

**OTAY WATER DISTRICT
and
OTAY SERVICE CORPORATION**

BOARD OF DIRECTORS MEETING
OTAY WATER DISTRICT BOARDROOM

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA

WEDNESDAY

July 7, 2004

3:30 p.m.

AGENDA

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES OF THE REGULAR MEETING OF JUNE 2, 2004 AND SPECIAL MEETING OF JUNE 10, 2004
5. PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE BOARD ON ANY SUBJECT MATTER WITHIN THE BOARD'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA
6. RECESS OTAY WATER DISTRICT BOARD MEETING
7. CONVENE OTAY SERVICE CORPORATION BOARD MEETING
8. ROLL CALL
9. ELECTION OF OFFICERS
 - a) PRESIDENT
 - b) VICE-PRESIDENT
 - c) TREASURER
10. APPOINTMENT OF OFFICERS
 - a) EXECUTIVE DIRECTOR
 - b) CHIEF FINANCIAL OFFICER
 - c) SECRETARY

11. ADOPT RESOLUTION NO. 1004 OF THE BOARD OF DIRECTORS OF THE OTAY SERVICE CORPORATION AUTHORIZING THE REFINANCING OF THE CORPORATION'S 1993 FIXED-RATE CERTIFICATES OF PARTICIPATION THROUGH THE ISSUANCE OF REVENUE REFUNDING CERTIFICATES OF PARTICIPATION AND APPROVING CERTAIN DOCUMENTS AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH [BEACHEM]
12. ADJOURN OTAY SERVICE CORPORATION BOARD MEETING
13. RECONVENE OTAY WATER DISTRICT BOARD MEETING

CONSENT CALENDAR

14. ITEMS TO BE ACTED UPON WITHOUT DISCUSSION, UNLESS A REQUEST IS MADE BY A MEMBER OF THE BOARD OR THE PUBLIC TO DISCUSS A PARTICULAR ITEM:
 - a) PROVIDE WATER RESOURCES MASTER PLAN PROGRAM ENVIRONMENTAL IMPACT REPORT FOR BOARD REVIEW
 - b) APPROVE SIDE LETTER AGREEMENT AMENDING THE CURRENT MEMORANDUM OF UNDERSTANDING WITH THE OTAY WATER DISTRICT EMPLOYEES ASSOCIATION CONCERNING A DECISION TO CONTRACT OUTSIDE WORK
 - c) A RESOLUTION OF THE BOARD OF DIRECTORS OF OTAY WATER DISTRICT FIXING TERMS AND CONDITIONS FOR THE ANNEXATION TO OTAY WATER DISTRICT IMPROVEMENT DISTRICT OF THOSE LANDS DESCRIBED AS "JON CLOUD ANNEXATION" (APNs 517-050-19 AND 517-050-20) AND ANNEXING SAID PROPERTY TO OTAY WATER DISTRICT IMPROVEMENT DISTRICT NO. 20
 - d) REJECT THE FOLEX COMPANY CLAIM

PUBLIC HEARING

15. PUBLIC HEARING TO CONTINUE AVAILABILITY CHARGES FOR FISCAL YEAR 2004-2005 [BEACHEM]
 - a) ADOPT RESOLUTION NO. 4018 TO CONTINUE WATER AND SEWER AVAILABILITY CHARGES FOR DISTRICT CUSTOMERS FOR FISCAL YEAR 2004-2005 TO BE COLLECTED THROUGH PROPERTY TAXES

INFORMATION / ACTION ITEMS

16. ENGINEERING AND WATER OPERATIONS

- a) AUTHORIZE THE GENERAL MANAGER TO FORWARD A LETTER TO THE COUNTY OF SAN DIEGO VALIDATING THE POSITION TAKEN BY A PREVIOUS BOARD IN 1996 AGAINST THE USE OF GROUNDWATER PROPOSED BY STEELE CANYON ASSOCIATES [POSADA]

17. FINANCE AND ADMINISTRATION

- a) ADOPT RESOLUTION NO. 4008 OF THE BOARD OF DIRECTORS AUTHORIZING THE REFINANCING OF THE DISTRICT'S 1993 FIXED-RATE CERTIFICATES OF PARTICIPATION BY APPROVING AN INSTALLMENT PURCHASE AGREEMENT, TRUST AGREEMENT, CONTINUING DISCLOSURE AGREEMENT, PRELIMINARY OFFICIAL STATEMENT AND NOTICE INVITING BIDS RELATED TO THE EXECUTION AND DELIVERY OF REVENUE REFUNDING CERTIFICATES OF PARTICIPATION [BEACHEM]
- b) ADOPT RESOLUTION NO. 4022 TO ESTABLISH TAX RATES FOR IMPROVEMENT DISTRICT NO. 27 FOR FISCAL YEAR 2004-2005 [BEACHEM]
- c) AUTHORIZE THE EXECUTION OF WATER CONSERVATION PROGRAM MEMORANDUMS OF UNDERSTANDING WITH THE SAN DIEGO COUNTY WATER AUTHORITY TO CONTINUE PARTICIPATION IN WATER CONSERVATION PROGRAMS [SARNO]

18. GENERAL MANAGER

- a) CONSIDER A REQUEST FROM SOUTHWESTERN COMMUNITY COLLEGE TO PARTNER ON THE DEVELOPMENT OF A XERISCAPE GARDEN ON THE CORNER OF OTAY LAKES ROAD AND H STREET IN CHULA VISTA

19. BOARD

- a) DISCUSSION OF 2004 BOARD MEETING CALENDAR

REPORTS

20. GENERAL MANAGER'S REPORT

21. DIRECTORS' REPORTS/REQUESTS

- a) SAN DIEGO COUNTY WATER AUTHORITY UPDATE

RECESS TO CLOSED SESSION

22. CLOSED SESSION

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

TITLE: GENERAL MANAGER

RETURN TO OPEN SESSION

23. REPORT ON ANY ACTIONS TAKEN IN CLOSED SESSION AND / OR AMENDMENTS MADE TO THE GENERAL MANAGER'S EMPLOYMENT AGREEMENT
24. ADJOURNMENT

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

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

Certification of Posting

I certify that on July 2, 2004, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of Otay Water District, said time being at least 72 hours in advance of the regular meeting of the Board of Directors (Government Code Section §54954.2).

Executed at Spring Valley, California on July 2, 2004.

Susan Cruz, District Secretary