to perform studies in support of the District's CIP projects for Fiscal Years 2010 and 2011. The As-Needed Geotechnical Services contract will provide the District with the ability to obtain consulting services in a timely and efficient manner and on an as-needed basis.

The District will require the expertise of a geotechnical consultant to conduct investigations for a variety of CIP projects. The District incurs expenses in requesting, reviewing, and ranking proposals, checking references, and preparing staff reports for Committee and Board approval. The investigations, individually, are small enough that preparation of formal proposals by consultants becomes expensive and these costs are passed on to the District. For these reasons, it is more efficient and cost effective to issue a contract on an as-needed basis. This concept has also been used in the past for other disciplines like engineering design, electrical, and environmental services.

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

The CIP projects that are estimated to require geotechnical investigations for Fiscal Years 2010 and 2011, at this time, are listed below:

CIP	DESCRIPTION	ESTIMATED COST
P2434	Rancho Del Rey Groundwater Well Development	\$30,000
P2482	Otay Mesa Lot 7 Groundwater Well System	\$20,000
P2488/ P2489	Interconnection Projects	\$20,000
R2058	16-inch Recycled Pipeline - Airway Road	\$15,000
R2077	24-inch Recycled Pipeline - Alta Road	\$15,000
P2087	20-inch Recycled Pipeline - Wueste Road	\$15,000
S2019	Avocado Blvd. 8-inch Sewer Replacement	\$15,000
S2020	Calavo Dr. 8-inch Sewer Replacement	\$15,000
	TOTAL:	\$145,000

The geotechnical scopes for the above projects are estimated from preliminary information and planning studies. The geotechnical scopes of the projects may change during the design phase, potentially increasing geotechnical study costs. Similarly, industry-wide increases in the cost of performing geotechnical investigations, such as fees for drilling and excavation subcontractors, insurance, and regulatory compliance, may also increase the cost of performing geotechnical studies. Therefore, staff believes that a \$175,000 cap on the As-Needed Geotechnical Services contract is appropriate.

The contract is not to exceed \$175,000 for all task orders. Fees for professional services will be charged to the CIP Projects for which the investigations are performed.

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

The District solicited geotechnical services by placing an advertisement on the District's website, San Diego Union Tribune, and the San Diego Daily Transcript on August 3, 2009. Twenty-Three (23) firms submitted a letter of interest and a statement of qualifications. The Request for Proposal (RFP) for As-Needed Geotechnical Services was sent to all twenty-three (23) firms resulting in ten (10) proposals received on August 25, 2009. They are as follows:

- GEI Consultants
- Geocon, Inc.
- Geo-Logic Associates
- Geotechnics, Inc.
- Koury Geotechnical Services, Inc.
- MTGL, Inc.
- Ninyo & Moore
- Nova Engineering & Environmental
- Southern California Soils & Testing
- TGR Geotechnical, Inc.

The thirteen (13) firms that chose not to propose are Bureau Veritas North America Inc., Carollo Engineers, Construction Testing & Engineering, EEI Geotechnical & Environmental, Group Delta, Kleinfelder, KPR Consulting, Krazan & Associates Inc., Leighton Consulting, Professional Services Industries Inc.,

Southern California Geotechnical, Southland Geotechnical Consultants, and United Inspection & Testing.

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

FISCAL IMPACT:



The funds for this contract will be expended from the CIP projects noted previously. The fees for professional services requested herein are available in the authorized CIP project budgets. This contract is for professional services based on the District's need and schedule, and expenditures will not be made until a task order is approved by the District for the consultant's professional services on a specific CIP project.

The Project Manager anticipates that the budget will be sufficient to support the professional services required for specific CIP projects previously noted.

STRATEGIC GOAL:

This project supports the District's Mission statement, "To provide the best quality of water and wastewater service to the customers of the Otay Water District, in a professional, effective, and efficient manner," and the District's Strategic Goal, in planning for infrastructure and supply to meet current and future potable water demands.

LEGAL IMPACT:

None.



General Manager

DK/RR/RP:jf

Attachments: Attachment A
Attachment B

QA/QC Approval:

Name: Lisa Colman-Boyd

Date: 9-17-09



ATTACHMENT A

SUBJECT/PROJECT: Various	Award of As-Needed Geotechnical Services Contract for Fiscal Years 2010 and 2011
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on September 28, 2009. The Committee supported Staff's recommendation.

NOTE:

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

ATTACHMENT B

SUMMARY OF PROPOSAL RANKINGS BY PANEL MEMBERS

Professional As-Needed Geotechnical Services

		WRITTEN						References	
		Qualifications of Staff	Understanding of scope, schedule, resources	Soundness and Viability of Proposed Project Plan	Composite Hourly Rate ¹	Consultant's commitment to DBE	TOTAL SCORE		AVERAGE SCORE
SCORE		20	20	25	35	Y/N	100		
									Pass/Fail
GEI Consultants	Daniel Kay	18	18	22	30	Y	88	88	
	Lisa Coburn-Boyd	18	19	24	30		91		
	Jerry Munoz	18	20	22	30		90		
	Brandon DiPietro	18	16	20	30		84		
	Rod Posada	18	19	22	30		89		
GeoCon, Inc.	Daniel Kay	19	19	23	27	Y	88	82	
	Lisa Coburn-Boyd	18	18	23	27		86		
	Jerry Munoz	15	17	18	27		77		
	Brandon DiPietro	16	17	20	27		80		
	Rod Posada	16	18	20	27		81		
Geo-Logic Associates	Daniel Kay	18	18	23	25	Y	84	81	
	Lisa Coburn-Boyd	19	18	23	25		85		
	Jerry Munoz	16	18	20	25		79		
	Brandon DiPietro	16	17	18	25		76		
	Rod Posada	16	17	21	25		79		
Geotechnics, Inc.	Daniel Kay	16	16	20	33	Y	85	84	
	Lisa Coburn-Boyd	19	17	22	33		91		
	Jerry Munoz	12	15	15	33		75		
	Brandon DiPietro	17	17	18	33		85		
	Rod Posada	16	16	19	33		84		
Koury Geotechnical Services, Inc.	Daniel Kay	16	11	14	28	Y	69	74	
	Lisa Coburn-Boyd	16	15	20	28		79		
	Jerry Munoz	17	17	18	28		80		
	Brandon DiPietro	12	11	13	28		64		
	Rod Posada	16	16	19	28		79		
MTGL, Inc.	Daniel Kay	17	17	21	34	Y	89	91	
	Lisa Coburn-Boyd	18	18	22	34		92		
	Jerry Munoz	18	20	21	34		93		
	Brandon DiPietro	18	18	20	34		90		
	Rod Posada	17	19	22	34		92		
Ninyo & Moore	Daniel Kay	18	17	22	29	Y	86	87	
	Lisa Coburn-Boyd	19	19	23	29		90		
	Jerry Munoz	19	18	23	29		89		
	Brandon DiPietro	18	19	20	29		86		
	Rod Posada	18	18	20	29		85		
Nova Engineering & Environmental	Daniel Kay	17	17	21	35	Y	90	87	
	Lisa Coburn-Boyd	18	17	22	35		92		
	Jerry Munoz	15	14	14	35		78		
	Brandon DiPietro	16	18	16	35		85		
	Rod Posada	17	16	20	35		88		

		WRITTEN						References	
		Qualifications of Staff	Understanding of scope, schedule, resources	Soundness and Viability of Proposed Project Plan	Composite Hourly Rate ¹	Consultant's commitment to DBE	TOTAL SCORE		AVERAGE SCORE
SCORE		20	20	25	35	Y/N	100	Pass/Fail	
Southern California Soil & Testing	Daniel Kay	18	18	23	32	Y	91	92	Pass
	Lisa Coburn-Boyd	18	18	22	32		90		
	Jerry Munoz	19	20	25	32		96		
	Brandon DiPietro	18	19	20	32		89		
	Rod Posada	20	20	24	32		96		
TGR Geotechnical, Inc.	Daniel Kay	17	16	16	29	Y	78	80	
	Lisa Coburn-Boyd	17	16	21	29		83		
	Jerry Munoz	13	15	16	29		73		
	Brandon DiPietro	18	17	17	29		81		
	Rod Posada	18	18	22	29		87		

1. Hourly Rate Calculation Formula = $35 \cdot \frac{(\text{Consultant Rate} - \text{Min. Rate})}{(\text{Max. Rate} - \text{Min. Rate})} \cdot 10$

PM Signature: 

QC: 

Engineering Manager: 



AGENDA ITEM 9

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 7, 2009
SUBMITTED BY:	Daniel Kay <i>DK</i> Associate Civil Engineer	PROJECT/ SUBPROJECT:	Various DIV.NO. ALL
	Ron Ripperger <i>RR</i> Engineering Manager		
APPROVED BY: (Chief)	Rod Posada <i>R. Posada</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>M. Magaña</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Award of As-Needed Engineering Design Services Contract for Fiscal Years 2010 and 2011		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) authorizes the General Manager to enter into an Agreement for Professional Services for As-Needed Engineering Design Services with Lee & Ro, Inc. (Lee & Ro) in an amount not to exceed \$175,000 during Fiscal Years 2010 and 2011 (ending June 30, 2011).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the award of a professional services contract for engineering design services on an as-needed basis in support of the District's Capital Improvement Program (CIP). The contract amount is not to exceed \$175,000 for Fiscal Years 2010 and 2011 commencing upon Board approval.

ANALYSIS:

The District will require the professional services of an engineering consultant in support of the District's CIP projects for Fiscal Years 2010 and 2011. The As-Needed Engineering Design Services contract will provide the District with the ability to obtain consulting services in a timely and efficient manner and on an as-needed basis.

The District will require the expertise of an engineering consultant to provide civil engineering design for a variety of CIP projects. The District incurs expenses in requesting, reviewing and ranking proposals, checking references, and preparing staff reports for Committee and Board approval. The engineering design services, individually, are small enough that preparation of formal proposals by consultants becomes expensive and these costs are passed on to the District. For these reasons, it is more efficient and cost effective to issue a contract on an as-needed basis. This concept has also been used in the past for other disciplines like geotechnical, electrical, and environmental services.

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

The CIP projects that are estimated to require engineering design services for Fiscal Years 2010 and 2011, at this time, are listed below:

CIP	DESCRIPTION	ESTIMATED COST
P2496	Otay Lakes Road Utility Relocations	\$90,000
S2019	Avocado Blvd. 8-inch Sewer Replacement	\$35,000
S2020	Calavo Drive 8-inch Sewer Replacement	\$20,000
S2021	Jamacha Road 8-inch Sewer Replacement	\$15,000
S2022	Hidden Mesa Drive 8-inch Sewer Rehabilitation	\$15,000
	TOTAL:	\$175,000

The engineering design scopes for the above projects are estimated from preliminary information and past projects. Therefore, staff believes that a \$175,000 cap on the As-Needed Engineering Design Services contract is adequate.

The contract is not to exceed \$175,000 for all task orders. Fees for professional services will be charged to the CIP Projects for which the engineering designs are performed.

This As-Needed Engineering Design Services contract does not commit the District to any expenditure until a task order is approved to perform work on a CIP Project. The District does not guarantee work to the consultant, nor does the District guarantee to the consultant

that it will expend all of the funds authorized by the contract on professional services.

The District solicited engineering design services by placing an advertisement on the OWD website, San Diego Union Tribune, and the San Diego Daily Transcript on August 3, 2009. Twenty-Two (22) firms submitted a letter of interest and a statement of qualifications. The Request for Proposal (RFP) for As-Needed Design Services was sent to all twenty-two (22) firms resulting in fifteen (15) proposals received on August 25, 2009. They are as follows:

- Carollo Engineers
- Fuscoe Engineering
- HDR Engineering, Inc.
- Hunsaker & Associates, Inc.
- J.C. Heden & Associates, Inc.
- Kennedy/Jenks Consultants
- Lee & Ro, Inc.
- Masson & Associates, Inc.
- Nasland Engineering
- O'Day Consultants
- PBS&J
- RCE Consultants, Inc.
- Richard Brady & Associates
- Spear & Associates, Inc.
- Tran Consulting Engineers

The seven (7) firms that chose not to propose are AECOM, Psomas, Harris & Associates, Tetra Tech, KPR Consulting Inc., Malcom Pirnie, and MWH.

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

FISCAL IMPACT:



The funds for this contract will be expended from the CIP projects noted previously. The fees for professional services requested

herein are available in the authorized CIP project budgets. This contract is for professional services based on the District's need and schedule, and expenditures will not be made until a task order is approved by the District for the consultant's professional services on a specific CIP project.

The Project Manager anticipates that the budget will be sufficient to support the professional services required for the specific CIP projects previously noted.

STRATEGIC GOAL:

This project supports the District's Mission statement, "To provide the best quality of water and wastewater service to the customers of the Otay Water District, in a professional, effective, and efficient manner," and the District's Strategic Goal, in planning for infrastructure and supply to meet current and future potable water demands.

LEGAL IMPACT:

None.



General Manager

P:\WORKING\As Needed Services\Engineering Design\FY 2010-2011\Staff Report\BD 10-7-09, As-Needed Engineering Design Services.doc

DK/RR/RP:jf

Attachments: Attachment A
Attachment B

QA/QC Approved:

Lisa Colman-Boyd
NAME

9-17-09
DATE



ATTACHMENT A

SUBJECT/PROJECT:	Award of As-Needed Engineering Design Services Contract for Fiscal Years 2010 and 2011
Various	

COMMITTEE ACTION:

The Engineering and Water Operations Committee met to consider this item on September 28, 2009. The Committee supported Staff's recommendation.

