

OTAY WATER DISTRICT

BOARD OF DIRECTORS MEETING
DISTRICT BOARDROOM

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA

WEDNESDAY
May 6, 2015
3:30 P.M.

AGENDA

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. APPROVE THE MINUTES OF THE REGULAR BOARD MEETING OF MARCH 4, 2015
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

PUBLIC HEARING

6. PUBLIC HEARING ON IMPROVEMENT DISTRICT CONSOLIDATIONS

THE BOARD WILL BE HOLDING A PUBLIC HEARING TO CONSIDER THE PROPOSED EXCLUSION OF PARCELS WITHIN WATER IMPROVEMENT DISTRICTS (IDs) 1, 2, 3, 5, 7, 9, 10 AND 20 AND SEWER IDs 4 AND 14 AND ANNEXING THE EXCLUDED PARCELS IN WATER IDs 1, 2, 3, 5, 7, 9, 10 AND 20 INTO ID 22; AND EXCLUDED PARCELS IN SEWER IDs 4 AND 14 INTO ID 18. THE BOARD INVITES THE PUBLIC TO PROVIDE COMMENTS ON THE PROPOSED EXCLUSIONS AND ANNEXATIONS.

- a) ADOPT RESOLUTION NOS. 4268, 4269, 4270, 4271, 4272, 4273, 4274, 4275, 4276, AND 4277 THAT ARE NECESSARY TO COMPLETE THE PROCESS FOR THE EXCLUSION OF PARCELS WITHIN WATER IMPROVEMENT DISTRICTS (IDs) 1, 2, 3, 5, 7, 9, 10 AND 20 AND SEWER IDs 4 AND 14; AND ADOPT RESOLUTION NOS. 4278, 4279, 4280, 4281, 4282, 4283, 4284, 4285, 4286, AND 4287 THAT ARE NECESSARY

TO COMPLETE THE PROCESS FOR THE ANNEXATION OF THE EXCLUDED PARCELS IN WATER IDs 1, 2, 3, 5, 7, 9, 10 AND 20 INTO ID 22; AND SEWER IDs 4 AND 14 INTO ID 18

CONSENT CALENDAR

7. ITEMS TO BE ACTED UPON WITHOUT DISCUSSION, UNLESS A REQUEST IS MADE BY A MEMBER OF THE BOARD OR THE PUBLIC TO DISCUSS A PARTICULAR ITEM:
- a) UPHOLD STAFF'S RECOMMENDATION TO IMPOSE A \$1,000 FINE FOR METER TAMPERING AT 2878 GATE ELEVEN PLACE IN CHULA VISTA
 - b) ADOPT RESOLUTION NO. 4289, FIXING TERMS AND CONDITIONS FOR THE ANNEXATION OF CERTAIN REAL PROPERTIES OWNED BY SBBT LCRE V, LLC, APNs: 644-060-25, 26, 27-00; 645-030-20-00; 644-070-21-00; 646-010-07-00; 644-080-20, 21-00; AND 644-090-03-00 INTO THE OTAY WATER DISTRICT IMPROVEMENT DISTRICT NOS. 22 AND 27
 - c) AWARD A PROFESSIONAL AS-NEEDED CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES CONTRACT TO ALYSON CONSULTING IN AN AMOUNT NOT-TO-EXCEED \$350,000 FOR A PERIOD OF TWO (2) FISCAL YEARS, FY 2016 AND FY 2017 (ENDING JUNE 30, 2017)
 - d) AWARD A PROFESSIONAL AS-NEEDED TRAFFIC ENGINEERING SERVICES CONTRACT TO RICK ENGINEERING COMPANY IN AN AMOUNT NOT-TO-EXCEED \$175,000 FOR A PERIOD OF THREE (3) FISCAL YEARS, FY 2016 THROUGH FY 2018 (ENDING JUNE 30, 2018)
 - e) RECEIVE THE DISTRICT'S INVESTMENT POLICY, BOARD OF DIRECTORS POLICY NO. 27. FOR REVIEW AND RE-DELEGATE AUTHORITY FOR ALL INVESTMENT RELATED ACTIVITIES TO THE CHIEF FINANCIAL OFFICER IN ACCORDANCE WITH GOVERNMENT CODE SECTION 53607
 - f) APPROVE INFORMATION TECHNOLOGY RELATED SERVICE CONTRACTS FOR FISCAL YEAR 2016 THAT INCLUDES ONE (1) YEAR SERVICE AGREEMENTS WITH AT&T IN THE AMOUNT OF \$125,000 FOR LOCAL AND LONG-DISTANCE TELEPHONE AND INTERNET SERVICE; VERIZON WIRELESS IN THE AMOUNT OF \$85,000 FOR CELLULAR PHONE, WIRELESS MODEM SERVICE AND EQUIPMENT; TYLER TECHNOLOGIES IN THE AMOUNT OF \$127,000 FOR ERP/FINANCIAL SOFTWARE MAINTENANCE COSTS AND ANNUAL TECHNICAL SUPPORT; AND AZTECA CITYWORKS IN THE AMOUNT OF \$90,000 FOR SOFTWARE AND MAINTENANCE FOR THE DISTRICT'S

ASSET AND WORK MANAGEMENT SYSTEM. IN ADDITION, APPROVE A THREE (3) YEAR SERVICE AGREEMENT WITH COMPU-COM, INC. IN THE AMOUNT OF \$180,000 (\$60,000 ANNUALLY) FOR MICROSOFT SOFTWARE LICENSES, UPGRADES AND MAINTENANCE SERVICES

- g) ADOPT RESOLUTION NO. 4288 DECLARING THE THIRD WEEK OF APRIL AS CALIFORNIA NATIVE PLANT WEEK IN THE OTAY WATER DISTRICT

ACTION ITEMS

8. ENGINEERING AND WATER OPERATIONS

- a) APPROVE AMENDMENT NO. 3 TO THE EXISTING CONTRACT WITH AECOM TECHNICAL SERVICES, INC. (AECOM) FOR THE DESIGN OF THE OTAY MESA DESALINATION CONVEYANCE AND DISINFECTION SYSTEM PROJECT; INCREASING THE CONTRACT BY \$96,506, RESULTING IN A HIGHER CONTRACT AMOUNT NOT-TO-EXCEED \$3,778,438 (COBURN-BOYD)

9. BOARD

- a) DISCUSSION OF THE 2015 BOARD MEETING CALENDAR

INFORMATIONAL ITEM

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

- a) REPORT ON THE STATE OF THE DISTRICT'S EMERGENCY PREPAREDNESS, SAFETY AND HEALTH, AND SECURITY (RAMIREZ)

REPORTS

11. GENERAL MANAGER'S REPORT

- a) SAN DIEGO COUNTY WATER AUTHORITY UPDATE

12. DIRECTORS' REPORTS/REQUESTS

13. PRESIDENT'S REPORT/REQUESTS

RECESS TO CLOSED SESSION

14. CLOSED SESSION

- a) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
[GOVERNMENT CODE §54956.9]

3 CASES

- b) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
[GOVERNMENT CODE §54956.9]

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

RETURN TO OPEN SESSION

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

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

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

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

Certification of Posting

I certify that on May 1, 2015, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of Otay Water District, said time being at least 72 hours in advance of the regular meeting of the Board of Directors (Government Code Section §54954.2).

Executed at Spring Valley, California on May 1, 2015.

/s/ Susan Cruz, District Secretary

AGENDA ITEM 4

**MINUTES OF THE
BOARD OF DIRECTORS MEETING OF THE
OTAY WATER DISTRICT
March 4, 2015**

1. The meeting was called to order by President Lopez at 3:34 p.m.

2. ROLL CALL

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

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

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

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

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

to approve the agenda.

5. APPROVE THE MINUTES OF THE REGULAR BOARD MEETING OF NOVEMBER 5, 2014

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

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

to approve the minutes of the regular board meeting of November 5, 2014.

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

No one wished to be heard.

CONSENT CALENDAR

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

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

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

to approve the following consent calendar items:

- a) AWARD A CONSTRUCTION CONTRACT TO FORDYCE CONSTRUCTION, INC. (FORDYCE) FOR THE 450-1 DISINFECTION FACILITY REHABILITATION PROJECT IN AN AMOUNT NOT-TO-EXCEED \$128,350
- b) APPROVE A NEW AGREEMENT FOR THE TEMPORARY DELIVERY OF EMERGENCY WATER TO MEXICO
- c) APPROVE THE DISTRICT CONTINUING ITS BANKING SERVICES RELATIONSHIP WITH UNION BANK AND DIRECT STAFF TO REVIEW BANKING SERVICES IN FOUR (4) YEARS WITH THE PERFORMANCE OF A PRICING REVIEW IN TWO (2) YEARS
- d) ADOPT RESOLUTION NO. 4267 TO REVISE BOARD POLICY NO. 47, POLICY AGAINST DISCRIMINATION AND HARASSMENT AND COMPLAINT PROCEDURE, OF THE DISTRICT'S CODE OF ORDINANCES

ACTION ITEMS

8. GENERAL MANAGER

- a) DISCUSSION OF WATER CONSERVATION GARDEN FUNDING

General Manager Watton indicated that Director Thompson is the District's representative to the Water Conservation Garden (WCG) Board and Director

Robak is the District's alternate representative to the WCG board. He stated that the Otay WD board has had discussions concerning the future funding by the District of the WCG as the WCG will be discussing their funding needs and determining the allocations for each of the WCG partners. That allocation will be discussed by the Otay WD board for inclusion in the Fiscal Year 2016 budget. General Manager Watton introduced Mr. John Bolthouse, Executive Director of the WCG, and indicated that he is in attendance of today's meeting to present his vision for the WCG for the next five (5) years.

Mr. Bolthouse thanked the Board for providing him the opportunity to present at today's board meeting. He stated that the WCG is celebrating its 16th Anniversary this year and is working on developing new programs and making improvements to the WCG. He stated that some of those improvements are not just additions to the Garden, but also maintenance needs as the facilities is aging. He indicated that maintenance is one of their biggest challenges and it is estimated that if the maintenance cost is allocated over a five-year period, it would cost between \$72,000 and \$76,000 annually. The WCG is making a lot of progress in becoming, as expected by the partners of the WCG, more self-sustaining. This fiscal year, the WCG objective for the first time in its history, is to get more of its funding from sources other than the water agency partners. He stated that this reflects a positive result of their efforts. The WCG hopes to maintain this momentum through the Otay WD and Helix WD, as founding members, support of the WCG. It is hoped that the founding members would set the tone for other water agency members and perspective members. He stated the WCG is a non-profit organization that is open to the public, provides a great resource and is worthy of continued support. It is requested that the water agency members would maintain their current level of support of the WCG at least for the next two years (FY 2016 and 2017). It is projected that in year four (4), the WCG will be close to self-sustaining and can absorb water agency funding cuts. Mr. Bolthouse indicated that he is honored to have a couple members of his Board of Directors in attendance of today's board meeting. He introduced the WCG Board President, Ms. Lisa Robertson, and Ms. Jan Tubiolo who is a member of the Board.

Director Croucher indicated that he was very pleased to see that Ms. Tubiolo is still part of the WCG Board. He stated that the WCG was also discussed at the San Diego County Water Authority (CWA) board meeting and Ms. Tubiolo was able to provide a tour. He thanked her for her involvement and dedication to the WCG.

Director Thompson indicated that his first involvement with the WCG was as an Alternate Otay WD Representative on the WCG Board approximately two (2) years ago and he was just recently appointed as the main Otay WD representative. He stated that Directors Lopez and Robak have also been representatives to the WCG.

Director Thompson indicated that the individuals involved with the non-profit group that runs the WCG are highly energetic and dedicated. He observed that

non-profits are a better vehicle for diversifying funding and for providing more potential for creativity. He stated that there is great promise in the WCG and with the contract ending, there has been some discussion in developing a better measurement system to ascertain which agencies' ratepayers are utilizing the WCG and if their visit encouraged them to make landscape changes. He indicated that, depending on the WCG programs, an agency may even decide to increase their funding of the WCG for purposeful programming within the agency's service area. He stated that there have been discussions with the WCG staff concerning this over the last year and a half and it is believed that there is a lot of promise in the WCG. He stated that he is supportive of the recommendation to maintain the level of funding support, with the understanding that the WCG would develop a program to collect WCG visitor statistics. He stated that he felt the WCG was moving forward in a very good direction and they not only can accomplish a great public mission, but also continue to provide a resource for the community.

Director Robak indicated that he felt that the WCG has been a valuable resource to not only Otay WD, but to San Diego County as a whole. He shared that Otay WD has performed customer surveys which have included information on the District's ratepayers use of the WCG and the landscape changes that they have made after visiting the WCG. He stated the conversion of landscapes is approximately 40 to 50% after visiting the WCG. He indicated that with the District's promotion of the WCG and ratepayers low per capita water use, it says something. He stated that he really supported the WCG. He also shared that he had a conversation with Mr. Keith Lewinger, WCG Board Member, and he discussed developing an outreach plan to invite high income residents of San Diego County to becoming *Friends of the Garden* members. The goal he envisioned was to eventually derive 50% of the WCG funding from other sources than the water member agencies. He stated that Drought is the number one issue in the State of California and there can be nothing more important than the mission of the WCG.

Director Smith indicated that he is very supportive of water conservation as it is the simplest way to reduce water use. He stated that educating the public in how to conserve through the WCG is the most effective way to encourage conservation. He indicated that education is a powerful way to spread the word and soon there will be a chain of people teaching each other how to conserve water. He stated that he certainly supports what the District has done in the past and he did not see why agencies would not want to support the WCG.

President Lopez indicated that he has been very supportive of the WCG since he became a member of the Otay WD Board fourteen (14) years ago. He stated that he had high hopes in certain people, in that, they would push the WCG to the next level. He indicated that he felt if the WCG had four (4) or five (5) Ms. Nora Jaeskes fourteen years ago, the WCG would be in very good shape today. He stated that the District's concern is that conservation should not be about turning off sprinkler systems, which has been the complaints of many neighborhoods as it impacts the look of the community.

He stated that a lot of work has been done by the member agencies to publicize the WCG so we may get full use of the WCG. The agencies need to have some indication that the WCG is being utilized and each agency is getting a return on its investment in the WCG. He stated that the District wants to be sure everyone is on the same page, as well, on the direction of the WCG.

Mr. Bolthouse indicated that he understands that it is very important to have the statistics to show that the agencies' investment in the WCG is a wise investment. He stated that a Program Analyst with Cuyamaca College will help facilitate a partnership with all the CWA member water agencies and help develop a Comprehensive Evaluation Plan. He noted that the WCG needs the member agencies help in outreach efforts and that the efforts need to be a partnership with the water agencies as sharing its resources through joint campaigns can make a big impact in the implementation plan. He also indicated that he can come back on a regular basis and, in particular, two years from now to discuss what has been accomplished at the WCG. He stated that he very much looks forward to having the statistics not only for the Otoy WD, but for potential grant funding for the WCG. He thanked the Otoy WD for allowing members of the District's staff to participate in the development of the Evaluation Plan and he is looking forward to sharing the plan at the upcoming WCG JPA board meeting.

Director Croucher indicated that he wished to note that this is not a competition and a cooperative effort between all botanical gardens would be very beneficial. General Manager Watton indicated in response to an inquiry from Director Thompson that the proposed WCG budget request would be included in the District's FY 2016 Budget for the board's consideration at the May 19, 2015 Budget Workshop/Special Board meeting.

President Lopez thanked Mr. Bolthouse for attending today's meeting and Mr. Bolthouse thanked the District and its Board for all their support.