NOTE:

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

ATTACHMENT B

SUMMARY OF PROPOSAL RANKINGS BY PANEL MEMBERS

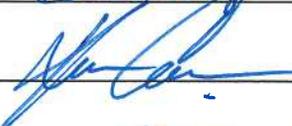
Professional As-Needed Civil Engineering Design Services

		WRITTEN						References
		Qualifications of Staff	Understanding of scope, schedule, resources	Soundness and Viability of Proposed Project Plan	Composite Hourly Rate ¹	Consultant's commitment to DBE	TOTAL SCORE	
SCORE		20	20	25	35	Y/N	100	Pass/Fail
Carollo Engineers	<i>Daniel Kay</i>	18	13	21	29	Y	81	77
	<i>Ron Ripperger</i>	15	15	20	29		79	
	<i>Frank Anderson</i>	19	16	22	29		86	
	<i>Bob Kennedy</i>	6	6	15	29		56	
	<i>David Charles</i>	16	17	21	29		83	
Fusco Engineering	<i>Daniel Kay</i>	17	17	21	27	Y	82	80
	<i>Ron Ripperger</i>	14	15	18	27		74	
	<i>Frank Anderson</i>	17	20	23	27		87	
	<i>Bob Kennedy</i>	16	16	20	27		79	
	<i>David Charles</i>	16	15	19	27		77	
HDR Engineering, Inc.	<i>Daniel Kay</i>	19	18	21	27	Y	85	83
	<i>Ron Ripperger</i>	16	15	18	27		76	
	<i>Frank Anderson</i>	19	20	24	27		90	
	<i>Bob Kennedy</i>	18	18	22	27		85	
	<i>David Charles</i>	16	17	20	27		80	
Hunsaker & Associates, Inc.	<i>Daniel Kay</i>	17	15	15	31	Y	78	77
	<i>Ron Ripperger</i>	14	14	16	31		75	
	<i>Frank Anderson</i>	18	17	22	31		88	
	<i>Bob Kennedy</i>	11	11	16	31		69	
	<i>David Charles</i>	15	12	18	31		76	
J.C. Heden & Associates, Inc.	<i>Daniel Kay</i>	16	17	21	35	Y	89	89
	<i>Ron Ripperger</i>	15	15	20	35		85	
	<i>Frank Anderson</i>	19	18	22	35		94	
	<i>Bob Kennedy</i>	16	18	22	35		91	
	<i>David Charles</i>	16	17	20	35		88	
Kennedy / Jenks Consultants	<i>Daniel Kay</i>	17	18	22	28	Y	85	80
	<i>Ron Ripperger</i>	15	15	20	28		78	
	<i>Frank Anderson</i>	17	17	22	28		84	
	<i>Bob Kennedy</i>	10	13	16	28		67	
	<i>David Charles</i>	18	17	23	28		86	
Lee & Ro, Inc.	<i>Daniel Kay</i>	17	17	21	33	Y	88	90
	<i>Ron Ripperger</i>	17	15	22	33		87	
	<i>Frank Anderson</i>	19	18	22	33		92	
	<i>Bob Kennedy</i>	16	19	23	33		91	
	<i>David Charles</i>	18	18	23	33		92	
Masson & Associates, Inc.	<i>Daniel Kay</i>	11	11	15	35	Y	72	75
	<i>Ron Ripperger</i>	14	14	18	35		81	
	<i>Frank Anderson</i>	15	15	15	35		80	
	<i>Bob Kennedy</i>	6	6	14	35		61	
	<i>David Charles</i>	13	13	18	35		79	

		WRITTEN						References
		Qualifications of Staff	Understanding of scope, schedule, resources	Soundness and Viability of Proposed Project Plan	Composite Hourly Rate ¹	Consultant's commitment to DBE	TOTAL SCORE	
SCORE		20	20	25	35	Y/N	100	
		Pass/Fail						
Nasland Engineering	Daniel Kay	17	15	20	30	Y	82	78
	Ron Ripperger	15	15	19	30		79	
	Frank Anderson	17	16	20	30		83	
	Bob Kennedy	11	14	16	30		71	
	David Charles	14	14	17	30		75	
O'Day Consultants	Daniel Kay	18	17	17	34	Y	86	83
	Ron Ripperger	14	14	17	34		79	
	Frank Anderson	15	15	14	34		78	
	Bob Kennedy	17	17	20	34		88	
	David Charles	16	14	18	34		82	
PBS&J	Daniel Kay	18	17	22	30	Y	87	86
	Ron Ripperger	16	15	20	30		81	
	Frank Anderson	18	17	21	30		86	
	Bob Kennedy	19	19	24	30		92	
	David Charles	17	17	22	30		86	
RCE Consultants, Inc.	Daniel Kay	15	15	18	29	Y	77	73
	Ron Ripperger	15	14	18	29		76	
	Frank Anderson	14	16	15	29		74	
	Bob Kennedy	10	12	15	29		66	
	David Charles	15	12	18	29		74	
Richard Brady & Associates	Daniel Kay	18	16	15	25	Y	74	78
	Ron Ripperger	13	14	18	25		70	
	Frank Anderson	19	18	22	25		84	
	Bob Kennedy	16	18	21	25		80	
	David Charles	17	18	22	25		82	
Spear & Associates, Inc.	Daniel Kay	8	8	12	31	Y	59	69
	Ron Ripperger	13	14	18	31		76	
	Frank Anderson	15	15	15	31		76	
	Bob Kennedy	6	6	16	31		59	
	David Charles	15	11	18	31		75	
Tran Consulting Engineers	Daniel Kay	20	19	22	34	Y	95	84
	Ron Ripperger	15	14	18	34		81	
	Frank Anderson	17	18	18	34		87	
	Bob Kennedy	12	15	17	34		78	
	David Charles	14	14	19	34		81	

1. Hourly Rate Calculation Formula = $35 - \frac{(\text{Consultant Rate} - \text{Min. Rate}) * 10}{(\text{Max. Rate} - \text{Min. Rate})}$

PM Signature: 

QC: 

Engineering Manager: 

AGENDA ITEM 10



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 7, 2009
SUBMITTED BY:	Ron Ripperger <i>RR</i> Engineering Manager	PROJECT:	Various DIV.NO. ALL
APPROVED BY: (Chief)	Rod Posada <i>R Posada</i> Chief, Engineering		
APPROVED BY: (Asst GM)	Manny Magaña <i>M Magaña</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Informational Item - Fiscal Year 2009 Year End Capital Improvement Program Report		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) accepts the Fiscal Year 2009 Year End Capital Improvement Program (CIP) Report for review and receives a summary via PowerPoint presentation.

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

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

ANALYSIS:

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

The end of year update is intended to provide a detailed analysis of progress in completing these projects within the allotted time and budget. Expenditures for Fiscal Year 2009 totaled approximately \$18.03 million. Approximately 57% of the Fiscal Year 2009 expenditure budget was spent. The decrease in projected expenditures is due primarily to delay in the 36-Inch Pipeline Project (CIP P2009).

FISCAL IMPACT:



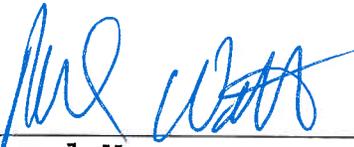
None.

STRATEGIC GOAL:

The CIP supports the District's Mission Statement, "To provide the best quality of water and wastewater service to the customers of the Otay Water District, in a professional, effective, and efficient manner," and the District's Strategic Goal, in planning for infrastructure and supply to meet current and future potable water demands.

LEGAL IMPACT:

None.



General Manager

RR/RP:jf

Attachments: Attachment A
Presentation

QA/QC Approval:

Name: Daly

Date: 9/15/09



ATTACHMENT A

SUBJECT/PROJECT: Various	Informational Item - Fiscal Year 2009 Year End Capital Improvement Program (CIP) Report
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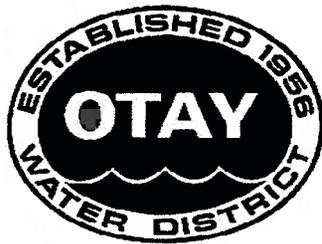
COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on September 28, 2009. The Committee supported Staff's recommendation.

NOTE:

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

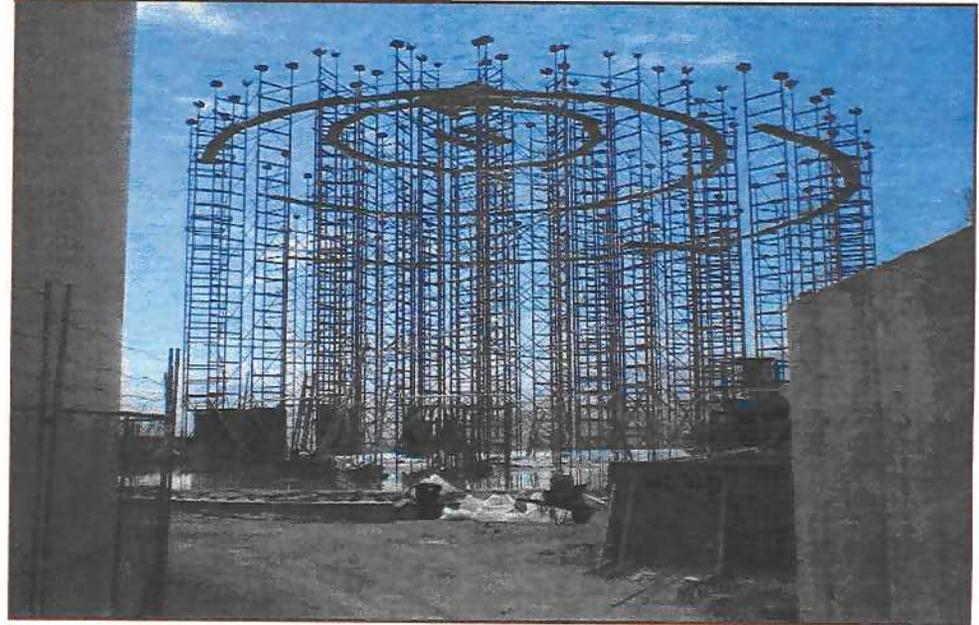
CAPITAL IMPROVEMENT PROGRAM



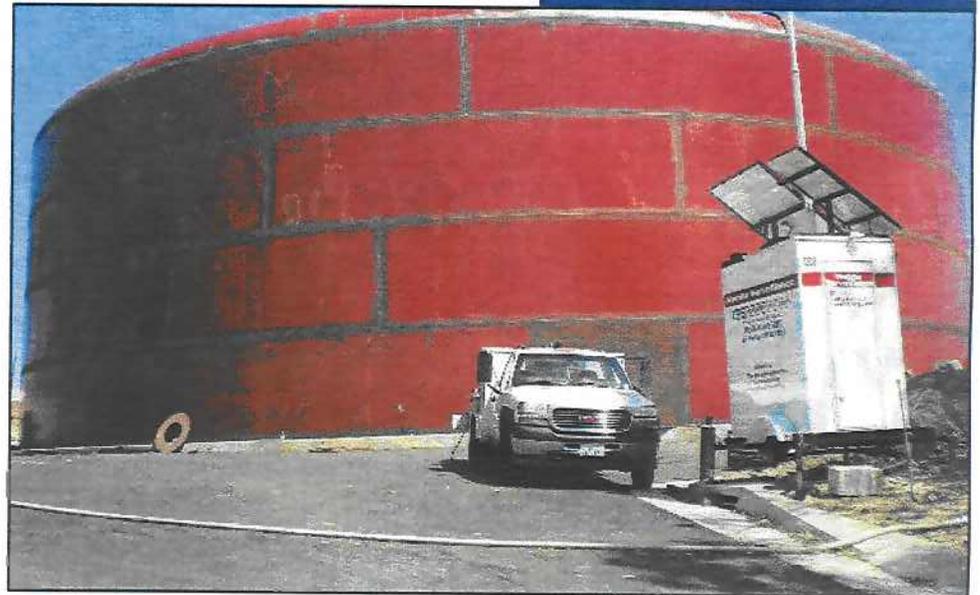
**Fiscal Year 2009
Year End Presentation**

(through June 30, 2009)

1296-3 Reservoir 2.0 MG



850-4 Reservoir 2.2 MG



Background

The approved CIP budget for Fiscal Year 2009 consisted of **66** projects that total **\$31.9 million**. These projects are broken down into four categories:

1. Capital Facilities: **\$ 23.1 million**
2. Replacement/Renewal: **\$ 5.9 million**
3. Capital Purchases: **\$ 2.2 million**
4. Developer Reimbursement: **\$ 0.6 million**

Overall expenditures through the Year End totaled **\$18.03 million** which is **57%** of the Fiscal Year 2009 budget. The decrease in projected expenditures is due primarily to the delay in the 36-inch Pipeline Project (CIP 2009).

Construction change orders are at -0.44%.

QA/QC Approved:

Name: Don Tupperger

Date: 9-22-09

Year End Fiscal Year 2009 Report

(through June 30, 2009)

CIP Cat	Description	FY09 Budget	FY09 Expenditures	% FY09 Budget Spent	Total LTD Budget	Total LTD Expenditures	LTD % Budget Spent
1	Capital Facilities	\$23,122,000	\$12,556,000	54%	\$135,555,000	\$48,214,000	36%
2	Replacement/Renewal	\$5,968,000	\$3,231,000	54%	\$31,692,000	\$14,931,000	47%
3	Capital Purchases	\$2,153,000	\$1,645,000	76%	\$10,038,000	\$4,826,000	48%
4	Developer Reimbursement	\$640,000	\$594,000	93%	\$6,420,000	\$1,291,000	20%
	Total:	\$31,883,000	\$18,026,000	57%	\$183,705,000	\$69,262,000	38%

QA/QC Approved:

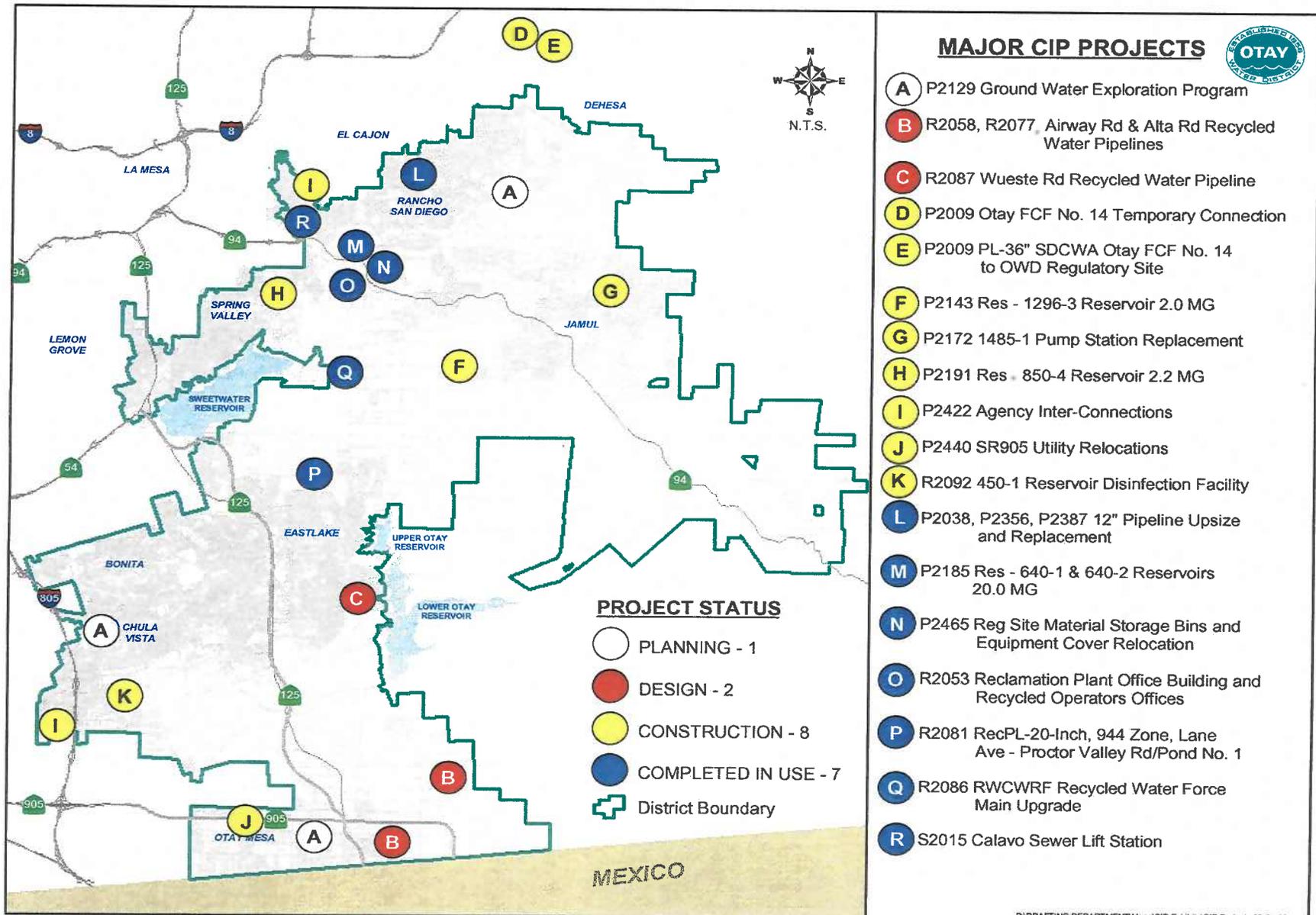
Name:

Bob Wren

Date:

9/22/09

Major CIP Projects



QA/QC Approved:

Name: *[Signature]*

Date: 9/22/09

Flagship CIP Project in Construction

36-Inch Pipeline From FCF No. 14 to Regulatory Site Project:

Key Component: Approximately 5 miles of 36-inch pipeline for potable water from Otay's FCF No. 14 to the Regulatory Site.

Schedule: A construction contract was awarded to CCL Contracting on June 3, 2009.

Cost: The project budget is \$22.0 million, of which \$3.77 million, or 17% has been spent.

Significant Issues: None.

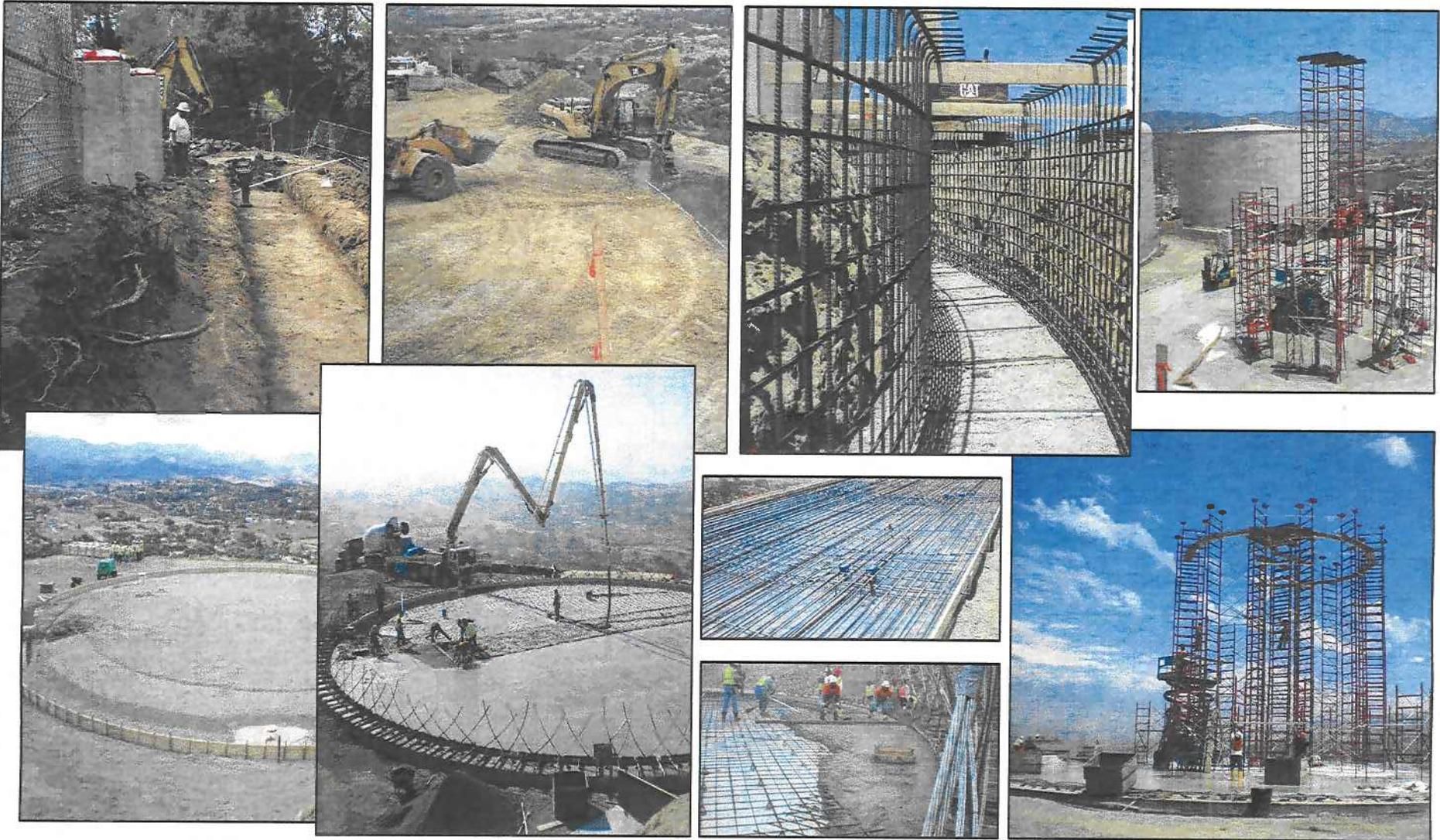
Highlights: The first and main component of the Jamacha Road Pipeline Project consists of the construction of a 36-inch tape wrapped cement mortar lined and coated steel pipeline which will transfer water from the Otay 14 Flow Control Facility. The second component consists of the replacement of concrete cylinder pipe with approx. 4,500 feet of 12-inch and 8-inch polyvinyl chloride pipe along Jamacha Road.

QA/QC Approved:

Name: 

Date: 9/22/09

Flagship CIP Project in Construction



1296-3 Reservoir 2.0 MG (P2143)

This project was awarded to Natgun Corporation in February 2009.
This project will provide additional storage in the 1296 Pressure Zone.

Flagship CIP Project in Construction

1296-3 Reservoir 2.0 MG

Key Component: A new 2.0 MG Steel Reservoir will provide additional storage in the 1296 Pressure Zone.

Schedule: Notice to Proceed was issued to Natgun Corporation on February 10, 2009. Project is on schedule and is expected to be completed prior to February 16, 2010.

Cost: The project budget is \$3.64 million, of which \$1.7 million, or 47%, has been spent.

Significant Issues: None.

Highlights: The design of this reservoir is a Type III concrete reservoir. The lifecycle cost of building a concrete reservoir is lower than a welded steel reservoir.

A solar power generating system was added to this project which includes a 75 square-foot photovoltaic panel for generating power, which is tied to the SDG&E power grid.

QA/QC Approved:

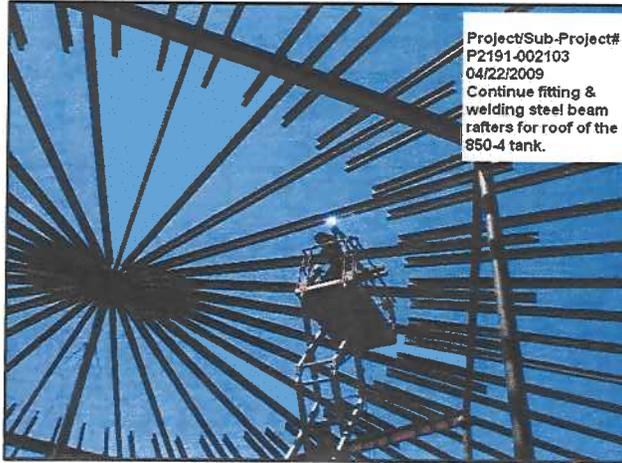
Name: 

Date: 9/22/09

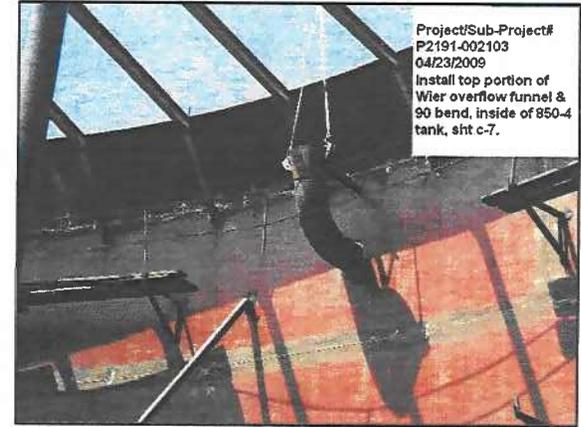
Flagship CIP Project in Construction



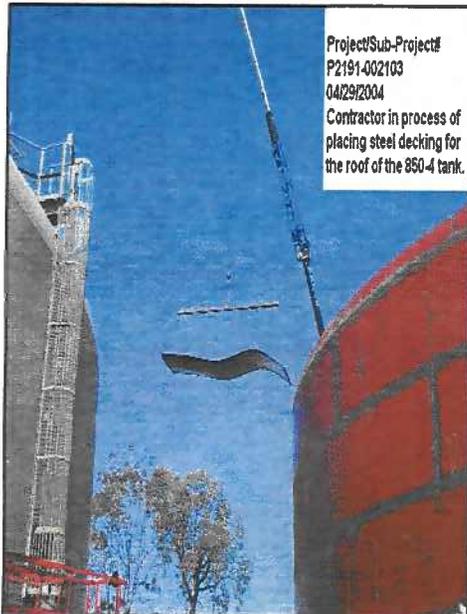
Project/Sub-Project#
P2191-002103
04/22/2009
Continue fitting &
welding nuckle of the
850-4 tank steel wall.



Project/Sub-Project#
P2191-002103
04/22/2009
Continue fitting &
welding steel beam
rafters for roof of the
850-4 tank.



Project/Sub-Project#
P2191-002103
04/23/2009
Install top portion of
Wier overflow funnel &
90 bend, inside of 850-4
tank, sht c-7.



Project/Sub-Project#
P2191-002103
04/29/2004
Contractor in process of
placing steel decking for
the roof of the 850-4 tank.



Installing liquid level
indicator per sht 2 of
submittal# 001.