9. FINANCE, ADMINISTRATION AND INFORMATION TECHNOLOGY

- a) ADOPT RESOLUTIONS OF INTENTIONS, NOS. 4247, 4248, 4249, 4250, 4251, 4252, 4253 AND 4254, 4255, AND 4256 TO INITIATE THE PROCESS FOR THE EXCLUSION OF PARCELS WITHIN WATER IMPROVEMENT DISTRICTS (IDs) 1, 2, 3, 5, 7, 9, 10 AND 20, AND SEWER IDs 4 AND 14; CONCURRENT WITH SAID ACTION, ADOPT RESOLUTIONS OF INTENTION, NOS. 4257, 4258, 4259, 4260, 4261, 4262, 4263, 4264, 4265, AND 4266 TO INITIATE THE PROCESS FOR THE ANNEXATION OF THE EXCLUDED PARCELS IN WATER IDs 1, 2, 3, 5, 7, 9, 10 AND 20 AND SEWER IDs 4 AND 14 INTO WATER ID 22 AND SEWER ID 18, RESPECTIVELY

Finance Manager Rita Bell indicated that the District currently has nine (9) water improvement districts (IDs) and three (3) sewer districts. Staff is proposing that all water IDs be consolidated into ID22 and sewer IDs into ID18. IDs were

originally created as a means to achieve the lowest cost funding for the District. She stated with the passage of Proposition 13 in 1978 this financing mechanism became obsolete because it required a 2/3 vote to place items on the tax roll. The existing debt for these IDs, which were on the tax rolls, have been paid off and there is really no purpose to maintain the IDs. To consolidate the IDs, the District must detach parcels from their current ID and annex them into the new ID. Please reference the Committee Action notes attached to staff's report (Attachment A) for the details of Ms. Bells report.

In response to an inquiry from Director Robak, staff indicated that the District will collect approximately \$6,000 more in availability fees from parcels within IDs 1 and 5 that are larger than one (1) acre. The largest parcel owner in ID 1 owns seven (7) parcels and his availability fee will go up approximately \$800. His total tax bill is approximately \$56,000. So this property owner will experience a 1.4% increase which is a relatively small increase. She noted that staff had reviewed all parcels to see which would be impacted by the consolidation of the IDs.

Director Thompson requested that the Proposition 218 notices indicate clearly that there is no change/increase in the availability fee. Director Smith requested that staff discuss in the notices why the District is consolidating the IDs; i.e., streamlines District accounting, tracking, mapping, communications with other agencies, etc. General Manager Watton indicated that the vast majority of customers will not be impacted by the consolidation and that staff will work on the language to make that very clear. There are some specific legal requirements, however, and staff will work within those requirements when drafting the language for the notices. Director Croucher cautioned staff to be careful to not let the board's comments change the notices message drastically which wasn't the District's intention.

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

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

to approve staff's recommendation.

10. BOARD

a) DISCUSSION OF THE 2015 BOARD MEETING CALENDAR

District Secretary Susan Cruz noted that dates for meetings of the District's committees have almost been confirmed. To date, the Engineering, Operations and Water Resources Committee has been calendared on March 12, 2015. She also noted that the Special Board meeting to discuss the FY 2016 budget has been scheduled on May 19, 2015.

There were no changes to the board meeting calendar.

INFORMATIONAL ITEM

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

- a) UPDATE REPORT ON THE FINANCING OF THE CAMPO ROAD SEWER MAIN REPLACEMENT PROJECT THROUGH CALIFORNIA'S CLEAN WATER STATE REVOLVING FUND (CWSRF)

Finance Manager Kevin Koeppen indicated that this is to provide the board a briefing on the process to obtain debt financing through the California's Clean Water State Revolving Fund and receive any comments or questions that the board might have concerning the process. He indicated that during the FY 2015 budget process, staff had identified the need for the District to borrow \$3.8 million for sewer facilities. In developing the FY 2016 budget, staff estimates that the funds will still need to be borrowed. The District is pursuing the State Revolving Fund financial option due to its low interest rate and low cost of issuance. Please reference the Committee Action notes attached to staff's report (Attachment A) for the details of Mr. Koeppen's report.

In response to an inquiry from Director Robak, Sr. Civil Engineer Steve Beppler indicated that the criteria for funds is that it must be used for capital infrastructure and potential projects are evaluated based upon need, protection of environmentally sensitive areas, etc. There is a 20-year pay back on the loan. In staff's discussion with the State, they indicated that the District's sewer project was a good fit and a potential candidate for the funding. Staff indicated that they do not anticipate any other borrowing needs for the next five (5) years, but they would continue to look at the California Clean Water State Revolving Fund for any borrowing needs in the future.

- b) SECOND QUARTER OF FISCAL YEAR 2015 CAPITAL IMPROVEMENT PROGRAM REPORT (MARTIN)

Engineering Manager Dan Martin provided an update on the District's second quarter of FY 2015 Capital Improvement Program. He indicated that the FY 2015 budget is divided into 73 projects totaling \$10.6 million. The overall expenditures through the second quarter are \$3.1 million which is approximately 30% of the FY 2015 budget. Please reference the Committee Action notes attached to staff's report (Attachment A) for the details of Mr. Martin's report.

In response to an inquiry from Director Robak regarding the location of the Campo Road Sewer Replacement Project, Sr. Civil Engineer Beppler indicated that the District is currently at 30% design on the project and has completed a preliminary design report. The project location starts at the shopping center at

Avocado Boulevard and follows Campo Road to the church and will be tied into the 27" sewer main at the TGI Friday's Restaurant. The District is consolidating the sewer lines into one line. The current line is undersized at 10" and the new line will be upsized to 15". The lines being replaced were built in the 1960's.

Director Thompson requested a tour of the CIP projects that are within his division. He stated, at the appropriate time during construction, he would also like to visit the 450-1 Disinfection Facility Rehabilitation Project (item 6a on today's agenda). He stated that it helps him to have a mental picture of the District's water systems.

Director Smith encouraged staff to find ways to meet the CIP expenditure targets. He commended staff on the District's change order rate. He stated that it was very impressive and it was something to be proud of.

a) MID-YEAR STRATEGIC PLAN REVIEW

Chief of Information Technology Geoff Stevens provided a mid-year status report on the District's Strategic Performance Plan for FY 2015. He stated that 100% of the District's Strategic Plan objectives were above target with all 19 items completed or on schedule. The target was 90%. He also indicated that 39 of 46 of the performance measures, or 85%, were on or above target. The target was 70%. He reviewed in detail the results of the each of the objectives and performance measures. Please reference the Committee Action notes attached to staff's report (Attachment A) for the details of Mr. Steven's report.

Director Croucher suggested that a chart showing projected versus actual for each objective and performance measure for each quarter would be helpful to see trends in the measurements. Staff indicated that they would add the information to future presentations.

In response to an inquiry from Director Robak, Chief of Information Technology Stevens indicated that staff will be bidding the Customer Satisfaction Survey and is currently finalizing the requirements for the survey. General Manager Watton indicated that CWA performs a similar survey and staff wanted to see what questions they will have in their survey as the District may want to expand or redirect some of the questions. Staff is also looking at how it can maintain a scientific survey as it needs to contact customers randomly, but we do not always have contact information and would need to solicit the information. Staff is taking another look at this issue before moving forward with the survey.

Director Robak indicated that the District's per capita water use is 130 gallons per day (GPD), which is much below the goal of 172 GPD. He felt that this measurement is becoming meaningless as the District is already much below its goal. General Manager Watton indicated that the District is measuring against the State requirement. Director Croucher inquired if the District really wants to set the target lower than the State requirement, because if the District is very successful in encouraging customers to reduce their water use, then the District

may have to increase its rates as revenues will drop as less water is sold. He stated he believes in conservation, but not to be so successful that we have to punish the District's customers. He stated that the target is not meaningless as the District's desire is to meet the State goal.

REPORTS

12. GENERAL MANAGER'S REPORT

SAN DIEGO COUNTY WATER AUTHORITY UPDATE

Director Croucher indicated that he will be travelling with the CWA delegation to Sacramento along with the Chamber of Commerce on April 17 to 18 to discuss specific water issues. He indicated that an agenda item was discussed at MWD today regarding a one year contract for \$5.1 million for public outreach on water conservation. He stated this figure includes the purchase of airtime (TV, radio, etc.) and that Mr. Keith Lewinger, Carlsbad MWD representative on CWA, will be reporting back to CWA's board the amount of San Diego County's contribution to the contract and how much of the funds San Diego would receive back to spend within the County. MWD indicates that the contract amount is high because it is very costly to purchase airtime on TV and radio. He also shared that the item receiving the most discussion this month is CWA's involvement in electrical production and if it really within CWA's core responsibility. There was discussion on what will occur if one of the member agencies wished to opt out of CWA expanding its role to participate in the power industry. He stated that this will be an ongoing discussion. He lastly shared that all CWA committees are currently updating their goals and objectives for the year and, hopefully, next month there will be some announcements on the appointments that have been made to CWA's committees.

General Manager Watton indicated that CWA will be presenting its Fiscal Sustainability Report and none of the member agencies are really happy with the outcome, which means it is likely a good compromise between CWA's member agencies. He shared that the Carlsbad Desalination Plant project is going well and is on target to start delivering water in November 2015. He indicated that the CWA received a 20% allocation from the State Water Project. He noted that this year's snowpack is very low and very little water will be derived from snow this summer. He stated that snow water provides approximately 30% of the State's water supply and indicated that it is felt that the State is approaching the 1970's drought level and has already surpassed the 1991 drought.

He lastly reported that CWA will likely have some allocations from MWD and one of the key objectives of CWA's representatives to MWD is getting MWD to guard their storage. MWD used one (1) million acre feet (AF) of storage last year to avoid allocations. MWD has approximately 1.2 million AF left and they are discussing using approximately 700,000 AF this year. CWA feels that that is approaching "reckless" territory with regard to storage and feels that the use of 200,000 to 300,000 AF is more reasonable as we are not certain when the

drought will end. If MWD only utilizes 200,000 to 300,000 of storage and everything else falls into place, then CWA is looking at a 10 to 15% allocation. He noted that Otay WD is sitting fairly well and will not have the same constraints as the Rancho Sante Fe ID. It is anticipated the allocation discussions will occur at MET in April and any allocations will be effective July 1, 2015.

General Manager Watton presented information from his report that included an update on CWA's ten-day shutdown, new hires/promotions, Operating Budget Excellence Award and Capital Budget Excellence Award for FY 2015 from the California Society of Municipal Finance Officers, AWWA selecting Lead Meter Maintenance/Cross Connection Worker Shannon Coffin to present at their annual conference, the 927 Zone Forcemain Assessment and Repair Project and the 870-1 Reservoir Access Road Paving Project.

Director Croucher stepped off the dias at 5:14 p.m. and returned at 5:16 p.m.

In response to an inquiry from Director Robak, staff indicated that the washing machine rebate is promoted on the District's website and customer newsletter.

General Manager Watton indicated in response to an inquiry from Director Thompson that staff is very aggressive throughout all departments to look for new technologies that would be beneficial to the District. The District's staff is always looking for innovative projects or procedures that would enhance the District's efficiency. In response to another inquiry from Director Thompson, staff indicated that staff does not graph how much recycled water is produced and used annually. The total Otay flow this past month was 1.09 million GPD (MGD) of which 518,964 MGD is processed by the District's Ralph Chapman WTP. Director Thompson requested if staff could graph the information annually.

13. DIRECTORS' REPORTS/REQUESTS

Director Smith indicated that he will be attending the CSDA Governance Foundation Training on March 24. He stated that by taking the training it would allow the District to renew its accreditation as a District of Distinction through the CSDA and provide for liability insurance discounts from SDRMA.

Director Robak indicated that he had run into Mr. Steve Miesen, head of Allied Waste (in Southbay), at the Lincoln Club and he spoke with him about their low rates for trash services. He indicated that the paper confirmed that Allied Waste's rates is the lowest in San Diego. He also shared that he had run into former District Director David Gonzalez and discussed with him his new businesses.

14. PRESIDENT'S REPORT

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

15. CLOSED SESSION

The board recessed to closed session at 5:30 p.m. to discuss the following matter:

- a) PUBLIC EMPLOYEE PERFORMANCE EVALUATION: PERIODIC AND CUSTOMARY REVIEW IN DUE COURSE [GOVERNMENT CODE §54957.6]

TITLE: GENERAL COUNSEL

The board reconvened at 6:04 p.m. and General Counsel, Mr. Dan Shinoff, reported that the board met in closed session and took no reportable actions.

16. ADJOURNMENT

With no further business to come before the Board, President Lopez adjourned the meeting at 6:04 p.m.

President

ATTEST:

District Secretary

President's Report
March 4, 2015 Board Meeting

A) Meetings attended during the Month of February 2015:

- 1) **February 2: Attended a meeting of the District's Ad Hoc Salt Creek Golf Course Committee.** Attendees: Director Thompson, General Manager Watton, Chief Financial Officer Beachem, Finance Mgr. Koeppen
- 2) **February 4: Attended the District's Regular Board Meeting.**
- 3) **February 5: Attended a meeting of the Metro Commission**
(see attached agenda)
- 4) **February 6: Attended the Mendez Strategy Group's Abondigas South County Meeting.** Guest Speaker: City of Chula Vista Mayor, Mary Casillas Salas
- 5) **February 11: Attended a meeting of the District's Ad Hoc Salt Creek Golf Course Committee.** Attendees: Director Thompson, Chief Financial Officer Beachem, Finance Mgr. Koeppen
- 6) **February 13: Committee Agenda Briefing.** Met with General Manager Watton to review items that will be presented at the February committee meetings.
- 7) **February 18:**
 - a. **Attended the District's Finance, Administration and Communications Committee.** Reviewed, discussed, and made recommendation on items that will be presented at the March board meeting.
 - b. **Attended, via teleconference, a meeting of the District's Ad Hoc Salt Creek Golf Course Committee.** Attendees: Director Thompson, General Manager Watton and Chief Financial Officer Beachem
- 8) **February 20: Attended the Chula Vista Chamber of Commerce Annual Installation Dinner.** Attendees: Directors Thompson and Smith, and Richard Romero.
- 9) **February 28: Board Agenda Briefing.** Met with General Manager Watton and General Counsel Dan Shinoff to review items that will be presented at the March Board Meeting.

AGENDA ITEM 6a



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	May 6, 2015
		PROJECT:	DIV. NO. All
SUBMITTED BY:	Rita Bell, Finance Manager		
APPROVED BY:	<input checked="" type="checkbox"/> Joseph R. Beachem, Chief Financial Officer <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Resolutions as Required by the Water Code and Government Code, to Confirm the Exclusion of Parcels from Water Improvement Districts (ID) 1,2,3,5,7,9,10 and 20 and Annexations into ID 22; and Sewer IDs 4 and 14 and Annexations into ID 18		

GENERAL MANAGER'S RECOMMENDATION:

That the Board approve the attached Resolution Nos. 4268, 4269, 4270, 4271, 4272, 4273, 4274, 4275, 4276 and 4277, which are necessary to complete the process for the exclusion of parcels within Water Improvement Districts (IDs) 1,2,3,5,7,9,10 and 20 and Sewer IDs 4 and 14. Concurrent with said action, that the Board also approve the attached Resolutions Nos. 4278, 4279, 4280, 4281, 4282, 4283, 4284, 4285, 4286 and 4287, which are necessary to complete the process for the annexation of the excluded parcels in Water IDs 1,2,3,5,7,9,10 and 20 into ID 22; and Sewer IDs 4 and 14 into ID 18.

PURPOSE:

That the Board authorize and confirm the exclusion of parcels within Water Improvement Districts (IDs) 1,2,3,5,7,9,10 and 20 and Sewer IDs 4 and 14 and the annexation of those parcels into Water ID 22 and Sewer ID 18, respectively.

ANALYSIS:

On March 4, 2015 the Board took action on the first of two steps to complete this consolidation, declaring its intention to exclude and subsequently annex certain parcels and initiating the process to do so. The Board then directed staff to move forward with the

consolidation process. Staff has published and posted the resolutions as required by statute, from April 20, 2015 through May 7, 2015. Therefore, the Board has the ability to confirm the exclusions and annexations at this Board meeting, provided there are not written protests filed by the holders of title of one-half of the value of the territory proposed to be annexed. The exclusions and the annexations will then become effective on July 1, 2015.