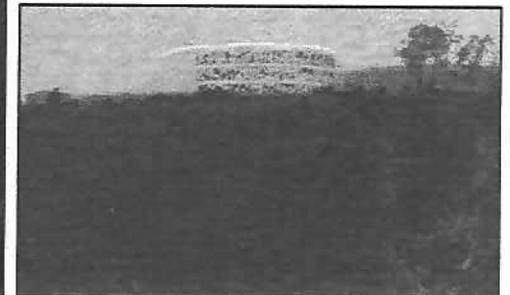
Project/Sub-Project#
P2191-002103
05/13/2009



Project/Sub-Project#
P2191-002103
05/07/2009
Installing-placing
external ladder-cage
per sht c-3 & m-3
detail 1, for the 850-4
tank.



Project/Sub-Project#
P2191-002103
05/11/2009
Overflow piping
installed per sht 4 of
submittal# 001.



850-4 RESERVOIR (P2191)
This project was awarded to Spiess Construction and was started in February 2008.
This project includes the construction of a 2.2 MG steel reservoir.

Flagship CIP Project in Construction

850-4 Reservoir 2.2 MG

Key Component: **A new 2.2 MG Steel Reservoir to meet the ultimate demand in the 850 pressure zone.**

Schedule: **Construction is approximately 95% complete. The project is scheduled for completion in September 2009.**

Cost: **The project budget is \$3.25 million, of which \$3.14 million, or 97%, has been spent.**

Significant Issues: **The project completion date has been extended from June 2009 to September 30, 2009, due to delays by SDG&E for service to the site along with long lead times for materials.**

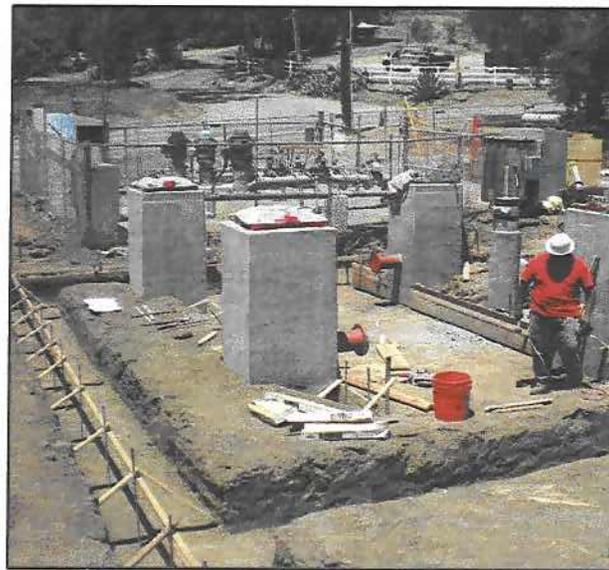
Highlights: **The design includes a solar panel capable of producing a minimum of 1 kW that will be tied back to the grid.**

QA/QC Approved:

Name: 

Date: 9/22/09

Flagship CIP Project in Construction



1485-1 Pump Station Replacement (P2172)

This project was awarded to SCW Contracting and was started in January 2009. This project consists of construction of a new pump station to replace the existing pump station and to expand capacity as projected within the Water Resources Master Plan.

Flagship CIP Project in Construction

1485-1 Pump Station Replacement

Key Component: The existing pump station is near capacity and has reached the end of its useful life. The improved pump station systems and additional capacity are required to meet projected demands of the 1485 and higher pressure zones as projected within the Water Resources Master Plan.

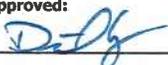
Schedule: Notice to Proceed was issued to SCW Contracting on January 5, 2009. Construction started in January 2009. Project is approximately 72% complete. The project is scheduled for completion in January 2010.

Cost: The project budget is \$1.13 million, of which \$0.78 million, or 70%, has been spent.

Significant Issues: None.

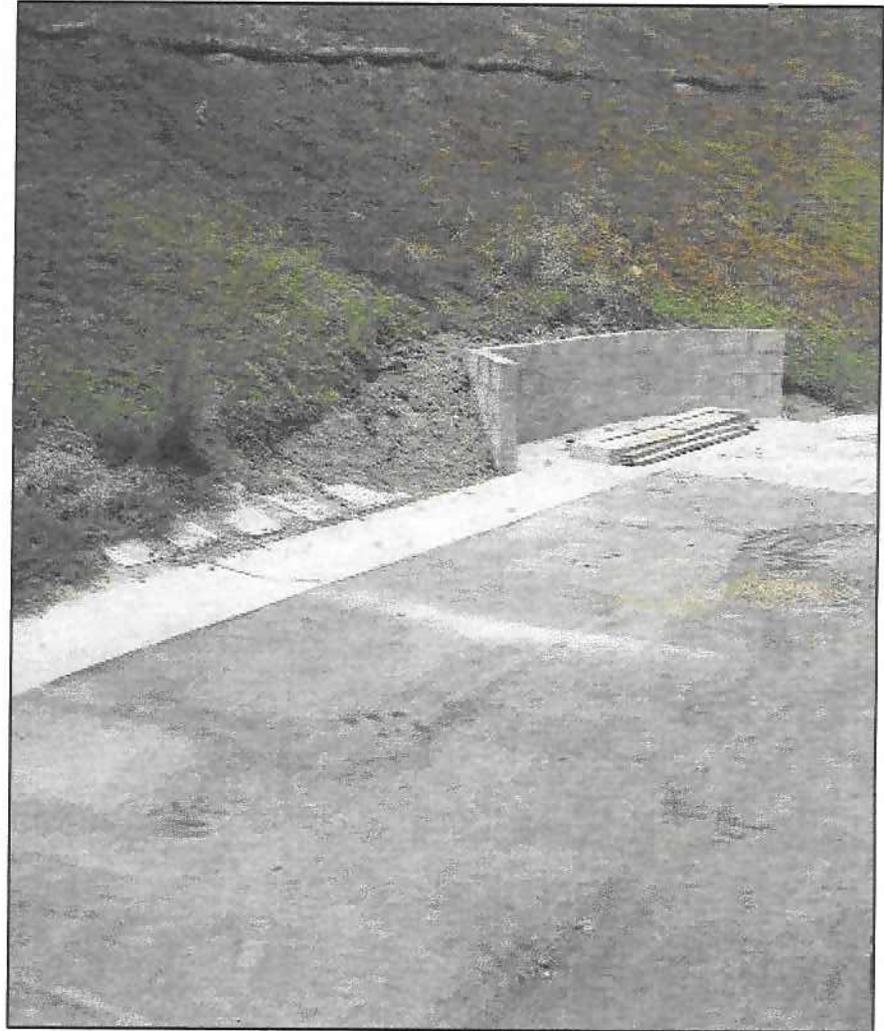
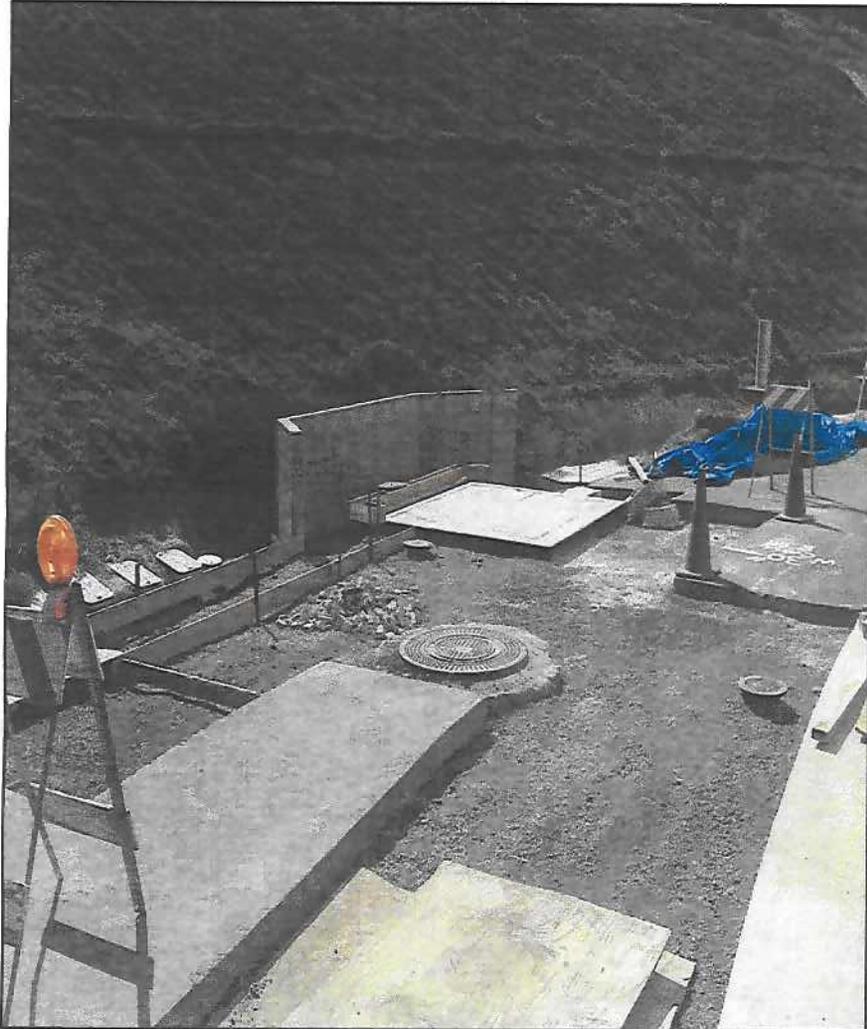
Highlights: The new pump station will include SCADA equipment.

QA/QC Approved:

Name: 

Date: 9/22/09

CIP Project in Construction



450-1 Reservoir Disinfection Facility (R2092)

This project was awarded to NEWest Construction in December 2008.

The recycled water will be additionally disinfected prior to delivery to District customers.
This project will supplement the disinfection provided for the South Bay Water Reclamation Plant.

Consultant Contract Status

(through June 30, 2009)

CIP No.	Project Title	Consultant	Opened Date	Original Contract Amount	Total Change Orders	Revised Contract Amount	Approved Payment To Date	% Change Orders	% Contract Complete	Est. Comp. Date
PLANNING										
	PROFESSIONAL SERVICES RENDERED	MWH AMERICAS INC	12/7/2005	25,000.00	25,000.00	50,000.00	43,410.20	50.0%	86.8%	8/30/2009
P1210	2009 MASTER PLAN UPDATE	PBS&J	9/4/2007	499,748.00	46,232.00	555,970.00	513,858.99	2.0%	92.4%	12/31/2009
	TEMPORARY LABOR SERVICES	J C HEDEN AND ASSOCIATES INC	1/1/2009	150,000.00	0.00	150,000.00	75,433.00	0.0%	50.3%	12/31/2009
DESIGN										
	ON-CALL GEOTECHNICAL SERVICES	SOUTHERN CALIFORNIA SOIL	6/30/2007	150,000.00	0.00	150,000.00	110,317.02	0.0%	73.5%	1/31/2011
P2172	1485-1 PUMP STATION REPLACEMENT	ENGINEERING PARTNERS INC, THE	11/3/2006	24,120.00	0.00	24,120.00	18,542.50	0.0%	76.9%	12/31/2009
	PROFESSIONAL SERVICES	J C HEDEN AND ASSOCIATES INC	5/16/2007	45,000.00	7,487.00	52,487.00	50,273.00	14.3%	95.8%	Completed
P2191	850-4 RESERVOIR STRUCTURAL	NOLTE ASSOCIATES INC	12/7/2005	15,695.00	0.00	15,695.00	10,745.00	0.0%	68.5%	Completed
P2009	PL - 30-INCH, SDCWA OTAY FCF NO. 14 TO R	SAN DIEGO COUNTY WATER	5/10/2007	620,000.00	0.00	620,000.00	620,000.00	0.0%	100.0%	3/1/2010
P2009	CIP P2009 - 36 INCH PIPELINE VALUE ENG.	HARRIS & ASSOCIATES INC	7/31/2007	107,138.00	0.00	107,138.00	101,800.67	0.0%	95.0%	Completed
P2191	850-4 RESERVOIR - LANDSCAPE	KTU+A	8/6/2007	13,601.04	0.00	13,601.04	12,343.21	0.0%	90.8%	Completed
	AS-NEEDED ELECTRICAL ENG. SERVICES	ENGINEERING PARTNERS INC, THE	8/16/2007	100,000.00	0.00	100,000.00	58,530.00	0.0%	58.5%	Completed
	CATHODIC PROTECTION PROGRAM	SCHIFF ASSOCIATES	11/20/2007	250,000.00	0.00	250,000.00	250,062.67	0.0%	100.0%	Completed
P1210/S1000	SANITARY SEWER CCTV INSPECTION	RBF CONSULTING	6/12/2008	121,185.00	0.00	121,185.00	119,465.85	0.0%	98.6%	Completed
	AS-NEEDED ENG DESIGN SVCS	LEE & RO INC	3/7/2007	175,000.00	0.00	175,000.00	157,694.23	0.0%	90.1%	12/31/2009
P2009	DESIGN OF 36-INCH PIPELINE	LEE & RO INC	9/22/2008	580,183.00	61,629.00	641,812.00	492,296.20	0.0%	76.7%	12/31/2010

Consultant Contract Status

(Continued)

CONSTRUCTION SERVICES										
P2172	1485-1 PUMP STATION/HVAC	HVAC ENG INC	9/28/2006	12,330.00	0.00	12,330.00	10,290.00	0.0%	83.5%	Completed
	AS-NEEDED CONSTRUCTION MANAGEMENT SVCS	VALLEY CONSTRUCTION MANAGEMENT	3/5/2008	175,000.00	0.00	175,000.00	101,937.50	0.0%	58.3%	1/16/2010
P2009	36-INCH PIPELINE	RBF CONSULTING	2/14/2008	1,088,785.00	0.00	1,088,785.00	240,091.25	0.0%	22.1%	3/1/2010
	TEMPORARY LABOR SERVICES	MVH CONSTRUCTORS INC	1/1/2009	150,000.00	0.00	150,000.00	70,350.00	0.0%	46.9%	12/31/2009
ENVIRONMENTAL										
P2143	1296-3 RESERVOIR ENV SVCS	BRG CONSULTING INC	5/8/2006	125,000.00	0.00	125,000.00	107,261.04	0.0%	85.8%	6/30/2009
	PROFESSIONAL ON-CALL ENVIRONMENTAL SVCS	JONES & STOKES ASSOCIATES	8/29/2008	300,000.00	25,000.00	325,000.00	214,672.03	0.0%	66.1%	6/30/2011
P1253	PREPARATION OF THE SUBAREA PLAN	RECON	4/30/2008	270,853.00	0.00	270,853.00	9,674.39	0.0%	3.6%	3/28/2011
P1253	SAN MIGUEL HABITAT MANAGEMENT AREA	JONES & STOKES ASSOCIATES	1/7/2009	987,807.00	0.00	987,807.00	125,764.47	0.0%	12.7%	12/31/2011
R2089	RECYCLED WATER CONCEPT STUDY	PBS&J	12/4/2007	149,595.00	0.00	149,595.00	149,595.09	0.0%	100.0%	Completed
R2058/ R2077/ R2087	OTAY MESA RECYCLED WATER SUPPLY LINK PIPELINES	JONES & STOKES ASSOCIATES	6/23/2009	213,087.00	0.00	213,087.00	7,718.20	0.0%	3.6%	6/30/2010
WATER RESOURCES										
P2481	MIDDLE SWEETWATER RIVER BASIN GROUNDWATER WELL PILOT PROJECT	AECOM	6/3/2009	1,065,037.00	0.00	1,065,037.00	0.00	0.00%	0.0%	5/31/2011
P2481	ENGINEERING PLANNING SVCS.	MICHAEL R. WELCH	5/13/2009	40,000.00	0.00	40,000.00	0.00	0.00%	0.0%	3/25/2010
P1210	ASSET MANAGEMENT PLAN	WESTIN ENGINEERING INC	1/14/2008	194,280.00	0.00	194,280.00	178,780.99	0.0%	92.0%	7/29/2009
P2451	BI-NATIONAL DESALINATION FEASIBILITY STUDY	CAMP DRESSER & McKEE INC	4/14/2008	94,552.00	18,005.00	112,557.00	79,782.59	0.00%	70.9%	6/30/2010
PUBLIC SERVICES										
	RECYCLED WATER PLAN CHECKING SERVICES	AECOM USA INC	7/27/2006	250,000.00	30,000.00	280,000.00	179,700.82	10.7%	64.2%	7/31/2009
P1438	PLAN CHECKS & INSPECTION SERVICE	AECOM USA INC	9/25/2007	300,000.00	0.00	300,000.00	122,796.00	0.0%	40.9%	3/7/2010
P1438	AS-NEEDED PLAN CHECK SERVICES	AECOM USA INC	11/27/2007	150,000.00	0.00	150,000.00	43,829.64	0.0%	29.2%	11/27/2009
	Totals:			8,442,996.04	213,353.00	8,666,339.04	4,277,016.55	2.53%		

QA/QC Approved:

Name: Lisa Colman Boyle Date: 9/22/09

Construction Contract Status

(through June 30, 2009)

CIP NO.	PROJECT TITLE	CONSTRUCTION CONTRACTOR	ORIGINAL CONTRACT AMOUNT	TOTAL CHANGE ORDERS	REVISED CONTRACT AMOUNT	TOTAL EARNED TO DATE	% OF CHANGE ORDERS *	% PROJECT COMPLETE	EST. COMP. DATE
P2191	850-4 Reservoir	Spieß Const Co	\$2,566,300	(\$250,778)	\$2,315,513	\$2,204,799	-9.77%	95%	September 2009
R2081	20-Inch Lane Avenue Conversion	ARB	\$660,256	\$79,907	\$740,163	\$740,163	12.10%	100%	Complete
P2422	Interagency Water Meter Connection	Jose Pereira Eng	\$129,542	\$5,475	\$135,017	\$111,551	4.23%	83%	November 2009
R2092	450-1 Reservoir Disinfection Facility	NEWest Const	\$342,865	\$59,483	\$402,348	\$314,327	17.35%	78%	July 2009
P2143	1296-3 Reservoir 2.0 MG Water Storage Facility	Natgun Corp	\$2,373,220	\$0	\$2,373,220	\$845,100	0.00%	36%	February 2010
P2172	1485-1 Pump Station Replacement	SCW	\$1,530,000	\$0	\$1,530,000	\$526,325	0.00%	34%	January 2010
P2009/ P2038	Jamacha Rd. 36-Inch Pipeline & 12-Inch Pipeline Replacement	CCL Contracting	\$16,189,243	\$0	\$16,189,243	\$0	0.00%	0%	August 2010
P2009	Otay FCF No. 14 Temporary Reconnection	TC Construction	\$14,000	\$0	\$14,000	\$0	0.00%	0%	August 2009
TOTALS:			\$23,805,426	(\$105,913)	\$23,699,504	\$4,742,265	-0.44%		

QA/QC Approved:

Name: 

Date: 9/22/09

Expenditures

(through June 30, 2009)

(\$000)

Current CIP No.	Description	Project Manager	FY09 Budget	FY09 Expenditures Through 06/30/09	Remaining FY09 Budget	FY09 Percent Budget Spent through 06/30/09	Project Total Budget	Project Total Expenses	Total Project Remaining Balance	Total Project Percent Budget Spent	Comments
CAPITAL FACILITY PROJECTS											
P2009	PL - 36-Inch, SDCWA Otay FCF No. 14 to Regulatory Site	Ripperger	8,000	2,016	5,984	25%	22,000	3,765	18,235	17%	Hidden Mesa & Chase portions are complete. Jamacha portion under construction with P2009 Project.
P2033	PL - 16-Inch, 1296 Zone, Melody Road - Campo/Presilla	Ripperger	2	0	2	0%	1,826	5	1,821	0%	Developer driven.
P2037	Res - 980-3 Reservoir 15 MG	Ripperger	0	0	0	0%	14,205	542	13,663	4%	Project deferred to future years.
P2038	PL - 12-Inch, 978 Zone, Jamacha, Hidden Mesa, and Chase Upsize and Replacements	Kay	900	310	590	34%	2,400	1,204	1,196	50%	Hidden Mesa dn Chase portions are complete. Jamacha portion to be constructed with P2009 project.
P2040	Res - 1655-1 Reservoir 0.5 MG	Ripperger	1	1	0	100%	2,055	478	1,577	23%	Project completed.
P2129	Groundwater Exploration Program	Peasley	10	59	-49	590%	2,530	617	1,913	24%	Groundwater development planning efforts continues to focus on the Middle Sweetwater River Basin Groundwater Well Pilot Project, the Rancho del Rey Well, the Otay Mesa Lot 7 Well, and the Otay River Demineralization Feasibility Study (P2462), and the San Diego Formation Groundwater Feasibility Study (P2467) in conjunction with SWA.
P2143	Res - 1296-3 Reservoir 2 MG	Kay	1,900	1,232	668	65%	3,640	1,702	1,938	47%	Project under construction.
P2172	PS - 1485-1 Pump Station Replacement	Kay	1,125	783	342	70%	2,375	1,203	1,172	51%	Project under construction.
P2185	Res - 640-1 Reservoir 20.0 MG	Ripperger	3,900	2,838	1,062	73%	28,500	28,100	400	99%	Pump station modifications to begin after P2009 is complete.
P2190	PL - 10-Inch, 1485 Zone, Jamul Highlands Road to Presilla Drive	Ripperger	5	0	5	0%	228	3	225	1%	Developer driven.
P2191	Res - 850-4 Reservoir 2.2 MG	Kay	1,950	1,809	141	93%	3,250	3,143	107	97%	Project under construction.
P2258	PS - Lower Otay Pump Station Phase 1 (9,000 GPM)	Ripperger	0	-2	2	0%	7,805	2,080	5,725	27%	On hold - low priority.
P2267	36-Inch Main Pumpouts and Air/Vacuum Ventilation Installations	Acuna/ Munoz	0	0	0	0%	345	234	111	68%	Phase I - West side of the project is complete. East side of the project's budget is supplemented by \$110K in the 2011 CIP fiscal year when new water line construction allows for the complete of this project.
P2318	PL - 20-Inch, 657 Zone, Summit Cross-Tie and 36-Inch Main Connections	Ripperger	200	13	187	7%	601	70	531	12%	The County has restricted trenching the newly paved streets. Ops also wanted to wait until the PRS at La Presa is constructed.
P2370	Res - Dorchester Reservoir and Pump Station Demolition	Ripperger	0	0	0	0%	150	13	137	9%	Ops does not want the demolition until at least one year after the 36-inch to FCF#14 is in operation.

Expenditures (Continued)

Current CIP No.	Description	Project Manager	FY09 Budget	FY09 Expenditures Through 06/30/09	Remaining FY09 Budget	FY09 Percent Budget Spent through 06/30/09	Project Total Budget	Project Total Expenses	Total Project Remaining Balance	Total Project Percent Budget Spent	Comments
CAPITAL FACILITY PROJECTS											
P2387	PL - 12-Inch, 832 Zone, Steele Canyon Road - Via Caliente/Campo	Kay	500	300	200	60%	584	431	153	74%	Project completed.
P2450	Otay River Groundwater Well Demineralization/Development	Peasley	115	3	112	3%	5,000	6	4,994	0%	Pending the outcome of the joint SWA/Otay study (P2462), environmental and planning work may begin to occur in about 2 to 3 years.
P2451	Rosarito Desalination Facility Conveyance System	Peasley	150	138	12	92%	5,000	171	4,829	3%	A consultant contract was awarded by the Board to CDM for the development of a Feasibility Study on the Rosarito Desal concept which is complete. A final draft request for proposal for a preliminary design report and environmental documentation has been prepared.
P2457	Otay Mountain Groundwater Well Development	Peasley	10	2	8	20%	6,500	2	6,498	0%	The outcome of the Otay Mountain Well exploration efforts per terms of an existing agreement may not result in much expenditures in FY 2009.
P2460	I.D. 7 Trestle and Pipeline Demolition	Ripperger	20	1	19	5%	376	5	371	1%	In Planning. May be considered for use with P2451.
P2462	Otay River Demineralization Feasibility Study	Peasley	150	182	-32	121%	200	183	17	92%	Joint SWA/Otay Prop 50 grant was awarded and consultant contract for the feasibility study was awarded to MWH in 2007. Study efforts are complete. Otay River participation agreement between SWA and Otay has been approved.
P2463	South Bay Regional Concentrate Conveyance Feasibility Study	Peasley	15	8	7	53%	25	15	10	60%	The project is jointly funded by SDCWA, SWA, the City of San Diego, and Otay. Proposition 50 funding for 50% of the cost has been secured by the SDCWA. A consultant contract was awarded to CDM. SDCWA has stated that they will pay 100% of the cost, thus no expenditure of Otay may be required for the contract. Study efforts are complete.
P2464	San Diego 17 Pump Station and Flow Control Facility	Peasley	15	3	12	20%	30	22	8	73%	SD17 pump station agreement negotiations have been essentially terminated between the parties.
P2465	Regulatory Site Material Storage Bins	Kay	280	253	27	90%	310	297	13	96%	Project completed.
P2466	Regional Training Facility	Coburn-Boyd	150	116	34	77%	220	158	62	72%	Environmental compliance in progress, project will be completed in FY10.

Expenditures (Continued)

Current CIP No.	Description	Project Manager	FY09 Budget	FY09 Expenditures Through 06/30/09	Remaining FY09 Budget	FY09 Percent Budget Spent through 06/30/09	Project Total Budget	Project Total Expenses	Total Project Remaining Balance	Total Project Percent Budget Spent	Comments
CAPITAL FACILITY PROJECTS											
P2467	San Diego Formation Groundwater Feasibility Study	Peasley	400	610	-210	153%	1,800	610	990	38%	This project is jointly funded by SWA and Otay. The SDCWA awarded a LISA grant to SWA to fund up to 50% of the cost of the effort. Monitoring wells in the Otay River have been completed by USGS. Data gathering on well information within the San Diego Formation continues. Otay River participation agreement between SWA and Otay has been approved.
P2471	850/857 PRS at La Presa Pump Station	Ripperger	5	29	-24	580%	300	29	271	10%	
P2472	Water Supply Feasibility Studies	Peasley	150	22	128	15%	400	22	378	6%	This project is for water supply feasibility study efforts. Staff requested MWH to prepare a scope of work and cost estimates for supply from the SWA Purdue WTP and the North District to South District Interconnection.
P2473	PS - 711-1 Pump Station Improvement	Ripperger	50	2	48	4%	200	2	198	1%	
P2474	Fuel Storage Covers and Containment	Ripperger	100	15	85	15%	100	15	85	15%	Oil containment for 680PS complete. PDR planned for FY10 1st Quarter.
P2475	Pump Station Fire Safety Improvements	Ripperger	50	7	43	14%	50	7	43	14%	
P2476	Dis - 1090-1 Pump Station Disinfection System Upgrade	Ripperger	100	0	100	0%	100	0	100	0%	PDR in progress.
P2477	Res - 624-1 Reservoir Cover Replacement	Ripperger	250	7	243	3%	450	7	443	2%	Testing complete. Surface has accelerated oxidation, but cover life expectancy is approx. 5 years. Tab and oxidized area to be repaired. Cover will be monitored every year.
R2034	RecRes - 860-1 Reservoir 4 MG	Ripperger	104	23	81	22%	3,800	24	3,776	1%	
R2048	RecPL - Otay Mesa Distribution Pipelines and Conversions	Ripperger	10	9	1	90%	2,000	9	1,991	0%	In Planning.
R2053	RWCWRF - R.O. Building Remodel and Office Furniture	Ripperger	130	252	-122	194%	575	569	6	99%	Project completed.
R2077	RecPL - 24-Inch, 860 Zone, Alta Road - Alta Gate/Airway	Ripperger	200	127	73	64%	4,100	196	3,904	5%	Construction docs nearing 30% complete.
R2081	RecPL - 20-Inch, 944 Zone, Lane Avenue - Proctor Valley/Pond No. 1	Kay	660	564	96	85%	1,160	1,158	2	100%	Project completed.
R2087	RecPL - 20-Inch, 944 Zone, Wueste Road - Olympic/Otay WTP	Ripperger	100	111	-11	111%	2,000	172	1,828	9%	Construction docs 30% complete.
R2088	RecPL - 20-Inch, 860 Zone, County Jail - Roll Reservoir/860-1 Reservoir	Ripperger	81	32	49	40%	1,500	56	1,444	4%	PDR completed. Delayed project by constructing a PRS at Roll Reservoir.
R2089	North District Recycled Water Regulatory Compliance	Coburn-Boyd	110	109	1	99%	200	200	0	100%	Project completed.
R2091	RecPS - 944-1 Pump Station Upgrade	Ripperger	324	53	271	16%	325	54	271	17%	Pump testing is complete. PDR to be finalized by 1st Quarter FY10.
R2092	Dis - 450-1 Reservoir Disinfection Facility	Ripperger	750	490	260	65%	830	585	245	70%	Project in construction.