The availability fees are identical between Water IDs 1,2,3,5,7,9,10,20 and 22; except for 62 parcels within ID 1; and 6 parcels within ID 5; and identical between Sewer IDs 4, 14 and 18. Therefore, staff has determined there is no longer a reason to separate these parcels. This will streamline the accounting and tracking of these parcels within the District's various information systems.

Because the proposed consolidation technically imposes a "new" charge on customers, to be in compliance with the Proposition 218 requirements, notices were sent to all customers within these IDs to inform them of their option to protest the consolidation of IDs. The required public hearing will take place at the May 6, 2015 Board meeting.

Staff has completed the required publication and posting per Government Code section 6066 and Water Code sections 72084, 72707, and 72703. Having complied with such requirements, this second set of resolutions is being presented to confirm the exclusions and annexations. A subsequent action will request that Water IDs 1, 2,3,5,7,9,10 and 20, and Sewer IDs 4 and 14 be dissolved effective July 1, 2015.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

It is estimated that there will be savings to the District of 118 staff hours estimated at a cost of \$17,057. Additionally, the increase in the availability fees collected in IDs 1 and 5 would be approximately \$5,888 should none of the parcels qualify for the newly allowed exemptions.

STRATEGIC GOAL:

Through well-established financial policies and wise management of funds, the District will continue to guarantee fiscal responsibility to its ratepayers and the community at large.

LEGAL IMPACT:

None.

Attachments:

- A) Committee Action
- B) Water ID Consolidation Map
- C) Sewer ID Consolidation Map
- D) Resolution No. 4268
 - Exhibit A - Legal Description ID 1
- E) Resolution No. 4269
 - Exhibit A - Legal Description ID 2
- F) Resolution No. 4270
 - Exhibit A - Legal Description ID 3
- G) Resolution No. 4271
 - Exhibit A - Legal Description ID 5
- H) Resolution No. 4272
 - Exhibit A - Legal Description ID 7
- I) Resolution No. 4273
 - Exhibit A - Legal Description ID 9
- J) Resolution No. 4274
 - Exhibit A - Legal Description ID 10
- K) Resolution No. 4275
 - Exhibit A - Legal Description ID 20
- L) Resolution No. 4276
 - Exhibit A - Legal Description ID 4
- M) Resolution No. 4277
 - Exhibit A - Legal Description ID 14
- N) Resolution No. 4278
 - Exhibit A - Legal Description ID 1
- O) Resolution No. 4279
 - Exhibit A - Legal Description ID 2
- P) Resolution No. 4280
 - Exhibit A - Legal Description ID 3
- Q) Resolution No. 4281
 - Exhibit A - Legal Description ID 5
- R) Resolution No. 4282
 - Exhibit A - Legal Description ID 7
- S) Resolution No. 4283
 - Exhibit A - Legal Description ID 9
- T) Resolution No. 4284
 - Exhibit A - Legal Description ID 10
- U) Resolution No. 4285
 - Exhibit A - Legal Description ID 20
- V) Resolution No. 4286
 - Exhibit A - Legal Description ID 4
- W) Resolution No. 4287
 - Exhibit A - Legal Description ID 14



ATTACHMENT A

SUBJECT/PROJECT:	Resolutions as Required by the Water Code and Government Code, to Confirm the Exclusion of Parcels from Water Improvement Districts (ID) 1,2,3,5,7,9,10 and 20 and Annexations into ID 22; and Sewer IDs 4 and 14 and Annexations into ID 18
-------------------------	--

COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting held on April 14, 2015 and the following comments were made:

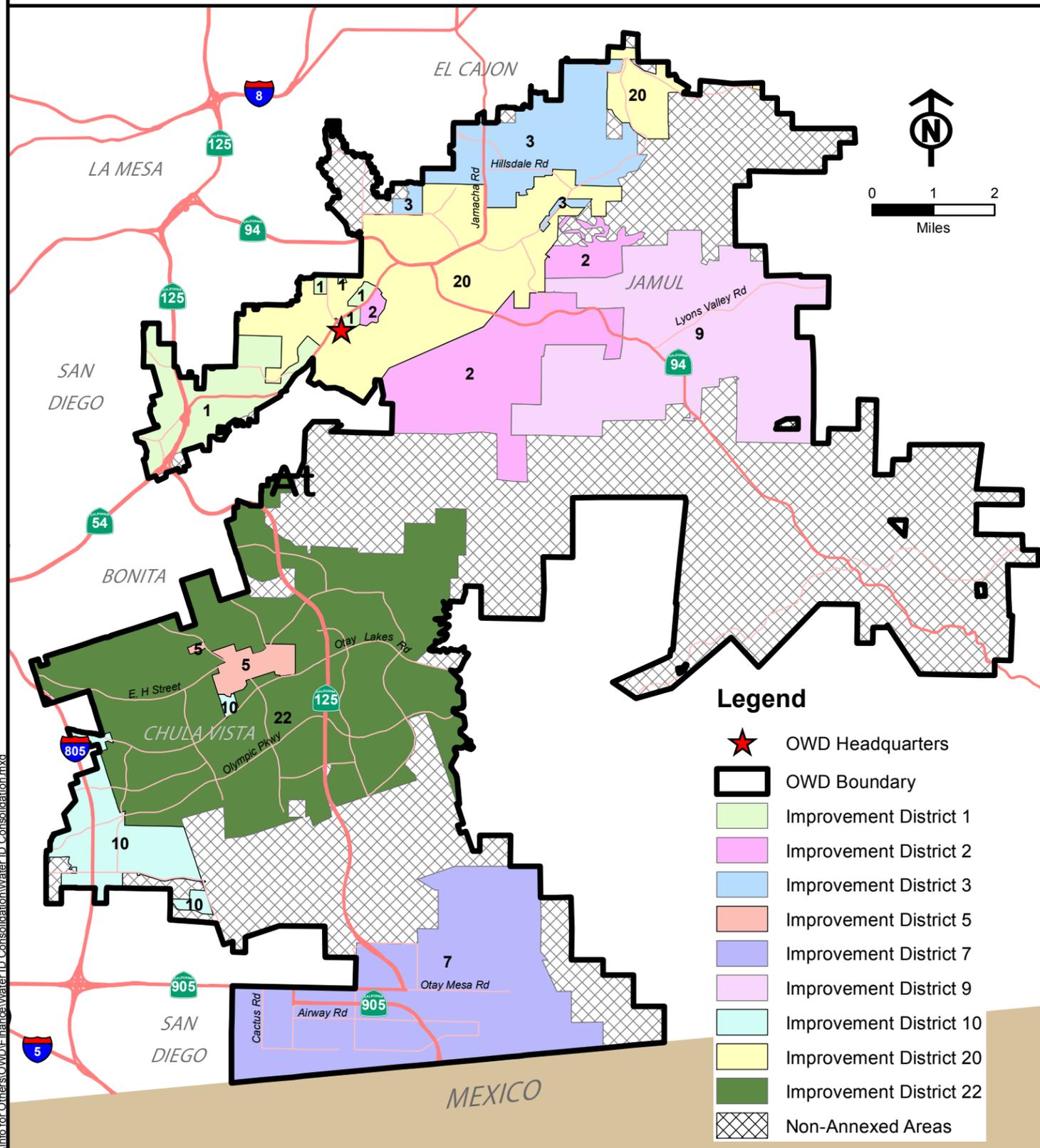
- Staff indicated that this is step two to the action the Board took at the March 4, 2015 board meeting to consolidate Improvement Districts (IDs).
- Because the proposed consolidation technically imposes a "new" fee, a Proposition 218 hearing is necessary.
- At the conclusion of the March 4 board meeting, approximately 25,000 Proposition 218 notices were forwarded to customers who reside within the IDs impacted by the consolidation process informing the customers that the required public hearing will take place at the District's May 6, 2015 Board meeting.
- The District has, at the time of the committee meeting, received 18 protest letters. The following is the number of protest letters received from customers residing within the impacted IDs:
 - ID1: 9 protest letters
 - ID3: 2 protest letters
 - ID7: 1 protest letter
 - ID9: 1 protest letter
 - ID10: 2 protest letters
 - ID20: 3 protest letters

Staff indicated that the protests were all received from water customers and no protests were received from sewer customers.

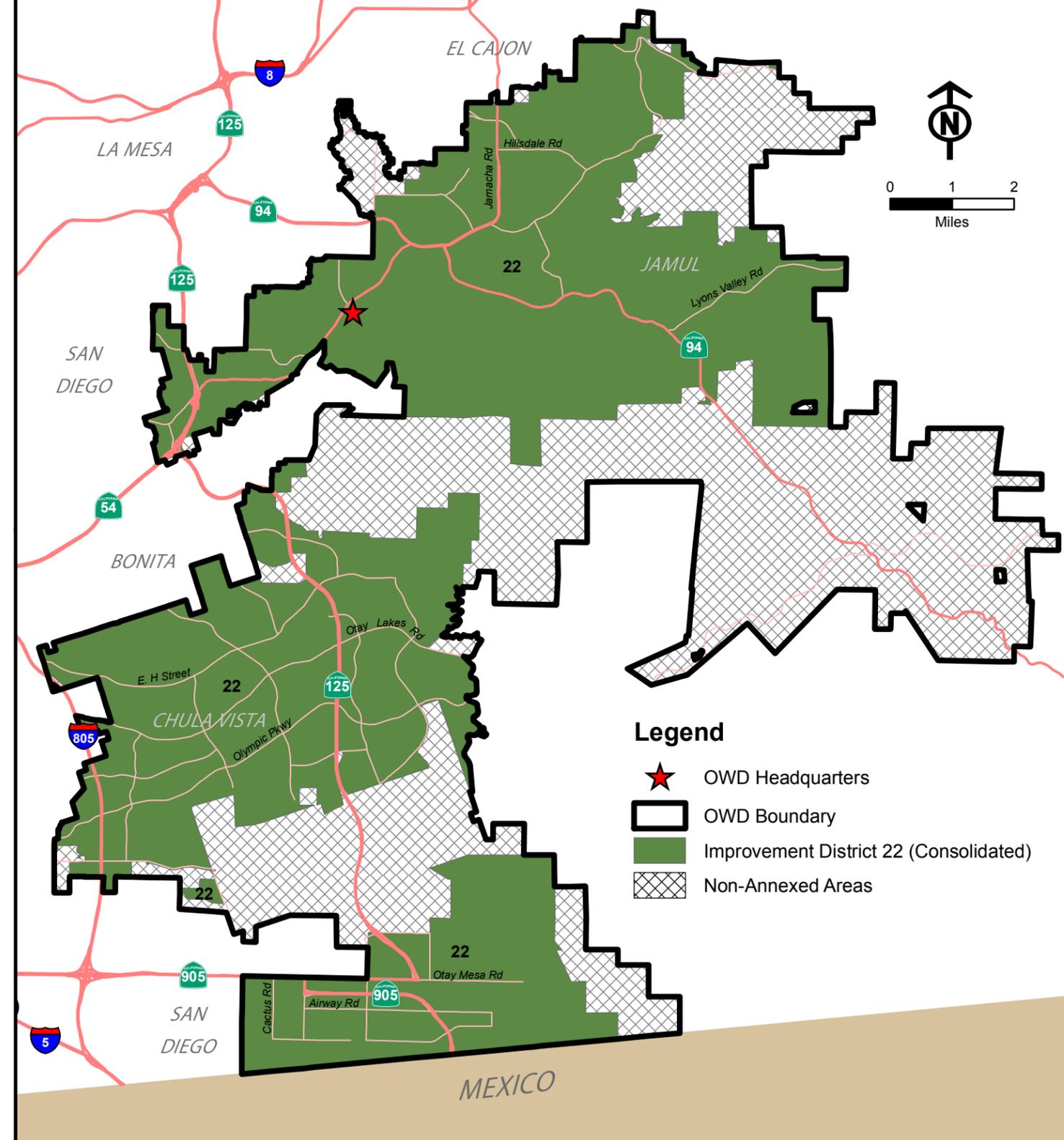
- Staff noted that none of the customers who submitted protest letters will actually experience an increase in their fees. Staff also had spoken with a customer regarding the consolidation process and once it was explained that the \$10 fee (\$10/parcel under one acre and \$30/acre for each parcel 1 acre or great) would appear on their property tax bill and that it has been collected annually with no change to the fee, they were very understanding. Staff indicated that it is hoped that customers will understand that this change is only for the purpose of streamlining and not to raise funds/revenues.
- Staff also indicated that two weeks prior to the May board meeting, staff will post the resolutions within the IDs and following the adoption of the resolutions at the May 6 Board meeting, the resolutions will be posted within the IDs for an additional two (2) weeks. The final posting will conclude the process.
- Staff is requesting that the consolidation of the IDs become effective July 1, 2015 which is the first day of the new tax year.

Following the discussion, the committee supported staffs' recommendation to hold a Public Hearing at the May 6, 2015 board meeting and presentation of the item to the full board as an action item.

EXISTING WATER IMPROVEMENT DISTRICTS



PROPOSED CONSOLIDATION OF WATER IMPROVEMENT DISTRICTS



- Legend**
- ★ OWD Headquarters
 - ▭ OWD Boundary
 - Improvement District 1
 - Improvement District 2
 - Improvement District 3
 - Improvement District 5
 - Improvement District 7
 - Improvement District 9
 - Improvement District 10
 - Improvement District 20
 - Improvement District 22
 - ▨ Non-Annexed Areas

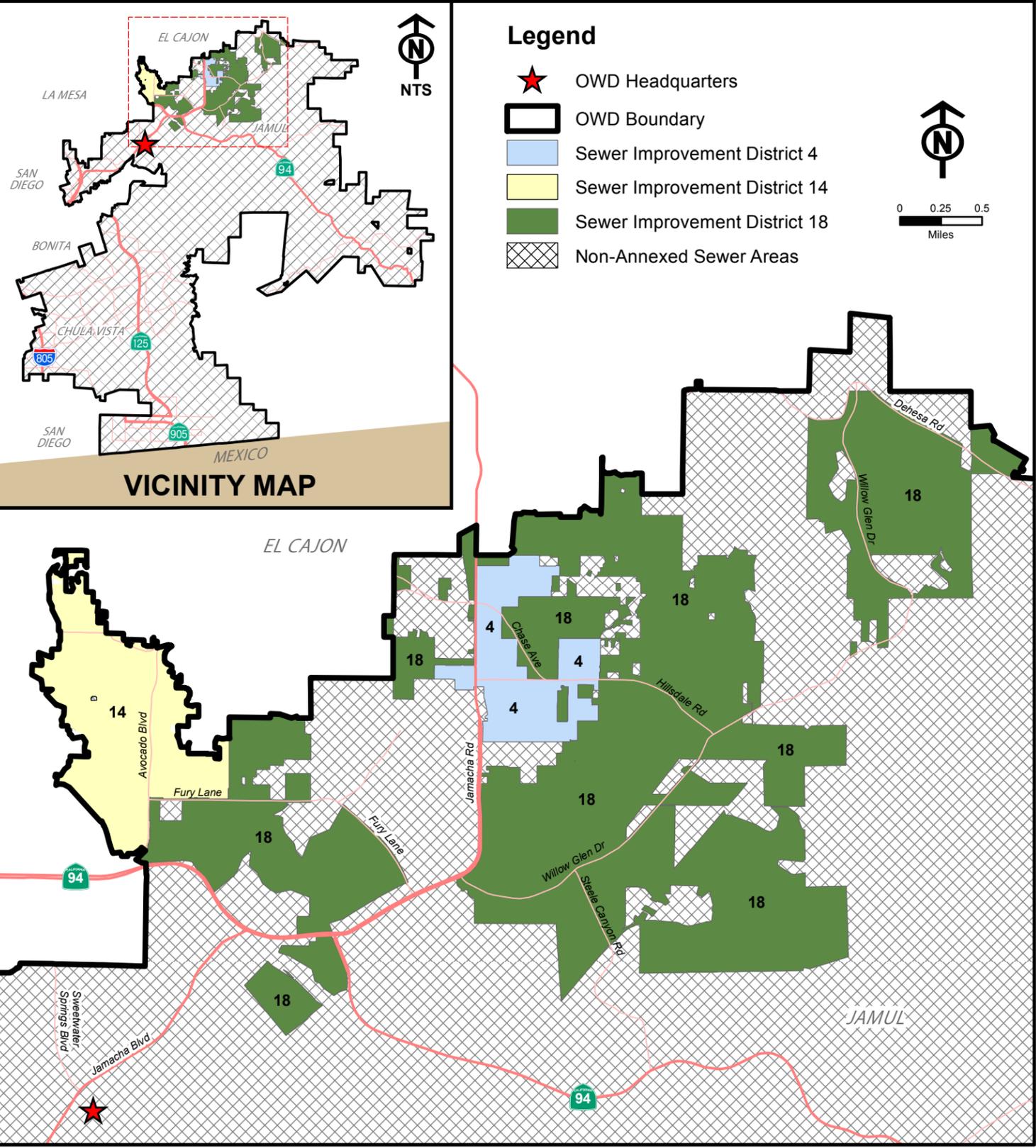
- Legend**
- ★ OWD Headquarters
 - ▭ OWD Boundary
 - Improvement District 22 (Consolidated)
 - ▨ Non-Annexed Areas