Expenditures (Continued)

Current CIP No.	Description	Project Manager	FY09 Budget	FY09 Expenditures Through 06/30/09	Remaining FY09 Budget	FY09 Percent Budget Spent through 06/30/09	Project Total Budget	Project Total Expenses	Total Project Remaining Balance	Total Project Percent Budget Spent	Comments
CAPITAL FACILITY PROJECTS											
R2093	MBR City of Chula Vista	Peasley	50	8	42	16%	5,000	8	4,992	0%	The City of Chula Vista and Otay have developed a final draft scope of work, RFP, and a participation agreement to focus on the treatment facility and related requirements. In review. Expenditures below target.
S2016	Solar Panel Installation Phase I	Ripperger	100	21	79	21%	710	42	668	6%	
Total Capital Facilities Projects		Total:	23,122	12,556	10,566	54%	135,555	48,214	87,341	36%	
MAINTENANCE (RENEWAL/REPLACEMENT)											
P2356	PL - 12-Inch, 803 Zone, Jamul Drive Permastran Pipeline Replacement	Kay	705	566	139	80%	815	750	65	92%	Project complete.
P2366	APCD Engine Replacements and Retrofits	Rahders	170	143	27	84%	2,798	1,647	1,151	59%	Last retro fit device scheduled to be purchased is still not approved for us by CARB.
P2382	Safety and Security Improvements	Cudal	169	132	37	78%	1,317	1,144	173	87%	Expenditures below target.
P2416	SR-125 Utility Relocations	Kay	10	24	-14	240%	870	866	4	100%	No response from ORC. District's attorney now involved.
P2422	Agency Interconnections	Kay	250	267	-17	107%	1,600	465	1,135	29%	CIP closed. Individual interconnections to be opened for FY10.
P2440	I-905 Utility Relocations	Kay	925	-1,264	2,189	-137%	2,460	1,398	1,062	57%	Caltrans driven.
P2441	NG/RAMAR Meter Replacements	Keeran	100	62	38	62%	2,035	2,020	15	99%	Project complete.
P2453	SR-11 Utility Relocations	Kay	5	3	2	60%	500	3	497	1%	Caltrans driven.
P2456	Air and Vacuum Valve Upgrades	Acuna / Munoz	520	621	-101	119%	4,214	1,510	2,704	36%	Ahead of schedule. Finish date estimated 06/2012.
P2458	AMR Manual Meter Replacement	Keeran	1,250	1,204	46	96%	10,277	2,696	7,581	26%	No issues.
P2480	Ruxton Avenue Utility Relocations	Ripperger	100	77	23	77%	100	77	23	77%	Project complete.
R2086	RWCWRF Force Main AirVac Replacements and Road Improvements	Kay	1,000	961	39	96%	1,300	1,298	2	100%	Project complete.
S2012	SVSD Outfall and RSD Replacement and OM Reimbursement	Peasley	430	76	354	18%	2,846	498	2,348	17%	The expenditures were billed by SVSD and paid within the fourth quarter of the fiscal year.
S2015	Calavo Lift Station Replacement	Kay	334	359	-25	107%	560	559	1	100%	Project complete.
Total Maintenance		Total:	5,968	3,231	2,737	54%	31,692	14,931	16,761	47%	
CAPITAL PURCHASE PROJECTS											
P2282	Vehicle Capital Purchases	Rahders	228	227	1	100%	2,689	1,806	883	67%	100% of budget spent.
P2285	Office Equipment and Furniture Capital Purchases	Bell	20	19	1	95%	576	411	165	71%	Expenditures below target.
P2286	Field Equipment Capital Purchases	Rahders	45	32	13	71%	1,161	661	500	57%	Money used to upgrade the District's fuel system instead of replacing. A portion of the leftover funds were used to purchase a new piece of service equipment for the Fleet Shop.

Expenditures (Continued)

Current CIP No.	Description	Project Manager	FY09 Budget	FY09 Expenditures Through 06/30/09	Remaining FY09 Budget	FY09 Percent Budget Spent through 06/30/09	Project Total Budget	Project Total Expenses	Total Project Remaining Balance	Total Project Percent Budget Spent	Comments
CAPITAL PURCHASE PROJECTS											
P2443	Information Technology Mobile Services	Stevens	250	181	69	72%	1,502	663	839	44%	Expenditures below target.
P2461	Records Management System Upgrade	Jenkins	50	49	1	98%	150	156	-6	104%	Expenditures below target.
P2469	Information Technology Network and Hardware	Jenkins	500	385	115	77%	1,900	385	1,515	20%	Small portion of anticipated FY2009 expenditures were pushed into FY2010 due to delays in wireless project.
P2479	Operations Yard Property Acquisition	Dobrawa	600	364	236	61%	600	364	236	61%	PDR in progress.
P2470	Application Systems Development and Integration	Stevens	380	380	0	100%	1,380	380	1,000	28%	Project complete.
P2478	Administration Building Engine/Generator Set	Anderson	80	8	72	10%	80	0	80	0%	Purchase of generator delayed to FY2010.
Total Capital Purchase Projects			2,153	1,645	508	76%	10,038	4,826	5,212	48%	
DEVELOPER REIMBURSEMENT PROJECTS											
P2134	PL - 16-Inch, 711 Zone, Birch Road - SR 125/EastLake	Charles	200	185	15	93%	210	185	25	88%	Project complete.
P2367	PL - 16-Inch, 980 Zone, Olympic Parkway - East Palomar/EastLake	Charles	0	0	0	0%	1,500	235	1,265	16%	Three projects with this CIP. All complete and accepted.
P2414	PL - 12" to 16" Oversize, 803 Zone, Dehesa Road - Dehesa Meadow/OWD Bndy	Charles	10	0	10	0%	153	142	11	93%	Project accepted. Potential litigation of claims.
R2033	RecPL - 12-Inch, 944 Zone, Birch Road - La Media/EastLake	Charles	330	325	5	98%	330	325	5	98%	Project complete.
R2058	RecPL - 16-Inch, 860 Zone, Airway Road - Otay Mesa/Alta	Ripperger	100	84	16	84%	3,000	403	2,597	13%	Aerial Topography underway for remaining sections.
R2082	RecPL - 24-Inch, 680 Zone, Olympic Parkway - Village 2/Heritage	Charles	0	0	0	0%	801	0	801	0%	Project started.
R2084	RecPL - 20-Inch, 680 Zone, Village 2 - Heritage/La Media	Charles	0	0	0	0%	426	1	425	0%	Project started.
Total Developer Reimbursement Projects			640	594	46	93%	6,420	1,291	5,129	20%	
GRAND TOTAL			\$31,883	\$18,026	\$13,857	57%	\$183,705	\$69,262	\$114,443	38%	

QA/QC Approved:

Name: Ray Ripperger

Date: 9-22-09



AGENDA ITEM 11

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 7, 2009
SUBMITTED BY:	Ted Cudal, Safety and Security Administrator <i>[Signature]</i>	W.O./G.F. NO:	DIV. NO.
APPROVED BY: (Chief):	Rom Sarno, Chief, Administrative Services <i>[Signature]</i>		
APPROVED BY: (Asst. GM):	Manny J. Magaña, Assistant General Manager for Engineering and Operations <i>[Signature]</i>		
SUBJECT:	LARRY C. LARSON SAFETY AWARD FOR 2009		

GENERAL MANAGER'S RECOMMENDATION:

This is an informational item and requires no Board action.

COMMITTEE ACTION: _____

See Attachment "A".

PURPOSE:

This is to inform the Board that the District has been awarded the Larry C. Larson Safety Award for 2009, an award presented on behalf of the California-Nevada Section, American Water Works Association (AWWA).

ANALYSIS:

The Larry C. Larson Safety Award recognizes a Utility with the commitment to make their employees' health and safety a main priority. The criteria are stringent and very few utilities are honored with this award.

The District submitted an application to be considered for this award. The data submitted in support of the District's application includes the District's aggressive approach to safety training and education by reducing or eliminating the potential for lost time accidents, and by bringing employees together with high moral results, achieving a more proficient and productive work force.

In 2009, the District has revised and updated the Safety Manual and training programs, increased safety awareness, and reduced injuries by 30% from the previous year.

FISCAL IMPACT:



None.

STRATEGIC GOAL:

Evaluate and make recommendations regarding Environmental Health, Emergency Preparedness and Safety Management System.

LEGAL IMPACT:

None.



General Manager

- Attachments:
- Attachment "A" - Committee Action
 - Attachment "B" - Letter dated August 28, 2009, announcing award to the Otay Water District
 - Attachment "C" - Application for Larry C. Larson Award

ATTACHMENT A

SUBJECT/PROJECT:	LARRY C. LARSON SAFETY AWARD FOR 2009
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COMMITTEE ACTION:

The Finance, Administration and Communications Committee met on September 14, 2009 to review this item. The Committee supports presentation to the full Board for their consideration.

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.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105-3901

August 28, 2009

Mr. Mark Watton
General Manager
Otay Water District
2445 Sweetwater Springs Blvd
Spring Valley, CA 91978

Dear Mr Watton:

On behalf of the California-Nevada Section, American Water Works Association, it is my pleasure to inform you that Otay Water District been selected to receive the Larry C. Larson Safety Award for 2009. Congratulations! This award recognizes a utility with the commitment to make their employee's health and safety a main priority. The criteria for this award are stringent, so very few utilities are so honored.

Please join us at the awards ceremony at our 2009 Fall Conference on Tuesday, October 6th, 2009, at the Riviera Hotel and Casino, Las Vegas. The Riviera is located at 2901 Las Vegas Blvd, South. The ceremony will be held during the opening awards program, which begins at 10am.

If you are not otherwise planning on attending the conference, we would appreciate you informing us, so we can have a luncheon ticket for you. If you are planning on attending the conference, and haven't already registered, a registration form has been included for your convenience. You may send your registration form to:

**California Nevada Section, AWWA
10574 Acacia Street, Suite D6
Rancho Cucamonga, CA 91730**

We would also appreciate it if you could send us a suitable photo representative of the water district by September 21st, 2009. We'll use it in the presentation and in the exhibit hall. You can e-mail your photo to me at macler.bruce@epa.gov. If you have any questions, please do not hesitate to contact me. Again, congratulations!

Sincerely,

A handwritten signature in black ink that reads "Bruce Macler".

Bruce Macler
Section Awards Chair
415 972-3569

**CALIFORNIA-NEVADA SECTION, AWWA
LARRY C. LARSON SAFETY AWARD**

Utility Name Otay Water District

Utility Address 2445 Sweetwater Springs Blvd, Spring Valley CA 91978

Utility Phone (619) 670-2222

General Manager Mark Watton

Submitted by: Ted Cudal, CSP, CHMM

Number of Employees (2008) 168

Number of Employee Hours (2008) 300,209

SAFETY RECORD

<u>Year</u>	<u>Number of Disabling Injuries</u>	<u>Employee days charged to injuries</u>
2003	<u>15</u>	<u>245</u>
2004	<u>14</u>	<u>76</u>
2005	<u>10</u>	<u>24</u>
2006	<u>16</u>	<u>276</u>
2007	<u>8</u>	<u>183</u>
2008	<u>5</u>	<u>144</u>
2009 (Mid-year)	<u>3</u>	<u>44</u>

Reason why applicant is nominated for this award:

(Please complete the attached supplemental data sheet)

The Otay Water District has a very pro-active Safety Program, centered on the premise that all injuries and incidents are preventable. The District has continually improved it's safety performance, and strives to reduce all injuries and illnesses. In July, 2008, the District hired a new Safety and Security Administrator, conducted a thorough review of the safety programs, and completed a review of the Safety Training requirements and Return to Work programs. The Safety Program information is posted internally on the intranet (Sharepoint). Currently, we have 3 reportable injuries and a 14.67 Severity Rate. The continual improvement and reductions are noteworthy.