P:\DRAFTING DEPARTMENT\Info for Others\OWD\Finance\Water ID Consolidation\Water ID Consolidation.mxd

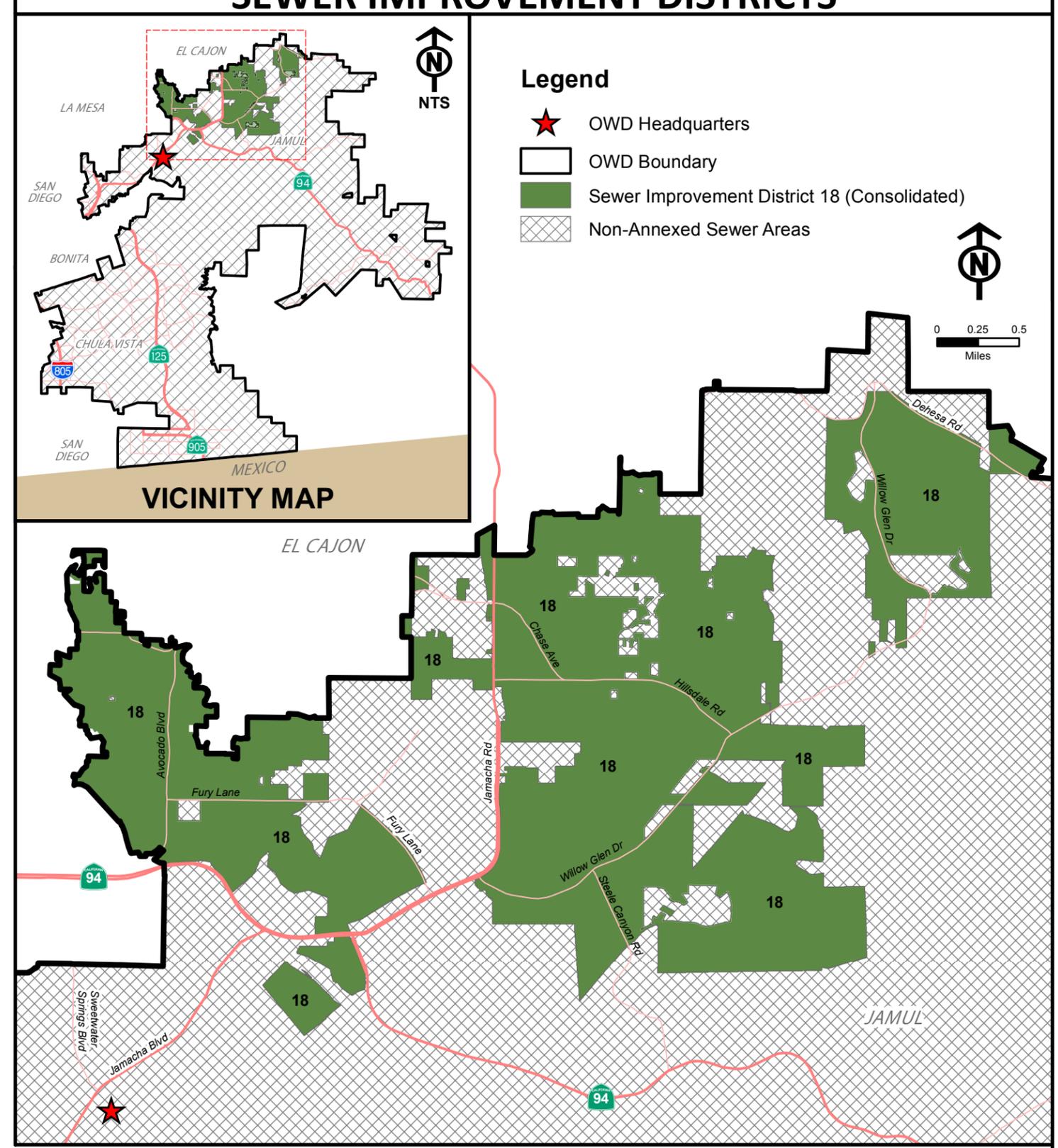


OTAY WATER DISTRICT CONSOLIDATION OF WATER IMPROVEMENT DISTRICTS

EXISTING SEWER IMPROVEMENT DISTRICTS



PROPOSED CONSOLIDATION OF SEWER IMPROVEMENT DISTRICTS



P:\DRAFTING DEPARTMENT\Info for Others\OWD\Financial\Sever ID Consolidation\Sever ID Consolidation.mxd



OTAY WATER DISTRICT CONSOLIDATION OF SEWER IMPROVEMENT DISTRICTS

RESOLUTION NO. 4268

RESOLUTION OF THE BOARD OF DIRECTORS
OF OTAY WATER DISTRICT
TO EXCLUDE PARCELS FROM
IMPROVEMENT DISTRICT 1

WHEREAS, on January 27, 1958 by Resolution No. 32, the Otay Water District Board of Directors ("Board") formed Improvement District ("ID") ID 1 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on June 5, 1972 by Resolution No. 968, the Board formed ID 22 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability fees are identical between IDs 1 and 22 for parcels less than one acre; however, there are 62 parcels larger than one acre in ID 1 for which the water availability fees will increase to make the fees consistent with all other parcels within IDs in the Otay Water District boundaries; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015 by Resolution No. 4257, the Board initiated proceedings to consolidate ID 1 into ID 22 to streamline the accounting and tracking of these parcels by declaring, by its own motion, its intention to exclude parcels in ID 1 pursuant to Water Code Sections 72080, *et seq.*, with an eye towards annexing the excluded parcels into ID 22, including ordering a public hearing on said exclusion and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Otay Water District held the required public hearing on the new fees for the parcels excluded from ID 1 and annexed

into ID 22 at its May 6, 2015 Board meeting, where the Board determined that there were nine protests regarding this action and approved the new fees; and

WHEREAS, on May 6, 2015 at 3:30 p.m., a hearing was held by the Board on the questions of the proposed exclusion and the effect of such exclusion upon the Otay Water District, ID 1 and the territory to be excluded, where at such time and place, any persons interested, including all persons owning property in the Otay Water District or in ID 1, were heard and allowed to appear and present any matters material to the questions set forth in the resolution of intention to exclude.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter, does hereby determine that it is desirable to exclude parcels within ID 1, as identified in Exhibit A, to this resolution.

2. That the exclusion of parcels within ID 1, with an eye towards annexing them to ID 22, is desirable to streamline the accounting and tracking of these parcels, given that the availability fees are identical between IDs 1 and 22.

3. That a map showing the exterior boundaries of the proposed territory to be excluded, is on file with the Secretary of the District and is available for inspection by any person or persons interested. Said map shall govern for all details as to the extent of the then existing improvement district.

4. The exclusion of parcels within ID 1 will become effective on July 1, 2015.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT (ID) ID 1 INTO ID 22

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT 1 SHALL BE EXCLUDED FROM EXISTING ID 1 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 22. THE CONSOLIDATION OF EXISTING ID 1 INTO EXISTING ID 22 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4268 APPROVING THE EXCLUSION OF PARCELS WITHIN ID 1.

CONTAINING 2,177 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4269

RESOLUTION OF THE BOARD OF DIRECTORS
OF OTAY WATER DISTRICT
TO EXCLUDE PARCELS FROM
IMPROVEMENT DISTRICT 2

WHEREAS, on June 17, 1958 by Resolution No. 4, the Otay Water District Board of Directors ("Board") formed Improvement District ("ID") 2 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on June 5, 1972 by Resolution No. 968, the Board formed ID 22 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability fees are identical between IDs 2 and 22; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015 by Resolution No. 4248, the Board initiated proceedings to consolidate ID 2 into ID 22 to streamline the accounting and tracking of these parcels by declaring, by its own motion, its intention to exclude parcels in ID 2 pursuant to Water Code Sections 72080, *et seq.*, with an eye towards annexing the excluded parcels into ID 22, including ordering a public hearing on said exclusion and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Otay Water District held the required public hearing on the new fees for the parcels excluded from ID 2 and annexed into ID 22 at its May 6, 2015 Board meeting, where the Board determined that there were no protests regarding this action and approved the new fees; and

WHEREAS, on May 6, 2015 at 3:30 p.m., a hearing was held by the Board on the questions of the proposed exclusion and the effect of such exclusion upon the Otay

Water District, ID 2 and the territory to be excluded, where at such time and place, any persons interested, including all persons owning property in the Otay Water District or in ID 2, were heard and allowed to appear and present any matters material to the questions set forth in the resolution of intention to exclude.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter, does hereby determine that it is desirable to exclude parcels within ID 2, as identified in Exhibit A to this resolution.

2. That the exclusion of parcels within ID 2, with an eye towards annexing them to ID 22, is desirable to streamline the accounting and tracking of these parcels, given that the availability fees are identical between IDs 2 and 22.

3. That a map showing the exterior boundaries of the proposed territory to be excluded, is on file with the Secretary of the District and is available for inspection by any person or persons interested. Said map shall govern for all details as to the extent of the then existing improvement district.

4. The exclusion of parcels within ID 2 will become effective on July 1, 2015.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT (ID) ID 2 INTO ID 22

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT 2 SHALL BE EXCLUDED FROM EXISTING ID 2 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 22. THE CONSOLIDATION OF EXISTING ID 2 INTO EXISTING ID 22 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4269 APPROVING THE EXCLUSION OF PARCELS WITHIN ID 2.

CONTAINING 4,073 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4270

RESOLUTION OF THE BOARD OF DIRECTORS
OF OTAY WATER DISTRICT
TO EXCLUDE PARCELS FROM
IMPROVEMENT DISTRICT 3

WHEREAS, on November 18, 1958, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 3 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on July 3, 1972 by Resolution No. 986, the Board formed ID 22 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability fees are identical between IDs 3 and 22; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015 by Resolution No. 4249, the Board initiated proceedings to consolidate ID 3 into ID 22 to streamline the accounting and tracking of these parcels by declaring, by its own motion, its intention to exclude parcels in ID 3 pursuant to Water Code Sections 72080, *et seq.*, with an eye towards annexing the excluded parcels into ID 22, including ordering a public hearing on said exclusion and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Otay Water District held the required public hearing on the new fees for the parcels excluded from ID 3 and annexed into ID 22 at its May 6, 2015 Board meeting, where the Board determined that there were two protests regarding this action and approved the new fees; and

WHEREAS, on May 6, 2015 at 3:30 p.m., a hearing was held by the Board on the questions of the proposed exclusion and the effect of such exclusion upon the Otay

Water District, ID 3 and the territory to be excluded, where at such time and place, any persons interested, including all persons owning property in the Otay Water District or in ID 3, were heard and allowed to appear and present any matters material to the questions set forth in the resolution of intention to exclude.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter, does hereby determine that it is desirable to exclude parcels within ID 3, as identified in Exhibit "A" to this resolution.

2. That the exclusion of parcels within ID 3, with an eye towards annexing them to ID 22, is desirable to streamline the accounting and tracking of these parcels, given that the availability fees are identical between IDs 3 and 22.

3. That a map showing the exterior boundaries of the proposed territory to be excluded, is on file with the Secretary of the District and is available for inspection by any person or persons interested. Said map shall govern for all details as to the extent of the then existing improvement district.

4. The exclusion of parcels within ID 3 will become effective on July 1, 2015.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT (ID) ID 3 INTO ID 22

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT 3 SHALL BE EXCLUDED FROM EXISTING ID 3 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 22. THE CONSOLIDATION OF EXISTING ID 3 INTO EXISTING ID 22 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4270 APPROVING THE EXCLUSION OF PARCELS WITHIN ID 3.

CONTAINING 2,907 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4271

RESOLUTION OF THE BOARD OF DIRECTORS
OF OTAY WATER DISTRICT
TO EXCLUDE PARCELS FROM
IMPROVEMENT DISTRICT 5

WHEREAS, on November 28, 1960 by Resolution No. 123, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) ID 5 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on June 5, 1972 by Resolution No. 968, the Board formed ID 22 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability fees are identical between IDs 5 and 22 for parcels less than one acre; however, there are 6 parcels larger than one acre in ID 5 for which the water availability fees will increase to make the fees consistent with all other parcels within IDs in the Otay Water District boundaries; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015 by Resolution No. 4260, the Board initiated proceedings to consolidate ID 5 into ID 22 to streamline the accounting and tracking of these parcels by declaring, by its own motion, its intention to exclude parcels in ID 5 pursuant to Water Code Sections 72080, *et seq.*, with an eye towards annexing the excluded parcels into ID 22, including ordering a public hearing on said exclusion and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Otay Water District held the required public hearing on the new fees for the parcels excluded from ID 5 and annexed

into ID 22 at its May 6, 2015 Board meeting, where the Board determined that there were no protests regarding this action and approved the new fees; and

WHEREAS, on May 6, 2015 at 3:30 p.m., a hearing was held by the Board on the questions of the proposed exclusion and the effect of such exclusion upon the Otay Water District, ID 5 and the territory to be excluded, where at such time and place, any persons interested, including all persons owning property in the Otay Water District or in ID 5, were heard and allowed to appear and present any matters material to the questions set forth in the resolution of intention to exclude.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter, does hereby determine that it is desirable to exclude parcels within ID 5, as identified in Attachment B to this resolution.

2. That the exclusion of parcels within ID 5, with an eye towards annexing them to ID 22, is desirable to streamline the accounting and tracking of these parcels, given that the availability fees are identical between IDs 5 and 22 for parcels less than one acre; however, there are 6 parcels larger than one acre in ID 5 for which the water availability fees will increase to make the fees consistent with all other parcels within IDs in the Otay Water District boundaries; and

3. That a map showing the exterior boundaries of the proposed territory to be excluded, is on file with the Secretary of the District and is available for inspection by any person or persons interested. Said map shall govern for all details as to the extent of the then existing improvement district.

4. The exclusion of parcels within ID 5 will become effective on July 1, 2015.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT (ID) ID 5 INTO ID 22

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT 5 SHALL BE EXCLUDED FROM EXISTING ID 5 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 22. THE CONSOLIDATION OF EXISTING ID 5 INTO EXISTING ID 22 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4271 APPROVING THE EXCLUSION OF PARCELS WITHIN ID 5.

CONTAINING 487 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4272

RESOLUTION OF THE BOARD OF DIRECTORS
OF OTAY WATER DISTRICT
TO EXCLUDE PARCELS FROM
IMPROVEMENT DISTRICT 7

WHEREAS, on March 27, 1961 by Resolution No. 142, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 7 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on July 3, 1972 by Resolution No. 986, the Board formed ID 22 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability fees are identical between IDs 7 and 22; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015 by Resolution No. 4262, the Board initiated proceedings to consolidate ID 7 into ID 22 to streamline the accounting and tracking of these parcels by declaring, by its own motion, its intention to exclude parcels in ID 7 pursuant to Water Code Sections 72080, *et seq.*, with an eye towards annexing the excluded parcels into ID 22, including ordering a public hearing on said exclusion and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Otay Water District held the required public hearing on the new fees for the parcels excluded from ID 7 and annexed into ID 22 at its May 6, 2015 Board meeting, where the Board determined that there was one protest regarding this action and approved the new fees; and

WHEREAS, on May 6, 2015 at 3:30 p.m., a hearing was held by the Board on the questions of the proposed exclusion and the effect of such exclusion upon the Otay

Water District, ID 7 and the territory to be excluded, where at such time and place, any persons interested, including all persons owning property in the Otay Water District or in ID 7, were heard and allowed to appear and present any matters material to the questions set forth in the resolution of intention to exclude.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter, does hereby determine that it is desirable to exclude parcels within ID 7, as identified in Attachment B to this resolution.

2. That the exclusion of parcels within ID 7, with an eye towards annexing them to ID 22, is desirable to streamline the accounting and tracking of these parcels, given that the availability fees are identical between IDs 7 and 22.

3. That a map showing the exterior boundaries of the proposed territory to be excluded, is on file with the Secretary of the District and is available for inspection by any person or persons interested. Said map shall govern for all details as to the extent of the then existing improvement district.

4. The exclusion of parcels within ID 7 will become effective on July 1, 2015.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT (ID) ID 7 INTO ID 22

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT 7 SHALL BE EXCLUDED FROM EXISTING ID 7 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 22. THE CONSOLIDATION OF EXISTING ID 7 INTO EXISTING ID 22 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4272 APPROVING THE EXCLUSION OF PARCELS WITHIN ID 7.

CONTAINING 7,622 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4273

RESOLUTION OF THE BOARD OF DIRECTORS
OF OTAY WATER DISTRICT
TO EXCLUDE PARCELS FROM
IMPROVEMENT DISTRICT 9

WHEREAS, on July 24, 1961 by Resolution No. 153, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 9 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on July 3, 1972 by Resolution No. 986, the Board formed ID 22 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability fees are identical between IDs 9 and 22; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015 by Resolution No. 4262, the Board initiated proceedings to consolidate ID 9 into ID 22 to streamline the accounting and tracking of these parcels by declaring, by its own motion, its intention to exclude parcels in ID 9 pursuant to Water Code Sections 72080, *et seq.*, with an eye towards annexing the excluded parcels into ID 22, including ordering a public hearing on said exclusion and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Otay Water District held the required public hearing on the new fees for the parcels excluded from ID 9 and annexed into ID 22 at its May 6, 2015 Board meeting, where the Board determined that there was one protest regarding this action and approved the new fees; and

WHEREAS, on May 6, 2015 at 3:30 p.m., a hearing was held by the Board on the questions of the proposed exclusion and the effect of such exclusion upon the Otay

Water District, ID 9 and the territory to be excluded, where at such time and place, any persons interested, including all persons owning property in the Otay Water District or in ID 9, were heard and allowed to appear and present any matters material to the questions set forth in the resolution of intention to exclude.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter, does hereby determine that it is desirable to exclude parcels within ID 9, as identified in Exhibit A to this resolution.

2. That the exclusion of parcels within ID 9, with an eye towards annexing them to ID 22, is desirable to streamline the accounting and tracking of these parcels, given that the availability fees are identical between IDs 9 and 22.

3. That a map showing the exterior boundaries of the proposed territory to be excluded, is on file with the Secretary of the District and is available for inspection by any person or persons interested. Said map shall govern for all details as to the extent of the then existing improvement district.

4. The exclusion of parcels within ID 9 will become effective on July 1, 2015.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT (ID) ID 9 INTO ID 22

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT 9 SHALL BE EXCLUDED FROM EXISTING ID 9 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 22. THE CONSOLIDATION OF EXISTING ID 9 INTO EXISTING ID 22 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4273 APPROVING THE EXCLUSION OF PARCELS WITHIN ID 9.

CONTAINING 7,075 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4274

RESOLUTION OF THE BOARD OF DIRECTORS
OF OTAY WATER DISTRICT
TO EXCLUDE PARCELS FROM
IMPROVEMENT DISTRICT 10

WHEREAS, on February 11, 1963 by Resolution No. 266, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 10 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on July 3, 1972 by Resolution No. 986, the Board formed ID 22 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability fees are identical between IDs 10 and 22; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015 by Resolution No. 4263, the Board initiated proceedings to consolidate ID 10 into ID 22 to streamline the accounting and tracking of these parcels by declaring, by its own motion, its intention to exclude parcels in ID 10 pursuant to Water Code Sections 72080, *et seq.*, with an eye towards annexing the excluded parcels into ID 22, including ordering a public hearing on said exclusion and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Otay Water District held the required public hearing on the new fees for the parcels excluded from ID 10 and annexed into ID 22 at its May 6, 2015 Board meeting, where the Board determined that there were two protests regarding this action and approved the new fees; and

WHEREAS, on May 6, 2015 at 3:30 p.m., a hearing was held by the Board on the questions of the proposed exclusion and the effect of such exclusion upon the Otay

Water District, ID 10 and the territory to be excluded, where at such time and place, any persons interested, including all persons owning property in the Otay Water District or in ID 10, were heard and allowed to appear and present any matters material to the questions set forth in the resolution of intention to exclude.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter, does hereby determine that it is desirable to exclude parcels within ID 10, as identified in Exhibit A to this resolution.

2. That the exclusion of parcels within ID 10, with an eye towards annexing them to ID 22, is desirable to streamline the accounting and tracking of these parcels, given that the availability fees are identical between IDs 10 and 22.

3. That a map showing the exterior boundaries of the proposed territory to be excluded, is on file with the Secretary of the District and is available for inspection by any person or persons interested. Said map shall govern for all details as to the extent of the then existing improvement district.

4. The exclusion of parcels within ID 10 will become effective on July 1, 2015.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT (ID) ID 10 INTO ID 22

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT 10 SHALL BE EXCLUDED FROM EXISTING ID 10 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 22. THE CONSOLIDATION OF EXISTING ID 10 INTO EXISTING ID 22 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4274 APPROVING THE EXCLUSION OF PARCELS WITHIN ID 10.

CONTAINING 2,007 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4275

RESOLUTION OF THE BOARD OF DIRECTORS
OF OTAY WATER DISTRICT
TO EXCLUDE PARCELS FROM
IMPROVEMENT DISTRICT 20

WHEREAS, on April 19, 1971 by Resolution No. 874, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 20 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on July 3, 1972 by Resolution No. 986, the Board formed ID 22 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability fees are identical between IDs 20 and 22; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015 by Resolution No. 4219, the Board initiated proceedings to consolidate ID 20 into ID 22 to streamline the accounting and tracking of these parcels by declaring, by its own motion, its intention to exclude parcels in ID 20 pursuant to Water Code Sections 72080, *et seq.*, with an eye towards annexing the excluded parcels into ID 22, including ordering a public hearing on said exclusion and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Otay Water District held the required public hearing on the new fees for the parcels excluded from ID 20 and annexed into ID 22 at its May 6, 2015 Board meeting, where the Board determined that there were three protests regarding this action and approved the new fees; and

WHEREAS, on May 6, 2015 at 3:30 p.m., a hearing was held by the Board on the questions of the proposed exclusion and the effect of such exclusion upon the Otay

Water District, ID 20 and the territory to be excluded, where at such time and place, any persons interested, including all persons owning property in the Otay Water District or in ID 20, were heard and allowed to appear and present any matters material to the questions set forth in the resolution of intention to exclude.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter, does hereby determine that it is desirable to exclude parcels within ID 20, as identified in Exhibit A to this resolution.

2. That the exclusion of parcels within ID 20, with an eye towards annexing them to ID 22, is desirable to streamline the accounting and tracking of these parcels, given that the availability fees are identical between IDs 20 and 22.

3. That a map showing the exterior boundaries of the proposed territory to be excluded, is on file with the Secretary of the District and is available for inspection by any person or persons interested. Said map shall govern for all details as to the extent of the then existing improvement district.

4. The exclusion of parcels within ID 20 will become effective on July 1, 2015.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT (ID) ID 20 INTO ID 22

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT 20 SHALL BE EXCLUDED FROM EXISTING ID 20 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 22. THE CONSOLIDATION OF EXISTING ID 20 INTO EXISTING ID 22 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4275 APPROVING THE EXCLUSION OF PARCELS WITHIN ID 20.

CONTAINING 6,859 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4276

RESOLUTION OF THE BOARD OF DIRECTORS
OF OTAY WATER DISTRICT
TO EXCLUDE PARCELS FROM
IMPROVEMENT DISTRICT 4

WHEREAS, on August 4, 1959 by Resolution No. 83, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 4 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of sewer improvements and works; and

WHEREAS, on February 16, 1970 by Resolution No. 758, the Board formed ID 18 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of sewer improvements and works; and

WHEREAS, the availability fees are identical between IDs 4 and 18; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015 by Resolution No. 4219, the Board initiated proceedings to consolidate ID 4 into ID 18 to streamline the accounting and tracking of these parcels by declaring, by its own motion, its intention to exclude parcels in ID 4 pursuant to Water Code Sections 72080, *et seq.*, with an eye towards annexing the excluded parcels into ID 18, including ordering a public hearing on said exclusion and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Otay Water District held the required public hearing on the new fees for the parcels excluded from ID 4 and annexed into ID 18 at its May 6, 2015 Board meeting, where the Board determined that there were no protests regarding this action and approved the new fees; and

WHEREAS, on May 6, 2015 at 3:30 p.m., a hearing was held by the Board on the questions of the proposed exclusion and the effect of such exclusion upon the Otay

Sewer District, ID 4 and the territory to be excluded, where at such time and place, any persons interested, including all persons owning property in the Otay Water District or in ID 4, were heard and allowed to appear and present any matters material to the questions set forth in the resolution of intention to exclude.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter, does hereby determine that it is desirable to exclude parcels within ID 4, as identified in Attachment C to this resolution.

2. That the exclusion of parcels within ID 4, with an eye towards annexing them to ID 18, is desirable to streamline the accounting and tracking of these parcels, given that the availability fees are identical between IDs 4 and 18.

3. That a map showing the exterior boundaries of the proposed territory to be excluded, is on file with the Secretary of the District and is available for inspection by any person or persons interested. Said map shall govern for all details as to the extent of the then existing improvement district.

4. The exclusion of parcels within ID 4 will become effective on July 1, 2015.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT SEWER IMPROVEMENT DISTRICT (ID) ID 4 INTO ID 18

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT SEWER IMPROVEMENT DISTRICT 4 SHALL BE EXCLUDED FROM EXISTING ID 4 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 18. THE CONSOLIDATION OF EXISTING ID 4 INTO EXISTING ID 18 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4276 APPROVING THE EXCLUSION OF PARCELS WITHIN ID 4.

CONTAINING 348 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4277

RESOLUTION OF THE BOARD OF DIRECTORS
OF OTAY WATER DISTRICT
TO EXCLUDE PARCELS FROM
IMPROVEMENT DISTRICT 14

WHEREAS, on June 10, 1968 by Resolution No. 586, the Otay Water District Board of Directors ("Board") formed Improvement District ("ID") 14 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of sewer improvements and works; and

WHEREAS, on February 16, 1970 by Resolution No. 758, the Board formed ID 18 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of sewer improvements and works; and

WHEREAS, the availability fees are identical between IDs 14 and 18; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015 by Resolution No. 4219, the Board initiated proceedings to consolidate ID 14 into ID 18 to streamline the accounting and tracking of these parcels by declaring, by its own motion, its intention to exclude parcels in ID 14 pursuant to Water Code Sections 72080, *et seq.*, with an eye towards annexing the excluded parcels into ID 18, including ordering a public hearing on said exclusion and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Otay Water District held the required public hearing on the new fees for the parcels excluded from ID 14 and annexed into ID 18 at its May 6, 2015 Board meeting, where the Board determined that there were no protests regarding this action and approved the new fees; and

WHEREAS, on May 6, 2015 at 3:30 p.m., a hearing was held by the Board on the questions of the proposed exclusion and the effect of such exclusion upon the Otay

Sewer District, ID 14 and the territory to be excluded, where at such time and place, any persons interested, including all persons owning property in the Otay Water District or in ID 14, were heard and allowed to appear and present any matters material to the questions set forth in the resolution of intention to exclude.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter, does hereby determine that it is desirable to exclude parcels within ID 14, as identified in Attachment C to this resolution.

2. That the exclusion of parcels within ID 14, with an eye towards annexing them to ID 18, is desirable to streamline the accounting and tracking of these parcels, given that the availability fees are identical between IDs 14 and 18.

3. That a map showing the exterior boundaries of the proposed territory to be excluded, is on file with the Secretary of the District and is available for inspection by any person or persons interested. Said map shall govern for all details as to the extent of the then existing improvement district.

4. The exclusion of parcels within ID 14 will become effective on July 1, 2015.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT SEWER IMPROVEMENT DISTRICT (ID) ID 14 INTO ID 18

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT SEWER IMPROVEMENT DISTRICT 14 SHALL BE EXCLUDED FROM EXISTING ID 14 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 18. THE CONSOLIDATION OF EXISTING ID 14 INTO EXISTING ID 18 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4277 APPROVING THE EXCLUSION OF PARCELS WITHIN ID 14.

CONTAINING 644 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4278

A RESOLUTION OF THE BOARD OF DIRECTORS OF
OTAY WATER DISTRICT APPROVING THE ANNEXATION
OF PARCELS EXCLUDED FROM IMPROVEMENT
DISTRICT (ID) 1 INTO IMPROVEMENT DISTRICT 22

WHEREAS, on January 27, 1958 by Resolution No. 32, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 1 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on June 5, 1972, by Resolution No. 968, the Board formed ID 22 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability fees are identical between IDs 1 and 22 for parcels less than one acre; however, there are 62 parcels larger than one acre in ID 1 for which the water availability fees will increase to make the fees consistent with all other parcels within IDs in the Otay Water District boundaries; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015, by Resolution No. 4247, the Board initiated proceedings to consolidate ID 1 into ID 22 to streamline the accounting and tracking of these parcels by declaring its intention to annex parcels excluded from ID 1, if approved, into ID 22, pursuant to Water Code sections 72700, *et seq.*, including ordering a public hearing on said annexation and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Board held the required public hearing on May 6, 2015, a hearing at which the Board received written protests, if

any, theretofore filed with the Secretary of the District, received additional written protests, if any, and heard from any and all persons interested in the annexation, where the Board determined that there were no protests filed by the holders of title of one-half of the value of the territory proposed to be annexed.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter where written protests were not made by the owners of one-half of the value of the territory proposed to be annexed, does hereby confirm the annexation of parcels excluded from ID 1 into ID 22, as described in Attachment B pursuant to Water Code sections 72700, *et seq.*

2. That the Board determines from the evidence presented at the hearing that the parcels excluded from ID 1 and to be annexed into ID 22 will be benefited thereby, and that ID 22 will also be benefited thereby and will not be injured thereby, because of the streamlining of accounting and tracking of these parcels and because the availability fees are identical between IDs 1 and 22 for parcels less than one acre; however, there are 62 parcels larger than one acre in ID 1 for which the water availability fees will increase to make the fees consistent with all other parcels within IDs in the Otay Water District boundaries.