California-Nevada Section, AWWA

Supplemental Data Sheet for the Larry C. Larson Safety Award

The following information will be used by the CA/NV Section Safety Committee to evaluate water utilities and individuals nominated for the Larry C. Larson Safety Award. The complete form should be attached to the nominated form and submitted to the Section's Safety Sub-Committee Chair.

Utility Name Otay Water District

I. Type of Work (Estimate the number of employees or percent of work force in the following classifications

- a) Administrative & Office 48%
- b) Construction 11%
- c) Distribution 22%
- d) Treatment 5%
- e) Other (specify) 14%
(Fleet, Field Eng, Facilities)

II. Safety Program

- a) Does the utility have a formal safety program? Y N
- b) If yes, how long has it been in effect? Since Est. 1980's
- c) Is the Utility's Safety Officer full-time? Y N
- d) If part-time, what other function does he/she have? NA
- e) Which of the following items are part of the safety activity?
 - Is there a safety committee? Y N
 - If yes, how often are meetings held? _____
 - Safety Manual? Y N
 - Safety Posters? Y N

Supplemental data continued:

Weekly Safety Talks?	<input type="radio"/> Y	N
Employee Safety Award?	<input type="radio"/> Y	N
Safety Suggestion Program?	<input type="radio"/> Y	N
Accident Review Board?	<input type="radio"/> Y	N

List any other item used: (See attached documentation)

III Describe your Injury and Illness Prevention Program (IIPP) The Otay Water District's IIPP covers: 1) Management commitment and assignment of responsibilities; 2) Safety communications; 3) System for assuring employee compliance with safe work practices; 4) Scheduled inspections; 5) Accident investigation; 6) Procedures for correcting unsafe/ unhealthy conditions; 6) Safety and health training and recordkeeping.

IV Safety Training (check programs provided)

Defensive Driving First Aid CPR

Other (list) (See attached documentation)

V General Remarks (Describe outstanding achievements in areas of safety above and beyond what is required by Cal-OSHA & Fed OSHA)

The District has continually improved in trying to limit risk to injury and in reviewing it's Safety Programs.

VI Please include the name of your company's insurance handler, contact person and telephone number

Insurance: SDRMA

Contact: Ted Cudal, CSP, CHMM, Safety and Security Administrator
(619) 670-2295

Upon review, sub-committee may contact applicant for additional information

Return application to:

**Mr. Tim Tillery
Suburban Water Systems
1211 E. Center Court Drive
Covina, CA 91724-3603**

OTHER SUPPORTING DOCUMENTATION





OTAY > Administrative Services > Safety and Security > Shared Documents > 1) Safety Manual

Shared Documents

Share a document with the team by adding it to this document library.

New ▾ Upload ▾ Actions ▾ View: **All Documents**

Type	Name	Modified	Modified By
	101.01 Injury Illness and Prevention Program	5/5/2009 8:52 AM	Ted Cudal
	101.01a Fleet Incident Reporting Procedure	5/5/2009 8:54 AM	Ted Cudal
	101.01a Incident Report Forms	5/5/2009 8:58 AM	Ted Cudal
	101.01c Injury and Illness Reporting Procedures	5/5/2009 12:29 PM	Ted Cudal
	101.01d Return to Work Program	5/5/2009 9:02 AM	Ted Cudal
	101.02 Safety Committee Procedure	5/5/2009 9:03 AM	Ted Cudal
	101.02a District General Recognition Program	5/5/2009 9:06 AM	Ted Cudal
	101.03 Safety Inspection Procedure	5/5/2009 9:08 AM	Ted Cudal
	101.03a Safety Inspection Checklists	5/5/2009 9:09 AM	Ted Cudal
	101.04 Ergonomics Program	5/5/2009 9:11 AM	Ted Cudal
	101.05 Fire Prevention Plan	5/5/2009 9:13 AM	Ted Cudal
	101.06 Emergency Action Plan	5/5/2009 9:14 AM	Ted Cudal
	101.06a NIMS Manual	5/5/2009 9:16 AM	Ted Cudal
	101.07 Hazard Communications Program	5/5/2009 9:17 AM	Ted Cudal
	101.08 Material Safety Data Sheets and Labeling Hazardous Substances	5/5/2009 9:19 AM	Ted Cudal
	101.09 Personal Protective Equipment Procedure	5/5/2009 9:20 AM	Ted Cudal
	101.09a Respiratory Protection Program	5/5/2009 9:22 AM	Ted Cudal
	101.09b Respiratory Selection and Use Procedure	5/5/2009 9:22 AM	Ted Cudal
	101.10 Laboratory Safety Procedure	5/5/2009 9:24 AM	Ted Cudal
	101.11 Lockout Tagout Procedure	5/5/2009 9:25 AM	Ted Cudal
	101.11a Lockout Tagout Inspection Form	5/5/2009 9:25 AM	Ted Cudal
	101.12 Welding and Cutting Hot Work Safety Procedure	5/5/2009 9:28 AM	Ted Cudal
	101.12a Hot Work Permit	5/5/2009 9:28 AM	Ted Cudal
	101.13 Metal Working Equipment Machine Guarding Procedure	5/5/2009 9:30 AM	Ted Cudal
	101.14 Abrasive Wheels and Grinding Equipment	5/5/2009 9:31 AM	Ted Cudal
	101.15 Confined Space Procedure	5/5/2009 9:32 AM	Ted Cudal
	101.15a Confined Space Permit Form	5/5/2009 9:32 AM	Ted Cudal
	101.16 Trenching and Shoring Procedure	5/5/2009 9:33 AM	Ted Cudal
	101.16a Trench Inspection Form	5/5/2009 9:35 AM	Ted Cudal
	101.16b CalOSHA Construction Guide	5/5/2009 9:35 AM	Ted Cudal
	101.17 Powered Industrial Truck Forklift Safety Procedure	5/5/2009 9:37 AM	Ted Cudal
	101.17a Cal-OSHA Powered Industrial Truck Operating Rules	5/5/2009 9:37 AM	Ted Cudal
	101.18 Asbestos Cement Pipe Safety and Minimizing Silica Exposure	5/5/2009 9:38 AM	Ted Cudal
	101.18a CalOSHA Silica Alert	5/5/2009 9:39 AM	Ted Cudal

	101.19 Chlorine Safety Procedure	5/5/2009 10:08 AM	Ted Cudal
	101.20 Aqua Ammonia Safety Procedure	5/5/2009 10:08 AM	Ted Cudal
	101.21 Sodium and Calcium Hypochlorite Safety Procedure	5/5/2009 10:09 AM	Ted Cudal
	101.22 Bloodborne Pathogens Exposure Control Program	5/5/2009 10:10 AM	Ted Cudal
	101.23 Rim and Wheel Servicing Procedure	5/5/2009 10:13 AM	Ted Cudal
	101.24 Gun Range	5/5/2009 10:16 AM	Ted Cudal
	101.24a Off Road Vehicle Safety	5/5/2009 10:17 AM	Ted Cudal
	101.25 Construction Safety Procedure	5/5/2009 10:18 AM	Ted Cudal
	101.26 Hearing Conservation Program	5/5/2009 10:18 AM	Ted Cudal
	101.27 Fall Protection	5/5/2009 10:18 AM	Ted Cudal
	101.27a Appendix A. Formal Inspection Procedure	5/5/2009 10:20 AM	Ted Cudal
	101.27b Appendix B. Formal Harness Inspection Log	5/5/2009 10:20 AM	Ted Cudal
	101.27c Appendix C. Harness Before Use Inspection Form	5/5/2009 10:22 AM	Ted Cudal
	101.28 Dump Truck Safety	5/5/2009 10:14 AM	Ted Cudal
	101.28a Truck Inspection Form	5/5/2009 10:14 AM	Ted Cudal
	101.29 Hoist and Davit Safety	5/5/2009 10:23 AM	Ted Cudal
	101.30 Traffic Control and Flagging Procedure	5/5/2009 10:23 AM	Ted Cudal
	101.30a County of San Diego Traffic Guidelines	5/5/2009 10:25 AM	Ted Cudal
	101.31 Heat Related Illness Prevention	5/5/2009 10:26 AM	Ted Cudal
	101.32 Low Voltage Electrical Safety Program	5/5/2009 10:26 AM	Ted Cudal
	101.33 High Voltage Electrical Safety Program	5/5/2009 10:27 AM	Ted Cudal

OTAY WATER DISTRICT CAL-OSHA Regulations Minimum Training Requirements

Training Topic	CCR Title 8 Section	Frequency of Training	Typical Job Classification	Otay Water District Program	Program Manager / Date Reviewed
Accident Investigation	3203(a)(7)(F)	Initial	Supervisors/Accident Investigators	HS 101.01 IIPP HS 101.02 Safety Committee	Safety & Security / 08-27-08
Accident Prevention Signs & Tags	3341(d)(5)	Initial	Impacted Employees	HS 101.11 Lockout / Tagout	Safety & Security / 01-21-09
Asbestos Consultant Site Surveillance Technican	341.15	Initial	Certified Persons	HS 101.18 Asbestos and Silica	Safety & Security / 01-22-09
Asbestos/Asbestos Awareness	1529(k)(9)(B) 5208(i)(7)(B) 1529	Initial Annual	Employees likely exposed =>PEL & those who perform Class I-IV operations		
Battery Handling/ Changing/Charging	5185(a)	Initial	Assigned Employees	OJT – Fleet	Fleet – DOT Proficiency records - 4-12-09
Bloodborne Pathogens	5193(g)(2)	Initial / Annual	Potentially Exposed Employees	HS 101.22 Bloodborne Pathogens Exposure Control	Safety & Security / 1-22-09
Carcinogens As Listed	5209(e)(5)	Initial	Exposed Employees	New Employee Orientation	Orientation – Safety completed 10-10-08
Chemical Hygiene for Laboratories	5191(f)(2)	Initial New Hazards Refresher	Laboratory Employees	HS 101 10 Laboratory Safety Procedures	Safety & Security and Reclamation Plant Supervisor / 12-18-08
Compaction Equipment	4355(a)(2)	Before Use	Users	OJT – Construction Maintenance	Construction - Fleet – 4-12-09
Confined Spaces	5157(g) 5158(c)(2)	Initial Program Update Changes	Affected Employees Exposed Employees	HS 101.15 Confined Space	Safety & Security / 08-19-08
Electrical Safety	Electrical Safety Orders 2320.1-2320.9	Initial	Qualified Person	HS 101.32 High Voltage and HS 101.33 Low Voltage	Pump and Electric / 12-31-08
Elevating Work Platforms & Aerial Devices	3648(l)(7) 3648(c) 3646(c) 3638(d)	Before Use	Users Authorized Personnel	OJT – Warehouse Operations	Warehouse Operations / Document initial training 1-31-09
Emergency Action Plan	3220(e)	Initial Plan Update	Impacted Employees	HS 101.06 Emergency Action Plan	Safety & Security / 09-10-08
Emergency Procedures (Construction)	1512(d)	Initial	Assigned Employees	HS 101.06 Emergency Action Plan, Employee Emergency Manual	Safety & Security / 09-10-08
Equipment & Machinery (Construction)	1510(b)	Initial	Qualified Person	OJT – Construction Maintenance	Construction/Fleet –DOT Proficiency 09-10-08
Ergonomics	5110(b)(3)	Initial – When Standard is Triggered	Employees in affected job classifications, when standard is triggered	HS 101-04 Ergonomics	Safety & Security / 8-20-08
Excavation/ Trenching/ Shoring	1541		Competent Person	HS 101.16 Trench Safety	Safety & Security / 12/17/08
Fall Protection / Personal Fall Arrest/Restraint Sys.	1671.1 1670(b)(19)	Initial	Affected Employees Competent Person Qualified Person	HS-101.27 Fall Prevention, HS 101.29 Hoist and Davit Safety	Safety & Security / Completed Harness Inspection Logs – 2 employees trained.12-18-08