3. A depiction of the area to be annexed, and the boundaries of IDs 1 and 22 following the annexation, is set forth on a map in Attachment B filed with the Secretary of the District, which map shall govern for all details as to the area to be annexed.

4. That the terms and conditions for the annexation of said parcels is as follows, with the owners required to:

- (a) Pay yearly assessment fees of \$30.00 per acre of land and \$10.00 per parcel of land less than one acre which will be collected through the County Tax Assessor's office.

(b) In the event that water service is to be provided, the payment of all applicable water meter fees per Equipment Dwelling Unit (EDU) at the time the meter is purchased.

5. That the annexation shall become effective on July 1, 2015, on the date the exclusion of parcels from ID 1 becomes effective.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

District Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT (ID) ID 1 INTO ID 22

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT 1 SHALL BE EXCLUDED FROM EXISTING ID 1 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 22. THE CONSOLIDATION OF EXISTING ID 1 INTO EXISTING ID 22 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4278 APPROVING THE ANNEXATION OF THE EXCLUDED PARCELS INTO ID 22.

CONTAINING 2,177 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4279

A RESOLUTION OF THE BOARD OF DIRECTORS OF
OTAY WATER DISTRICT APPROVING THE ANNEXATION
OF PARCELS EXCLUDED FROM IMPROVEMENT
DISTRICT (ID) 2 INTO IMPROVEMENT DISTRICT 22

WHEREAS, on June 17, 1958 by Resolution No. 4, the Otay Water District Board of Directors ("Board") formed Improvement District ("ID") 2 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on June 5, 1972 by Resolution No. 968, the Board formed ID 22 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability fees are identical between IDs 2 and 22; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015, by Resolution No. 4248, the Board initiated proceedings to consolidate ID 2 into ID 22 to streamline the accounting and tracking of these parcels by declaring its intention to annex parcels excluded from ID 2, if approved, into ID 22, pursuant to Water Code sections 72700, *et seq.*, including ordering a public hearing on said annexation and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Board held the required public hearing on May 6, 2015, a hearing at which the Board received written protests, if any, theretofore filed with the Secretary of the District, received additional written protests, if any, and heard from any and all persons interested in the annexation, where

the Board determined that there were no protests filed by the holders of title of one-half of the value of the territory proposed to be annexed.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter where written protests were not made by the owners of one-half of the value of the territory proposed to be annexed, does hereby confirm the annexation of parcels excluded from ID 2 into ID 22, as described in Exhibit A to this resolution, pursuant to Water Code sections 72700, *et seq.*

2. That the Board determines from the evidence presented at the hearing that the parcels excluded from ID 2 and to be annexed into ID 22 will be benefited thereby, and that ID 22 will also be benefited thereby and will not be injured thereby, because of the streamlining of accounting and tracking of these parcels and because the availability fees are identical between IDs 2 and 22.

3. A depiction of the area to be annexed, and the boundaries of IDs 2 and 22 following the annexation, is set forth on a map in Attachment B, filed with the Secretary of the District, which map shall govern for all details as to the area to be annexed.

4. That the terms and conditions for the annexation of said parcels is as follows, with the owners required to:

(a) Pay yearly assessment fees of \$30.00 per acre of land and \$10.00 per parcel of land less than one acre which will be collected through the County Tax Assessor's office.

(b) In the event that water service is to be provided, the payment of all applicable water meter fees per Equipment Dwelling Unit (EDU) at the time the meter is purchased.

5. That the annexation shall become effective on July 1, 2015, on the date the exclusion of parcels from ID 2 becomes effective.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

District Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT (ID) ID 2 INTO ID 22

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT 2 SHALL BE EXCLUDED FROM EXISTING ID 2 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 22. THE CONSOLIDATION OF EXISTING ID 2 INTO EXISTING ID 22 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4279 APPROVING THE ANNEXATION OF THE EXCLUDED PARCELS INTO ID 22.

CONTAINING 4,073 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4280

A RESOLUTION OF THE BOARD OF DIRECTORS OF
OTAY WATER DISTRICT APPROVING THE ANNEXATION
OF PARCELS EXCLUDED FROM IMPROVEMENT
DISTRICT (ID) 3 INTO IMPROVEMENT DISTRICT 22

WHEREAS, on November 18, 1958 by Resolution No. 51, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 3 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on July 3, 1972 by Resolution No. 986, the Board formed ID 22 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability fees are identical between IDs 3 and 22; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015, by Resolution No. 4270, the Board initiated proceedings to consolidate ID 3 into ID 22 to streamline the accounting and tracking of these parcels by declaring its intention to annex parcels excluded from ID 3, if approved, into ID 22, pursuant to Water Code sections 72700, *et seq.*, including ordering a public hearing on said annexation and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Board held the required public hearing on May 6, 2015, a hearing at which the Board received written protests, if any, theretofore filed with the Secretary of the District, received additional written protests, if any, and heard from any and all persons interested in the annexation, where

the Board determined that there were no protests filed by the holders of title of one-half of the value of the territory proposed to be annexed.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter where written protests were not made by the owners of one-half of the value of the territory proposed to be annexed, does hereby confirm the annexation of parcels excluded from ID 3 into ID 22, as described in Exhibit A to this resolution, pursuant to Water Code sections 72700, *et seq.*

2. That the Board determines from the evidence presented at the hearing that the parcels excluded from ID 3 and to be annexed into ID 22 will be benefited thereby, and that ID 22 will also be benefited thereby and will not be injured thereby, because of the streamlining of accounting and tracking of these parcels and because the availability fees are identical between IDs 3 and 22.

3. A depiction of the area to be annexed, and the boundaries of IDs 3 and 22 following the annexation, is set forth on a map in Attachment "B," filed with the Secretary of the District, which map shall govern for all details as to the area to be annexed.

4. That the terms and conditions for the annexation of said parcels is as follows, with the owners required to:

(a) Pay yearly assessment fees of \$30.00 per acre of land and \$10.00 per parcel of land less than one acre which will be collected through the County Tax Assessor's office.

(b) In the event that water service is to be provided, the payment of all applicable water meter fees per Equipment Dwelling Unit (EDU) at the time the meter is purchased.

5. That the annexation shall become effective on July 1, 2015, on the date the exclusion of parcels from ID 3 becomes effective.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

District Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT (ID) ID 3 INTO ID 22

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT 3 SHALL BE EXCLUDED FROM EXISTING ID 3 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 22. THE CONSOLIDATION OF EXISTING ID 3 INTO EXISTING ID 22 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4280 APPROVING THE ANNEXATION OF THE EXCLUDED PARCELS INTO ID 22.

CONTAINING 2,907 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4281

A RESOLUTION OF THE BOARD OF DIRECTORS OF
OTAY WATER DISTRICT APPROVING THE ANNEXATION
OF PARCELS EXCLUDED FROM IMPROVEMENT
DISTRICT (ID) 5 INTO IMPROVEMENT DISTRICT 22

WHEREAS, on November 28, 1960 by Resolution No. 123, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 5 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on June 5, 1972, by Resolution No. 968, the Board formed ID 22 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability fees are identical between IDs 5 and 22 for parcels less than one acre; however, there are 6 parcels larger than one acre in ID 5 for which the water availability fees will increase to make the fees consistent with all other parcels within IDs in the Otay Water District boundaries; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015, by Resolution No. 4250, the Board initiated proceedings to consolidate ID 5 into ID 22 to streamline the accounting and tracking of these parcels by declaring its intention to annex parcels excluded from ID 5, if approved, into ID 22, pursuant to Water Code sections 72700, *et seq.*, including ordering a public hearing on said annexation and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Board held the required public hearing on May 6, 2015, a hearing at which the Board received written protests, if

any, theretofore filed with the Secretary of the District, received additional written protests, if any, and heard from any and all persons interested in the annexation, where the Board determined that there were no protests filed by the holders of title of one-half of the value of the territory proposed to be annexed.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter where written protests were not made by the owners of one-half of the value of the territory proposed to be annexed, does hereby confirm the annexation of parcels excluded from ID 5 into ID 22, as described in Attachment B pursuant to Water Code sections 72700, *et seq.*

2. That the Board determines from the evidence presented at the hearing that the parcels excluded from ID 5 and to be annexed into ID 22 will be benefited thereby, and that ID 22 will also be benefited thereby and will not be injured thereby, because of the streamlining of accounting and tracking of these parcels and because the availability fees are identical between IDs 5 and ID 22 for parcels less than one acre; however, there are 6 parcels larger than one acre in ID 5 for which the water availability fees will increase to make the fees consistent with all other parcels within IDs in the Otay Water District boundaries.

3. A depiction of the area to be annexed, and the boundaries of IDs 5 and ID 22 following the annexation, is set forth on a map in Attachment B filed with the Secretary of the District, which map shall govern for all details as to the area to be annexed.

4. That the terms and conditions for the annexation of said parcels is as follows, with the owners required to:

- (a) Pay yearly assessment fees of \$30.00 per acre of land and \$10.00 per parcel of land less than one acre which will be collected through the County Tax Assessor's office.

(b) In the event that water service is to be provided, the payment of all applicable water meter fees per Equipment Dwelling Unit (EDU) at the time the meter is purchased.

5. That the annexation shall become effective on July 1, 2015, on the date the exclusion of parcels from ID 5 becomes effective.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

District Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT (ID) ID 5 INTO ID 22

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT 5 SHALL BE EXCLUDED FROM EXISTING ID 5 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 22. THE CONSOLIDATION OF EXISTING ID 5 INTO EXISTING ID 22 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4281 APPROVING THE ANNEXATION OF THE EXCLUDED PARCELS INTO ID 22.

CONTAINING 487 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4282

A RESOLUTION OF THE BOARD OF DIRECTORS OF
OTAY WATER DISTRICT APPROVING THE ANNEXATION
OF PARCELS EXCLUDED FROM IMPROVEMENT
DISTRICT (ID) 7 INTO IMPROVEMENT DISTRICT 22

WHEREAS, on March 27, 1961, by Resolution No. 142, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 7 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on July 3, 1972 by Resolution No. 986, the Board formed ID 22 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability fees are identical between IDs 7 and 22; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015, by Resolution No. 4251, the Board initiated proceedings to consolidate ID 7 into ID 22 to streamline the accounting and tracking of these parcels by declaring its intention to annex parcels excluded from ID 7, if approved, into ID 22, pursuant to Water Code sections 72700, *et seq.*, including ordering a public hearing on said annexation and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Board held the required public hearing on May 6, 2015, a hearing at which the Board received written protests, if any, theretofore filed with the Secretary of the District, received additional written protests, if any, and heard from any and all persons interested in the annexation, where

the Board determined that there were no protests filed by the holders of title of one-half of the value of the territory proposed to be annexed.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter where written protests were not made by the owners of one-half of the value of the territory proposed to be annexed, does hereby confirm the annexation of parcels excluded from ID 7 into ID 22, as described in Attachment B, pursuant to Water Code sections 72700, *et seq.*

2. That the Board determines from the evidence presented at the hearing that the parcels excluded from ID 7 and to be annexed into ID 22 will be benefited thereby, and that ID 22 will also be benefited thereby and will not be injured thereby, because of the streamlining of accounting and tracking of these parcels and because the availability fees are identical between IDs 7 and 22.

3. A depiction of the area to be annexed, and the boundaries of IDs 7 and 22 following the annexation, is set forth on a map in Attachment B filed with the Secretary of the District, which map shall govern for all details as to the area to be annexed.

4. That the terms and conditions for the annexation of said parcels is as follows, with the owners required to:

(a) Pay yearly assessment fees of \$30.00 per acre of land and \$10.00 per parcel of land less than one acre which will be collected through the County Tax Assessor's office.

(b) In the event that water service is to be provided, the payment of all applicable water meter fees per Equipment Dwelling Unit (EDU) at the time the meter is purchased.

5. That the annexation shall become effective on July 1, 2015, on the date the exclusion of parcels from ID 7 becomes effective.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

District Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT (ID) ID 7 INTO ID 22

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT 7 SHALL BE EXCLUDED FROM EXISTING ID 7 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 22. THE CONSOLIDATION OF EXISTING ID 7 INTO EXISTING ID 22 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4282 APPROVING THE ANNEXATION OF THE EXCLUDED PARCELS INTO ID 22.

CONTAINING 7,622 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4283

A RESOLUTION OF THE BOARD OF DIRECTORS OF
OTAY WATER DISTRICT APPROVING THE ANNEXATION
OF PARCELS EXCLUDED FROM IMPROVEMENT
DISTRICT (ID) 9 INTO IMPROVEMENT DISTRICT 22

WHEREAS, on July 24, 1961 by Resolution No. 153, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 9 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on July 3, 1972 by Resolution No. 986, the Board formed ID 22 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability fees are identical between IDs 9 and 22; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015, by Resolution No. 4252, the Board initiated proceedings to consolidate ID 9 into ID 22 to streamline the accounting and tracking of these parcels by declaring its intention to annex parcels excluded from ID 9, if approved, into ID 22, pursuant to Water Code sections 72700, *et seq.*, including ordering a public hearing on said annexation and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Board held the required public hearing on May 6, 2015, a hearing at which the Board received written protests, if any, theretofore filed with the Secretary of the District, received additional written protests, if any, and heard from any and all persons interested in the annexation, where

the Board determined that there were no protests filed by the holders of title of one-half of the value of the territory proposed to be annexed.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter where written protests were not made by the owners of one-half of the value of the territory proposed to be annexed, does hereby confirm the annexation of parcels excluded from ID 9 into ID 22, as described in Exhibit A, pursuant to Water Code sections 72700, *et seq.*

2. That the Board determines from the evidence presented at the hearing that the parcels excluded from ID 9 and to be annexed into ID 22 will be benefited thereby, and that ID 22 will also be benefited thereby and will not be injured thereby, because of the streamlining of accounting and tracking of these parcels and because the availability fees are identical between IDs 9 and 22.

3. A depiction of the area to be annexed, and the boundaries of IDs 9 and 22 following the annexation, is set forth on a map in Attachment B filed with the Secretary of the District, which map shall govern for all details as to the area to be annexed.

4. That the terms and conditions for the annexation of said parcels is as follows, with the owners required to:

(a) Pay yearly assessment fees of \$30.00 per acre of land and \$10.00 per parcel of land less than one acre which will be collected through the County Tax Assessor's office.

(b) In the event that water service is to be provided, the payment of all applicable water meter fees per Equipment Dwelling Unit (EDU) at the time the meter is purchased.

5. That the annexation shall become effective on July 1, 2015, on the date the exclusion of parcels from ID 9 becomes effective.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

District Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT (ID) ID 9 INTO ID 22

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT 9 SHALL BE EXCLUDED FROM EXISTING ID 9 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 22. THE CONSOLIDATION OF EXISTING ID 9 INTO EXISTING ID 22 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4283 APPROVING THE ANNEXATION OF THE EXCLUDED PARCELS INTO ID 22.

CONTAINING 7,075 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4284

A RESOLUTION OF THE BOARD OF DIRECTORS OF
OTAY WATER DISTRICT APPROVING THE ANNEXATION
OF PARCELS EXCLUDED FROM IMPROVEMENT
DISTRICT (ID) 10 INTO IMPROVEMENT DISTRICT 22

WHEREAS, on February 11, 1963 by Resolution No. 266, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 10 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on July 3, 1972 by Resolution No. 986, the Board formed ID 22 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability fees are identical between IDs 10 and 22; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015, by Resolution No. 4253, the Board initiated proceedings to consolidate ID 10 into ID 22 to streamline the accounting and tracking of these parcels by declaring its intention to annex parcels excluded from ID 10, if approved, into ID 22, pursuant to Water Code sections 72700, *et seq.*, including ordering a public hearing on said annexation and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Board held the required public hearing on May 6, 2015, a hearing at which the Board received written protests, if any, theretofore filed with the Secretary of the District, received additional written protests, if any, and heard from any and all persons interested in the annexation, where

the Board determined that there were no protests filed by the holders of title of one-half of the value of the territory proposed to be annexed.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter where written protests were not made by the owners of one-half of the value of the territory proposed to be annexed, does hereby confirm the annexation of parcels excluded from ID 10 into ID 22, as described in Exhibit "A," pursuant to Water Code sections 72700, *et seq.*

2. That the Board determines from the evidence presented at the hearing that the parcels excluded from ID 10 and to be annexed into ID 22 will be benefited thereby, and that ID 22 will also be benefited thereby and will not be injured thereby, because of the streamlining of accounting and tracking of these parcels and because the availability fees are identical between IDs 10 and 22.

3. A depiction of the area to be annexed, and the boundaries of IDs 10 and 22 following the annexation, is set forth on a map in Attachment B, filed with the Secretary of the District, which map shall govern for all details as to the area to be annexed.

4. That the terms and conditions for the annexation of said parcels is as follows, with the owners required to:

(a) Pay yearly assessment fees of \$30.00 per acre of land and \$10.00 per parcel of land less than one acre which will be collected through the County Tax Assessor's office.

(b) In the event that water service is to be provided, the payment of all applicable water meter fees per Equipment Dwelling Unit (EDU) at the time the meter is purchased.

5. That the annexation shall become effective on July 1, 2015, on the date the exclusion of parcels from ID 10 becomes effective.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

District Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT (ID) ID 10 INTO ID 22

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT 10 SHALL BE EXCLUDED FROM EXISTING ID 10 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 22. THE CONSOLIDATION OF EXISTING ID 10 INTO EXISTING ID 22 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4284 APPROVING THE ANNEXATION OF THE EXCLUDED PARCELS INTO ID 22.

CONTAINING 2,007 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4285

A RESOLUTION OF THE BOARD OF DIRECTORS OF
OTAY WATER DISTRICT APPROVING THE ANNEXATION
OF PARCELS EXCLUDED FROM IMPROVEMENT
DISTRICT (ID) 20 INTO IMPROVEMENT DISTRICT 22

WHEREAS, on April 19, 1971 by Resolution No. 874, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 20 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on July 3, 1972 by Resolution No. 986, the Board formed ID 22 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability fees are identical between IDs 20 and 22; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015, by Resolution No. 4221, the Board initiated proceedings to consolidate ID 20 into ID 22 to streamline the accounting and tracking of these parcels by declaring its intention to annex parcels excluded from ID 20, if approved, into ID 22, pursuant to Water Code sections 72700, *et seq.*, including ordering a public hearing on said annexation and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Board held the required public hearing on May 6, 2015, a hearing at which the Board received written protests, if any, theretofore filed with the Secretary of the District, received additional written protests, if any, and heard from any and all persons interested in the annexation, where

the Board determined that there were no protests filed by the holders of title of one-half of the value of the territory proposed to be annexed.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter where written protests were not made by the owners of one-half of the value of the territory proposed to be annexed, does hereby confirm the annexation of parcels excluded from ID 20 into ID 22, as described in Exhibit "A," pursuant to Water Code sections 72700, *et seq.*

2. That the Board determines from the evidence presented at the hearing that the parcels excluded from ID 20 and to be annexed into ID 22 will be benefited thereby, and that ID 22 will also be benefited thereby and will not be injured thereby, because of the streamlining of accounting and tracking of these parcels and because the availability fees are identical between IDs 20 and 22.

3. A depiction of the area to be annexed, and the boundaries of IDs 20 and 22 following the annexation, is set forth on a map in Exhibit "B" filed with the Secretary of the District, which map shall govern for all details as to the area to be annexed.

4. That the terms and conditions for the annexation of said parcels is as follows, with the owners required to:

(a) Pay yearly assessment fees of \$30.00 per acre of land and \$10.00 per parcel of land less than one acre which will be collected through the County Tax Assessor's office.

(b) In the event that water service is to be provided, the payment of all applicable water meter fees per Equipment Dwelling Unit (EDU) at the time the meter is purchased.

5. That the annexation shall become effective on July 1, 2015, on the date the exclusion of parcels from ID 20 becomes effective.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

District Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT (ID) ID 20 INTO ID 22

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT WATER IMPROVEMENT DISTRICT 20 SHALL BE EXCLUDED FROM EXISTING ID 20 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 22. THE CONSOLIDATION OF EXISTING ID 20 INTO EXISTING ID 22 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4285 APPROVING THE ANNEXATION OF THE EXCLUDED PARCELS INTO ID 22.

CONTAINING 6,859 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4286

A RESOLUTION OF THE BOARD OF DIRECTORS OF
OTAY WATER DISTRICT APPROVING THE ANNEXATION
OF PARCELS EXCLUDED FROM IMPROVEMENT
DISTRICT (ID) 4 INTO IMPROVEMENT DISTRICT 18

WHEREAS, on August 4, 1959 by Resolution No. 83, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 4 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of sewer improvements and works; and

WHEREAS, on February 16, 1970 by Resolution No. 758, the Board formed ID 18 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of sewer improvements and works; and

WHEREAS, the availability fees are identical between IDs 4 and 18; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015, by Resolution No. 4221, the Board initiated proceedings to consolidate ID 4 into ID 18 to streamline the accounting and tracking of these parcels by declaring its intention to annex parcels excluded from ID 4, if approved, into ID 18, pursuant to Water Code sections 72700, *et seq.*, including ordering a public hearing on said annexation and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Board held the required public hearing on May 6, 2015, a hearing at which the Board received written protests, if any, theretofore filed with the Secretary of the District, received additional written protests, if any, and heard from any and all persons interested in the annexation, where

the Board determined that there were no protests filed by the holders of title of one-half of the value of the territory proposed to be annexed.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter where written protests were not made by the owners of one-half of the value of the territory proposed to be annexed, does hereby confirm the annexation of parcels excluded from ID 4 into ID 18, as described in Exhibit "A," pursuant to Water Code sections 72700, *et seq.*

2. That the Board determines from the evidence presented at the hearing that the parcels excluded from ID 4 and to be annexed into ID 18 will be benefited thereby, and that ID 18 will also be benefited thereby and will not be injured thereby, because of the streamlining of accounting and tracking of these parcels and because the availability fees are identical between IDs 4 and 18.

3. A depiction of the area to be annexed, and the boundaries of IDs 4 and 18 following the annexation, is set forth on a map in Attachment C, filed with the Secretary of the District, which map shall govern for all details as to the area to be annexed.

4. That the terms and conditions for the annexation of said parcels is as follows, with the owners required to:

(a) Pay yearly assessment fees of \$30.00 per acre of land and \$10.00 per parcel of land less than one acre which will be collected through the County Tax Assessor's office.

(b) In the event that sewer service is to be provided, the payment of all sewer capacity fees per Equipment Dwelling Unit (EDU) at the time the service is requested.

5. That the annexation shall become effective on July 1, 2015, on the date the exclusion of parcels from ID 4 becomes effective.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

District Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT SEWER IMPROVEMENT DISTRICT (ID) ID 4 INTO ID 18

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT SEWER IMPROVEMENT DISTRICT 4 SHALL BE EXCLUDED FROM EXISTING ID 4 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 18. THE CONSOLIDATION OF EXISTING ID 4 INTO EXISTING ID 18 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4286 APPROVING THE ANNEXATION OF THE EXCLUDED PARCELS INTO ID 18.

CONTAINING 348 ACRES OF LAND, MORE OR LESS.

RESOLUTION NO. 4287

A RESOLUTION OF THE BOARD OF DIRECTORS OF
OTAY WATER DISTRICT APPROVING THE ANNEXATION
OF PARCELS EXCLUDED FROM IMPROVEMENT
DISTRICT (ID) 14 INTO IMPROVEMENT DISTRICT 18

WHEREAS, on June 10, 1968 by Resolution No. 586, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 14 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of sewer improvements and works; and

WHEREAS, on February 16, 1970 by Resolution No. 758, the Board formed ID 18 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of sewer improvements and works; and

WHEREAS, the availability fees are identical between IDs 14 and 18; and

WHEREAS, staff has determined that there is no longer a reason to separate these parcels; and

WHEREAS, on March 4, 2015, by Resolution No. 4221, the Board initiated proceedings to consolidate ID 14 into ID 18 to streamline the accounting and tracking of these parcels by declaring its intention to annex parcels excluded from ID 14, if approved, into ID 18, pursuant to Water Code sections 72700, *et seq.*, including ordering a public hearing on said annexation and directing staff to provide statutorily-required notice for the hearing; and

WHEREAS, in compliance with Proposition 218, the Board held the required public hearing on May 6, 2015, a hearing at which the Board received written protests, if any, theretofore filed with the Secretary of the District, received additional written protests, if any, and heard from any and all persons interested in the annexation, where

the Board determined that there were no protests filed by the holders of title of one-half of the value of the territory proposed to be annexed.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, following a public hearing on the matter where written protests were not made by the owners of one-half of the value of the territory proposed to be annexed, does hereby confirm the annexation of parcels excluded from ID 14 into ID 18, as described in Exhibit "A," pursuant to Water Code sections 72700, *et seq.*

2. That the Board determines from the evidence presented at the hearing that the parcels excluded from ID 14 and to be annexed into ID 18 will be benefited thereby, and that ID 18 will also be benefited thereby and will not be injured thereby, because of the streamlining of accounting and tracking of these parcels and because the availability fees are identical between IDs 14 and 18.

3. A depiction of the area to be annexed, and the boundaries of IDs 14 and 18 following the annexation, is set forth on a map in Attachment C, filed with the Secretary of the District, which map shall govern for all details as to the area to be annexed.

4. That the terms and conditions for the annexation of said parcels is as follows, with the owners required to:

(a) Pay yearly assessment fees of \$30.00 per acre of land and \$10.00 per parcel of land less than one acre which will be collected through the County Tax Assessor's office.

(b) In the event that sewer service is to be provided, the payment of all sewer capacity fees per Equipment Dwelling Unit (EDU) at the time the service is requested.

5. That the annexation shall become effective on July 1, 2015, on the date the exclusion of parcels from ID 14 becomes effective.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

District Secretary

EXHIBIT A

CONSOLIDATION OF OTAY WATER DISTRICT SEWER IMPROVEMENT DISTRICT (ID) ID 14 INTO ID 18

LEGAL DESCRIPTION

THE TERRITORY WITHIN THE EXISTING BOUNDARIES OF OTAY WATER DISTRICT SEWER IMPROVEMENT DISTRICT 14 SHALL BE EXCLUDED FROM EXISTING ID 14 AND THE EXCLUDED PARCELS SHALL BE ANNEXED INTO EXISTING ID 18. THE CONSOLIDATION OF EXISTING ID 14 INTO EXISTING ID 18 SHALL BECOME EFFECTIVE JULY 1, 2015, FOLLOWING THE OTAY WATER DISTRICT BOARD OF DIRECTORS ADOPTING RESOLUTION NO. 4287 APPROVING THE ANNEXATION OF THE EXCLUDED PARCELS INTO ID 18.

CONTAINING 644 ACRES OF LAND, MORE OR LESS.

AGENDA ITEM 7a



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	May 6, 2015
		PROJECT:	DIV. NO. All
SUBMITTED BY:	Alicia Mendez-Schomer, Customer Service Manager		
APPROVED BY:	<input checked="" type="checkbox"/> Joseph R. Beachem, Chief Financial Officer <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Impose a \$1,000 Fine for Meter Tampering		

GENERAL MANAGER'S RECOMMENDATION:

That the Board uphold staff's recommendation to impose a \$1,000 fine for meter tampering at 2878 Gate Eleven Place in Chula Vista.

COMMITTEE ACTION:

See Attachment A.

PURPOSE:

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

ANALYSIS:

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

On March 14, 2015, a staff member was responding to a tamper alert at 2878 Gate Eleven Place in Chula Vista. During the course of the

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

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

A review of the data from our Master Links system shows a total of 6 tamper alerts at this property from March 2013 to present. Staff investigated this property a total of 6 times prior to this latest incident. Those investigations did not yield any evidence of meter tampering and the alert was cleared each time.

The District has had two other incidents where a magnet was discovered inside a meter box in close proximity to the water meter. In both cases the customer was fined \$1,000.

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

In addition, the District has added \$381.78 for administrative costs related to the investigation, \$285.43 for the replacement of the meter and a charge of \$2,221.70 for the back billing of estimated water loss from April 2013 through February 2015 (Attachment B). This estimated water loss amount was calculated by using the monthly usage amounts for 2008-2012 (5 years) and taking an average of the total units used. That calculation was 26.15 units per month. Then, as a secondary measure, the highest and lowest years of usage over the five-year period were omitted, which left a three year average that spanned over the same five-year period. The average of that

calculation was 26.52 units per month. These two numbers (26.15 and 26.52) were then rounded down to 25 units per month.

The customer's monthly bills for the period of April 2013 through February 2015 were subtracted from the 25 units per month average and the difference totaled \$2,221.70.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

None.

STRATEGIC GOAL:

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

LEGAL IMPACT:

None.

Attachments:

- Attachment A - Committee Action
- Attachment B - Letter with Picture
- Attachment C - Code of Ordinances Sections 71, 72 and 73
- Attachment D - Barreiro Appeal Letter
- Attachment E - Presentation



ATTACHMENT A

SUBJECT/PROJECT:	Impose a \$1,000 Fine for Meter Tampering
-------------------------	---

COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting held on April 14, 2015 and the following comments were made:

- Staff is requesting that the board uphold staffs' recommendation to impose a \$1000 fine for metering tampering at 2878 Gate Eleven Place in Chula Vista.
- In 2013, the District updated its meter reading software to Master Links which enabled the District to detect meter tampering through alerts provided by the new software.
- In early 2013, around the time the meter reading software was updated, the District began receiving tamper alerts from the address.
- Staff presented photos of the residence and of the home's meter showing a large magnet attached to the water meter. It was indicated that the magnet causes the meter to work erratically and under register the amount of water that is consumed by the residence.
- Staff had visited the residence approximately six (6) times, starting in 2013, due to tamper alerts. Nothing was found in the meter box during those six (6) visits. However, many times, the meter lid was ajar, which would indicate that someone had opened the meter box.
- Customer Service staff had worked with the District's on-call Water System Operators to look for meter tamper alerts. On Saturday, March 14, 2015, an on-call Water System Operator responded to a tamper alert at 2878 Gate Eleven Place and found a magnet attached to the water meter.

- Staff stated that attaching a magnet to the District's water meter is a violation of the District's Code of Ordinances as discussed in staffs' report (see page 2). Again, the purpose of the magnet is to cause the meter to work erratically and under register the amount of water flowing through the meter. Thus, the customer gets the benefit of a reduced water bill.
- Staff is recommending that that the customer be fined \$1,000, which is in-line with two (2) previous incidents of the same violation. In addition, the District is billing the customer \$381.78 for the administrative costs associated with the investigation of the tamper alert, \$285.43 for the cost to replace the meter, and a charge of \$2,221.70 for the back billing of estimated water loss from April 2013 through February 2015 (reference page 2 of staffs' report for the calculation of the estimated water loss).
- It was indicated that the customer has visited the District's office and has stated that he is displeased with the additional charges and does not believe that he placed the magnet in his meter box. He has also written a letter appealing the penalty and additional charges (Attachment D to staffs' report). It was noted that staff considered the customer's claims/comments when making its recommendation.
- The committee noted that the last tamper alert was received on a Saturday when the magnet was found and inquired if past alarms occurred during the work week from 8:00 a.m. to 5:00 p.m. It was indicated that with the previous alerts, staff had been visiting the property during business hours and did not find anything in the meter box. Staff felt it would be best to look after hours and this is when Customer Service staff began working with the on-call Water Operators and the magnet was found on a Saturday.
- It was noted that the residence is located in a gated community with two (2) other homes. To enter the area, you would need to enter an access code at the gate. It is not easily accessible to the public.
- The committee inquired if a violation occurs when the District receives a tamper alert or is it only a violation when the District finds the actual tampering. The District received six (6) alerts and the committee observed wouldn't each alert represent a violation, thus, there are six (6) violations of the District's Code of Ordinances. Staff indicated that the District believes when a tamper alert is received that a magnet has been placed in close proximity to the meter. This has been verified with both the meter reading technology and the vendor of the meters. However,

the District generally takes action when it finds actual proof of the tampering.