Training Topic	CCR Title 8 Section	Frequency of Training	Typical Job Classification	Otay Water District Program	Program Manager / Date Reviewed
Fire Extinguisher & Fire Fighting Equip.	6151(q)(1)-(2)	Initial Annual	Assigned Employees	HS 101.06 Fire Prevention Plan	Safety & Security / 8-29-08
Fire Extinguisher & Fire Fighting Equipment	6151(q)(1)-(2)	Initial Annual	Assigned Employees	HS 101.06 Fire Prevention Plan	Safety & Security / 8-29-08
Fire Prevention Plan	3221(d)(1)-(2)	Initial New Hazards	Exposed Employees	HS 101.06 Fire Prevention Plan	Safety & Security / 8-29-08
Fire Protection – Fixed Extinguishing Systems	6175(b)(10) 6181(b)(2)	Initial Annual	Employees Assigned Maintenance/Operation Exposed Employees	HS 101.06 Fire Prevention Plan	Safety & Security / 8-29-08
Fire Protection – Standpipe & Hose System Inspection	6165(f)(2)(F)	Initial	Assigned Employees	HS 101.06 Fire Prevention Plan	Safety & Security / 8-29-08
First Aid First Aid & CPR	3439(b) 6251(d)(2) 3400(b) 5157 , 5158 , 5193 3421 , 6052	Initial Changes Every 2 years (or as specified by cert organization)	Assigned Employees Supervisors	Revised EAP, Reassigned Emergency Response Team. Addressed First Aid/CPR/AED	Safety & Security / 9-11-09
First Aid (Construction)	1512(b) & (d)	Initial Updated	Assigned Employees	Read comments above	Safety & Security / 9-11-09
Flaggers (Traffic)	1599(f) & (g)	Initial	Assigned Employees	HSM 101.30 Traffic Control	Safety & Security / 1-21-09
Hazard Communication	5194(b)(1)	Initial New chemicals or processes	Exposed Employees	HS 101.07 Hazard Communications HS 101.08 MSDS, Labeling	Safety & Security / 09-09-08 / 09-15-08
Hazardous Waste Operations & Emergency Resp.	5192 (e) & (q)(6)	Initial Annual Refresher	Assigned Employees Qualified Person	Training ongoing	Safety & Security & HAZWOPER Team Leader / 12-22-08
Hearing (Noise) Protectors Conservation	5098(a)(4) 5097(d)(5)(A) & (B) 5099(a)	Initial Retraining Initial Annual	Employees Provided Protectors. All Employees Exposed to =>85 dBA TWA	HS 101.09 Hearing Conservation	Safety & Security / 9-19-08
Heat Stress	3395	Initial	Exposed Employees	Heat Related Illness Prevention 101.31	Safety & Security / 12-16-08
Industrial/Lift Trucks (Forklifts) & Tractors	3657(i) 3664(b) 3668	Initial, Annual, Observed Unsafe Operation, Post Accident Equipment Change Workplace Change (Operator eval. @ 3 years)	Operators	HS 101.17 Powered Industrial Truck (Forklift) Safety Procedure	Safety & Security / 11/03/08
Injury & Illness Prevention Program	3203(a)(7) 1509(e)	Initial Updated	All Employees Supervisor Tailgates	HS 101.01 IIPP HS 101.03 Safety Inspections	Safety & Security / 08-27-08
Job Hazard(s)	3203(a)(7) 1510(a)	Before Job Assignment New Hazards	All Employees	HS 101.01 IIPP HS 101.03 Safety Inspections HS 101 19 Chlorine Safety Procedure HS.101.20 Aqua Ammonia Safety Procedure HS 101.21 Sodium Hypochlorite Safety HS 101.28 Dump	Safety & Security / 08-27-08 Completed 4.12.09 HS 101.21 reviewed 1-22-09 HS 101.28 reviewed 1-22-09

Training Topic	CCR Title 8 Section	Frequency of Training	Typical Job Classification	Truck Safety	Program Manager / Date Reviewed
Lockout/Blockout	3314 3314(j)	Initial When Updated	Affected Employees Qualified Person	Otay Water District Program HS 101.11 Lockout / Tagout	Safety & Security / 01-21-09
Machinery & Equipment	1510(b)	Before Use	Qualified Person	HS 101.13 Metalworking Equipment - Machine Safeguarding HS 101.14 Abrasive Wheels and Grinding Equipment Dump Truck Safety HS 101.28	Safety & Security / 01-22-09 / 01-22-09 / 01-22-09
Medical & Exposure Records - Access	3204(g)(1)	Initial Annual	Affected Employees	Access to Medical and Exposure Records (poster) HS 101.07 Hazard Communications	Human Resources / Safety & Security 09-11-08
Noise Exposure	5099(a)	Initial Annual	Employees Exposed => 85dBA TWA	HS 101.09 Hearing Conservation	Safety & Security / 9-19-08
Openings/Holes – Floors & Roofs	3212(b)		Qualified Person	HS 101.09 Personal Protective Equipment, HS-101.27 Fall Prevention	Safety & Security / Reviewed in 10-13-08 and 12-18-08
Personal Protective Equipment	3380(c)	Initial	PPE Users	HS 101.09 Personal Protective Equipment	Safety & Security / Reviewed in 10-13-08
Calif. Posting Requirements	340	Initial	All Employees	Posted on Bulletin boards	Human Resources Completed annually
Process Safety Management / Risk Management Program	5189(g) Cal/ARP regulations	Initial Refresher & Supplemental Certification	Involved Employees	RMP / PSM / CalARP Program	Safety & Security / Review in Progress due 6/09
Respiratory Protection	5144(c) & (k) 5144 App A 5144 App C	Initial Annual	Users	HS 101.09 Respiratory Protection	Safety & Security Reviewed 10-22-08
Supervisory Safety Training	3203(a)(7)(F)	Initial Change	Supervisors	Training Matrix	Managers and Supervisors track
Welding & Cutting Safety – Hot Work	4799 4848(a) 1537(a)	Initial	Welders Fire Watchers Qualified Person	HS 101.12 Welding and Cutting Safety HS 101.12a Hot Work Permit System	Safety & Security / Reviewed 1-15-09 and 1-21-09
Wheels or Rims – Servicing	3326(c)	Initial	Service Personnel	HS 101.23 Rim and Wheel Servicing	Safety & Security / 1-22-09

Qualified Person A qualified person is a person **designated** by the employer; and by reason of **training**, experience, or instruction has demonstrated the ability to perform safely all assigned duties; &, when required is properly licensed in accordance with federal, state, or local laws and regulations.

Examples: **Scaffold** Erection & Dismantling Supervisors 1637(k)(1) or **Personal Fall Arrest** System supervisors 1670(b)

Competent Person

A competent person is a person who is **capable** of identifying existing and predictable hazards in the surroundings or working conditions that are unsanitary, hazardous, or dangerous to employees. The competent person has the **authority** to impose prompt corrective measures to eliminate these hazards.

Examples: **Excavation** - Inspectors 1541 or **Fall Protection** Plan implementers & supervisors 1671.1 \

Other Compliance Programs

Risk Management Program / Process Safety Management: Reclamation Plant/Aqueous Ammonia sites (County DEH/Cal-OSHA/ EPA)

Hazardous Materials Business Plans: Primarily sites w/ over 55 gallons of diesel & hazardous materials (San Diego County DEH)

Pressure Vessel Permits (Cal-OSHA)

Fire Inspections: Admin/Warehouse/Operations Buildings (San Miguel Fire Department)

DOT Inspections: Fleet Maintenance (California Highway Patrol)

TRAINING MATRIX

Minimum Required Safety Training Topics (Can be taken Online or in Class)	Regulatory Requirement	TRAINING HOURS:		Re-Training Frequency	Non bold = Industry practice Bold = Regulated	Refresh Training Hours:	Non bold = Industry practice Bold = Regulated	General Manager / Assist GM / Chiefs	Managers and Supervisors (Primary Office)	Managers - Operations	Supervisors - Operations	Field Engineering (Inspection, Survey)	Water System Operators	Recycle Water Systems	Pump and Electric / SCADA	Utilities Maintenance	Meter Maintenance	Meter Readers	Reclamation Plant	Fleet Maintenance	Facility Maintenance / Warehouse	All Office Personnel (Central, Engineering, Finance, Administrative Services, Operations, IT and Strategic Planning)
		Non bold = Industry practice	Bold = Regulated																			
Incident Investigation (General)	8 CCR - 3203 (a)(5)(F)	2	4	1				X														
Asbestos - Cement Pipe	8 CCR 1629 (341.17)	4	1	2																		
Commercial Utility (Driver Responsibilities) Class AB Drivers	DOT 49 CFR part 385 & 40	2	3	1						Employees - As Assigned											X	
Commercial Utility Drivers - Reasonable Suspicion Drug & Alcohol	DOT 49 CFR part 385 & 40	2	3	2						Employees - As Assigned												
Chemical Hygiene for Laboratories	8 CCR 4355(a)(2)	4	2	1						Laboratory Techs - As Assigned												
Chlorine Safety / Aqueous Ammonia / Sodium Hydrochloride (Water Chemical Treatment Safety)	CCR 19 CalARP	4	2	1						Disinfection - As Assigned												
Confined Space Entry	8 CCR 5157(g)	8	2	2							X	X	X	X	X	X	X	X	X	X	X	
Confined Space Drill	8 CCR 5157(k)	8	3	8						HAZMAT TEAM - As Assigned												
Construction Safety: Power tools, Personal Protective Equipment, Lead Awareness	8 CCR 1510, 1531.1 CCR 3380-3385	8	4	4							X	X	X	X	X	X	X	X	X	X	X	
Control of Hazardous Energy (Lockout/Tagout)	8 CCR 2320.1 - 2320.5, 8 CCR 3314(j), 3341(d)(5)	4	2	2							X	X	X	X	X	X	X	X	X	X	X	
CPR 1" Aid /AED/Bloodborne Pathogens	8 CCR 3400(b), 8 CCR 8421; 8 CCR 5193(5)c	8	2	5							X	X	X	X	X	X	X	X	X	X	X	
Crane Certification, Mobile	8 CCR 5006, 5006.1	24/40	5	16							Users											
Crane (Stationary) Inspection & Handling Loads	8 CCR 4994, 5000, 5031	4	3	3							Users											
Crane - Below the Hook Rigging	8 CCR 5004, 5031, 5043, 5044	4	3	4							Users											
Electrical Safety/ High-Low voltage	8 CCR 2320.1, 2320.2, 2714, 8 CCR 2940, NFPA 70E	8/16	2	4/8							Techs / SCADA											
Elevated Work Platforms (Scissor Lifts)	8 CCR 3638, 3646, 3648	4	3	2							Users											
Emergency Action Plan (Can Cover during Fire Prevention training)	8 CCR 3220(e)	2	2	1							X	X	X	X	X	X	X	X	X	X	X	X
Emergency Action - HazMat Business Plan	County Hazard Materials Division	1	2	1							X	X	X	X	X	X	X	X	X	X	X	
Ergonomics Office and Field/Back Safety	8 CCR 5110(b)(3)	2	3	1							X	X	X	X	X	X	X	X	X	X	X	
Excavation/Trench/Shore/Soil Anlysis/Rescue	8 CCR 1540, 1541	8	3	2							X	X	X	X	X	X	X	X	X	X	X	
Fall Protection / Personal Fall Arrest/Restraint Sys	8 CCR 1671.1; 1670(b)(19)	4	3	1							Users	X	X	X	X	X	X	X	X	X	X	
Fire Prevention: Plan, Drill, and (Extinguisher - as assigned)	8 CCR 3221(d); 8 CCR 6151(g)(1)	2	1	1							X	X	X	X	X	X	X	X	X	X	X	X

TRAINING MATRIX

Minimum Required Safety Training Topics (Can be taken Online or in Class)	Regulatory Requirement	TRAINING HOURS:			Refresher Training Hours: Bold = Regulated Non bold = Industry practice	General Manager / Assist GM / Chiefs	Managers and Supervisors (Primary Office)	Managers - Operations	Supervisors - Operations	Field Engineering (Inspection, Survey)	Water System Operators	Recycle Water Systems	Pump and Electric / SCADA	Utilities Maintenance	Meter Maintenance	Meter Readers	Reclamation Plant	Facility Maintenance	Facility Maintenance / Warehouse	All Office Personnel (Central, Engineering, Finance, Administrative Services, Operations, IT and Strategic Planning)	
		Bold = Regulated Non bold = Industry practice	Re-Training Frequency Bold = Regulated Non bold = Industry practice	Re-Training Hours: Bold = Regulated Non bold = Industry practice																	
Forklift Operations	8 CCR 3668	4/8	3	2/4				Users			X	X	X	X	X	X	X	X			
General Safety: Poison Oak, Venomous Creatures, Job Hazard Identification	8 CCR 3395, 3203; 8CCR 1510	4	3	4		X	X	X	X	X											
Hazard Communication	8 CCR 5194(h)(1)	4	3	4				X	X	X											
HAZWOPER, Response Team - Team members designated by supervisors	8 CCR 5192(e) & (q)(6)	40	1	8																	
Hearing Conservation / Noise Exposure	8 CCR 5098(a)(4), 5099	2	1	1				X	X	X											
Hearing (Audiometric Testing)	8 CCR 5099	2	1	1				X	X	X											
Heat Stress	8 CCR 3395	2	1	1				X	X	X											
Heavy Equipment Operation	8 CCR 3664	8	1	4				Users													
Industrial Safety: Machine Guarding, Ladder Safety, Battery Handling & Storage	8 CCR 1670, 1671, 1 8CCR 5185	5	3	5				X	X	X											
Line Locator	8 CCR 1541(b)(1), (C),(D)	4	3						Locators												
New Hire Orientation - Injury Illness Prevention Program (General Office Safety)	8 CCR 3203	3	0	0		X	X	X	X	X										X	
Personal Protective Equipment (Eye Safety, Laser Safety)	8 CCR 3380(c)	4	1	1					X	X											
Respiratory Protection Medicals & Fit Testing	8 CCR 5144(k), (e)	5	1	5				Users													
Scaffolding	1637(k)(1)	5	2	5																	
Substance Free Workplace - Reasonable Suspicion	DOT 49 CFR part 385	2	4	2		X	X	X													
Traffic Control / Flagger Safety	8 CCR 1599	8	3	4					X	X											
Welding and Cutting (Fire watch and hot work)	8 CCR 4799, 4848 8CCR 1740(k)(1)	4	1	1				Users													
Commercial Utility Driver	DOT 49 CFR part 385 & 40	4	4	4				X													
Dog Bite Safety / Snakes and Insect Safety	Best Business Practice	4	4	4				X	X	X										Water Conservation	
Driving Safety (Cuyamaca or Online) Required if driving District Vehicle	Best Business Practice	4	4	2				X	X	X										X	
Office Safety: Slips, Trips & Falls; Hazard Communication; Electrical Safety, General Office Safety, Ergonomics	8CCR 3207, 6249, 6363, 6364; 8 CCR 5194(b)(1); 8 CCR 1910.323	0	0	0		X	X	X	X	X											X

NOTE: Hazardous Waste Operations and Emergency Response (HAZWOPER) Team have additional training requirements (40 Hour Initial and 8 Hour Refreshers), Rims and Wheels (Currently outsourced)