- It was discussed that the cause of tamper alerts are magnets in close proximity to the meter, turning the meter around or removing the meter. Staff noted that the District receives a number of other alarms, like leak alarms. However, tamper alerts are not common. When a tamper alert is received, staff is confident that something is occurring at the property.
- The District is back-billing the customer for estimated water loss back to the first time a tamper alert was received (April 2013 to February 2015). The imposed penalty is for a single incident, however, the back-billing for water is for the full timeframe of when the tamper alerts have been received. If the District identifies another incident of meter tampering at this same property, the penalty can be increased for the new incident.
- The committee asked that staff consult with the District's legal counsel and review the possibility of penalizing customers for each time a tamper alert is received from a property.
- It was noted that in the last year, staff has published several articles on meter tampering. Another article is being published in the newest issue of the customer newsletter which is being forwarded to customers in the upcoming billing cycles. The article indicates that the District is alerted when a meter is tampered with and that the District will impose penalties and fines for tampering with their property's water meter.
- It was indicated that the customer was advised that his appeal of the District's imposed meter tampering penalty was going to be presented at the District committee meeting on April 14, 2015 and the District's board meeting on May 6, 2015.

Following the discussion, the committee supported staffs' recommendation and presentation to the full board on the consent calendar.



...Dedicated to Community Service

2554 SWEETWATER SPRINGS BOULEVARD, SPRING VALLEY, CALIFORNIA 91978-2004
TELEPHONE: 670-2222, AREA CODE 619

www.otaywater.gov

April 3, 2015

Mr. Jose Victor Barreiro
2878 Gate Eleven Place
Chula Vista, CA 91914-2638

**Re: Real Property Located at 2878 Gate Eleven Place, Chula Vista, California -
Notice of Meter Tampering, Water Theft and assessment of fine.
Account # 255-2524-00**

Mr. Barreiro:

It has come to the attention of the Otay Water District (District) that 1) the meter servicing the property at 2878 Gate Eleven Place, Chula Vista, California, was tampered with in such a manner that it caused the meter to run erratically and not measure the true water use, and 2) the customer benefited from reduced billings and did not pay the true cost of water service. Each of these actions constitutes a separate violation of the District's Code of Ordinances that must be corrected as further described below. If you are not the owner or account holder for 2878 Gate Eleven Place, Chula Vista, California, please contact the District immediately.

The first tamper alarm was recorded on this meter in March 2013 and the District has conducted multiple investigations since this was detected. Then on March 14, 2015, an investigation uncovered a magnet on your meter which indicates that you deliberately altered our water meter with the purpose of receiving water service that was not registered. Meter tampering may be prosecuted as a crime under Section 497 of the California Penal Code, as set forth in Sections 71.D, 72.06 and 73.01 of the Otay Water District's Code of Ordinances.

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

Summary of Damages	Amount
Costs incurred by District in connection with the investigation of the meter tampering, water theft and related matters (including staff time, attorney's fees, and other related administrative costs)	\$ 381.78
Fine as per Section 72 of District's Code of Ordinances	1,000.00
Estimated water loss back to first tamper alarm (March 2013)	2,221.70
Meter replacement fee	285.43
Total Amount Due	\$ 3,888.91

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

You may contact Alice Schomer at 619-670-2223 with any questions concerning this notice.

Sincerely,



Alice Schomer
Customer Service Manager

Enclosures:

Photos

Code of Ordinances Sections 71.D, 72.06 and 73.01



SECTION 71. VIOLATIONS; PROHIBITED ACTIVITIES

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

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

SECTION 72 PENALTIES AND DAMAGES

72.01 GENERAL

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

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

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

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

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

72.02 VIOLATIONS AND GENERAL PENALTIES FOR VIOLATIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

72.03 CERTAIN SPECIFIC OPERATIONAL VIOLATIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

72.04 VIOLATIONS OF CONSERVATION OR OTHER WATER USE RESTRICTION PROVISIONS

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

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

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

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

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

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

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

72.05 VIOLATIONS INVOLVING DISTRICT REAL
PROPERTY

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

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

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

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

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

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

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

72.06 ADMINISTRATIVE FINES

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

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

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

B. Assessment of Separate Fines.

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

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

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

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

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

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

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

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

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

SECTION 73. ADDITIONAL DISTRICT REMEDIES

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

73.01 OTHER REMEDIES OF DISTRICT

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

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

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

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

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

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

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

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

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

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

73.02 NOTICE TO DISTRICT CONCERNING VIOLATIONS

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

73.03 SEVERABILITY

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



April 9, 2015

Dear Board of Directors ,

Regarding matter and to respond to you letter , we would like to clarify and prove our water consumption since 2006. It clearly shows on our records that when our home was undergoing construction, we were creating landscaping on our property.

The units of water consumed were relatively higher when under going the laying of the sod and setting up of the sprinkler systems. As our irrigation systems were finished consumption drastically decreased by more than half of what was initially used.

Our Household initially started as a family of (4) . My wife and I, and our two sons . Our eldest built his home in Bonita , and the other moved to Lemon Grove. Just me and my wife reside on this home @ 2878 Gate Eleven Place in the City of Chula Vista. That brought the consumption of resources down even more according to your records. We are very careful of what we spend on any resource available to us , we set up the drip irrigation system on our fruit trees and saw that they didn't work as well as we thought they would . So I took the initiative to water manually and that's what I have been doing since, as a result our rear yards sod has died. I understand that homes in our neighborhood are as big as our own but you have to take in consideration that it is only my wife and I that reside here , and we try to keep the bill at 10 to 20 units per month.

I am very offended to see that you think of me as a thief , I have never needed to steal in my entire life. I have always worked hard for what we own and have everything to show for it. We have established a great reputation with all of our vendors , always paid on time and created the highest of credit available to any citizen (890). We own rental property in many parts of this County for years and never been accused of sabotaging our meters to save money. I hope we can come to an understanding , and again I ,we, were not aware that there was any magnets as you said, to compromise our equipment of any kind. We wish to clarify any misconception you have of us in a professional manner.

Thank You.
The Barreiro Residence
2878 Gate Eleven Place
Chula Vista CA. 91914



Attachment E







1-In Residential
Acct No. 255-2524-00
Meter No. 08199298
Jose V. Barreiro

Barreiro
2878 Gate Eleven Pl
.72 Acre / 31,363 Lot Area

5950930500

5950950800

5950930600

5950960100

5950930700

5950962000

5950950700

5950922100

ROW

Gate Eleven Pl

5950960200

146 91914

5950960400

Northwoods Dr

ROW

(Poly Vinyl Chloride) 12 inch 436-22-980

5950960300

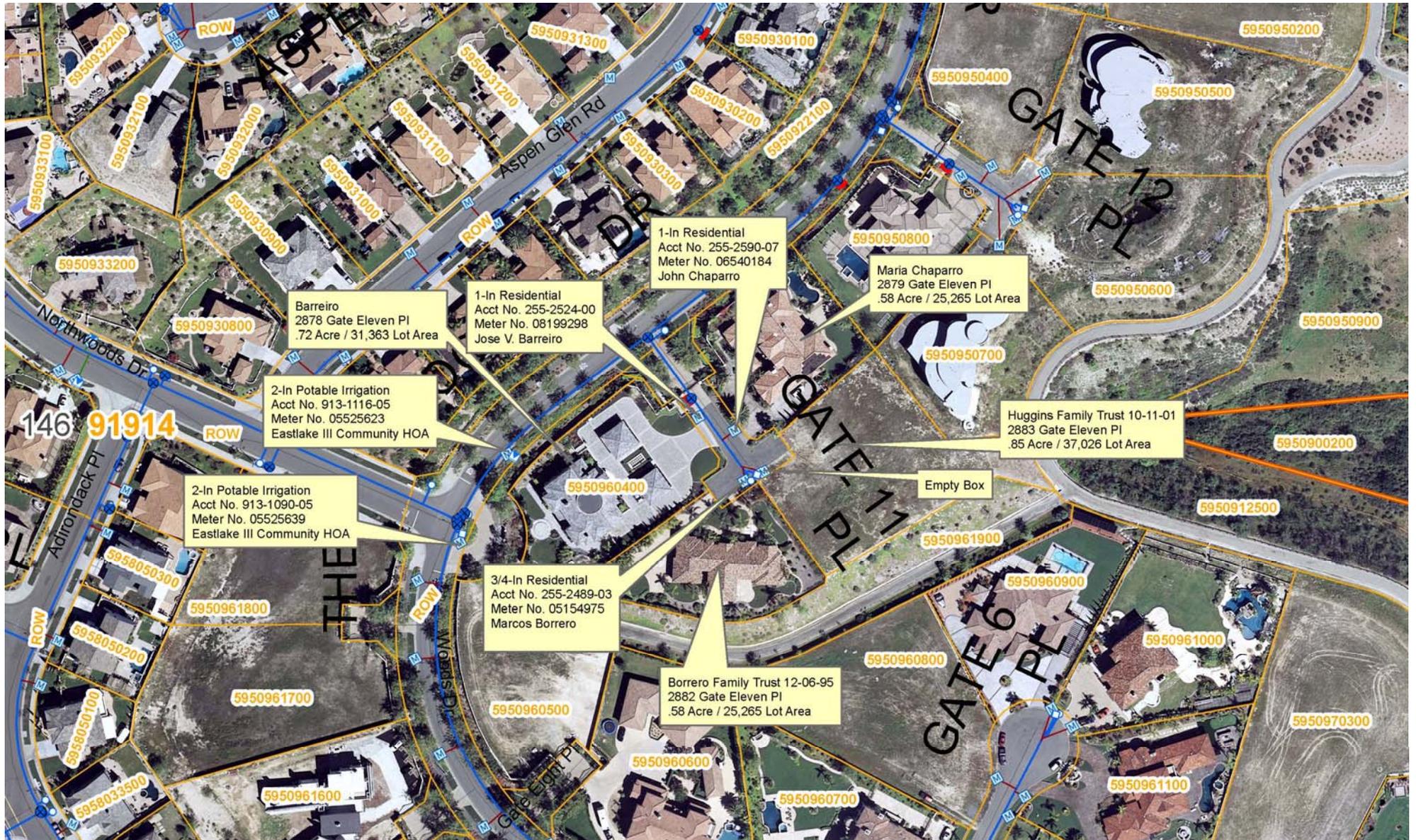
Gate Ten Pl

5950960500

5950961900

5950960800

5950960900



AGENDA ITEM 7b



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	May 6, 2015
SUBMITTED BY:	Dan Martin Engineering Manager	PROJECT:	Various DIV. NOs. 1&2
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief of Engineering <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Otay Ranch Village 3, Village 8 East, and Village 10 Annexation Request into Improvement Districts 22 and 27 (APNs 644-060-25, 26, 27-00; 645-030-20-00; 644-070-21-00; 646-010-07-00; 644-080-20, 21-00; and 644-090-03-00)		

GENERAL MANAGER'S RECOMMENDATION:

Adopt Resolution No. 4289, fixing terms and conditions for the annexation of certain real properties owned by the State Street Bank and Trust (SSBT) LCRE V, LLC, APNs: 644-060-25, 26, 27-00; 645-030-20-00; 644-070-21-00; 646-010-07-00; 644-080-20, 21-00; and 644-090-03-00 into the Otay Water District Improvement District Nos. 22 and 27 (see Exhibit A for locations).

COMMITTEE ACTION:

See Attachment A.

PURPOSE:

The purpose of the proposed annexation is to provide water service to parcels owned by SSBT LCRE V, LLC. (APNs 644-060-25, 26, 27-00; 645-030-20-00; 644-070-21-00; 646-010-07-00; 644-080-20,21-00; and 644-090-03-00).

ANALYSIS:

A letter and petition have been submitted by the owner, SSBT LCRE V, LLC, for the annexation of APNs 644-060-25, 26, 27-00; 645-030-20-00; 644-070-21-00; 646-010-07-00; 644-080-20, 21-00; and 644-090-03-00

into Improvement District Nos. 22 and 27 for water service. The total acreage to be annexed is 1,766.37 acres. The properties are within the sphere of influence of Otay Water District and will be part of Improvement Districts 22 and 27 after the Board of Directors approve this request. Village 3 is located east of Otay Valley Road and north of Brown Field Airport. Village 8 East is located south of Rock Mountain Road and west of CA-125. Village 10 is located east of CA-125 and south of Hunte Parkway. All properties are located in the City of Chula Vista in the County of San Diego.

The annexation of the Otay Ranch Village 3, Village 8 East, and Village 10 parcels will create two island parcels inside Improvement Districts 22 and 27 (see Exhibit A). Assessor Parcel Number 644-020-10-00 is owned by Otay Landfill Inc. and is currently being used as a landfill. This parcel has an area of 250.59 acres. The second island parcel consists of seven parcels, see table below.

Parcel	Acres	Owner	Current use
644-060-17-00	24.86	Florida Rock Industries, Inc	Vacant Land
644-060-20-00	212.15	Brista Acquisitions, LLC	Rock Quarry
644-060-21-00	3.36	Brista Acquisitions, LLC	Vacant Land
644-060-22-00	5.68	Brista Acquisitions, LLC	Vacant Land
644-060-23-00	0.45	Brista Acquisitions, LLC	Vacant Land
644-060-24-00	166.06	Otay Valley Quarry, LLC	Vacant Land
645-030-02-00	.25	General Telephone Co. of CA	Vacant Land

FISCAL IMPACT: Joseph Beachem, Chief Financial Officer

The property owners will pay the District's Annexation processing fee of \$763.83, which is subject to annual adjustment in accordance with the District Code of Ordinances. At the time a water meter is purchased, the owners will pay the then current meter and capacity fees based on water meter size and annexation fees as established in the attached Resolution. The owner will continue to pay availability fees based on the current acres of 1,766.37, until such time that the property is subdivided at which time the fees will be based on \$10 per parcel or \$30 per acre.

STRATEGIC GOAL:

Provide water service to meet increasing customer needs.

LEGAL IMPACT:

No legal impact.

DM/RP:jf

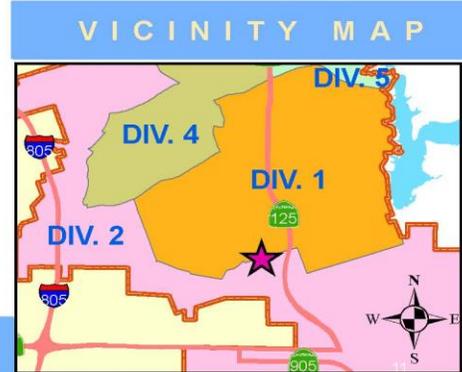
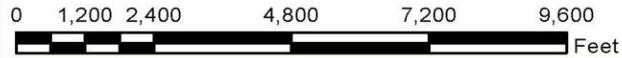
F:\Public-S\Annexation Requests\2015\Village 3, Village 8 East, Village 10\Staff Report\BD 05 06 15 - Annexation V3, 8E, 10\STAFF REPORT
Otay Ranch Village 3 Village 8 East Village 10 Annexation 5-6-15_rev1.Doc

Attachments: Exhibit A - Location Map
Attachment A - Committee Action
Attachment B - Resolution

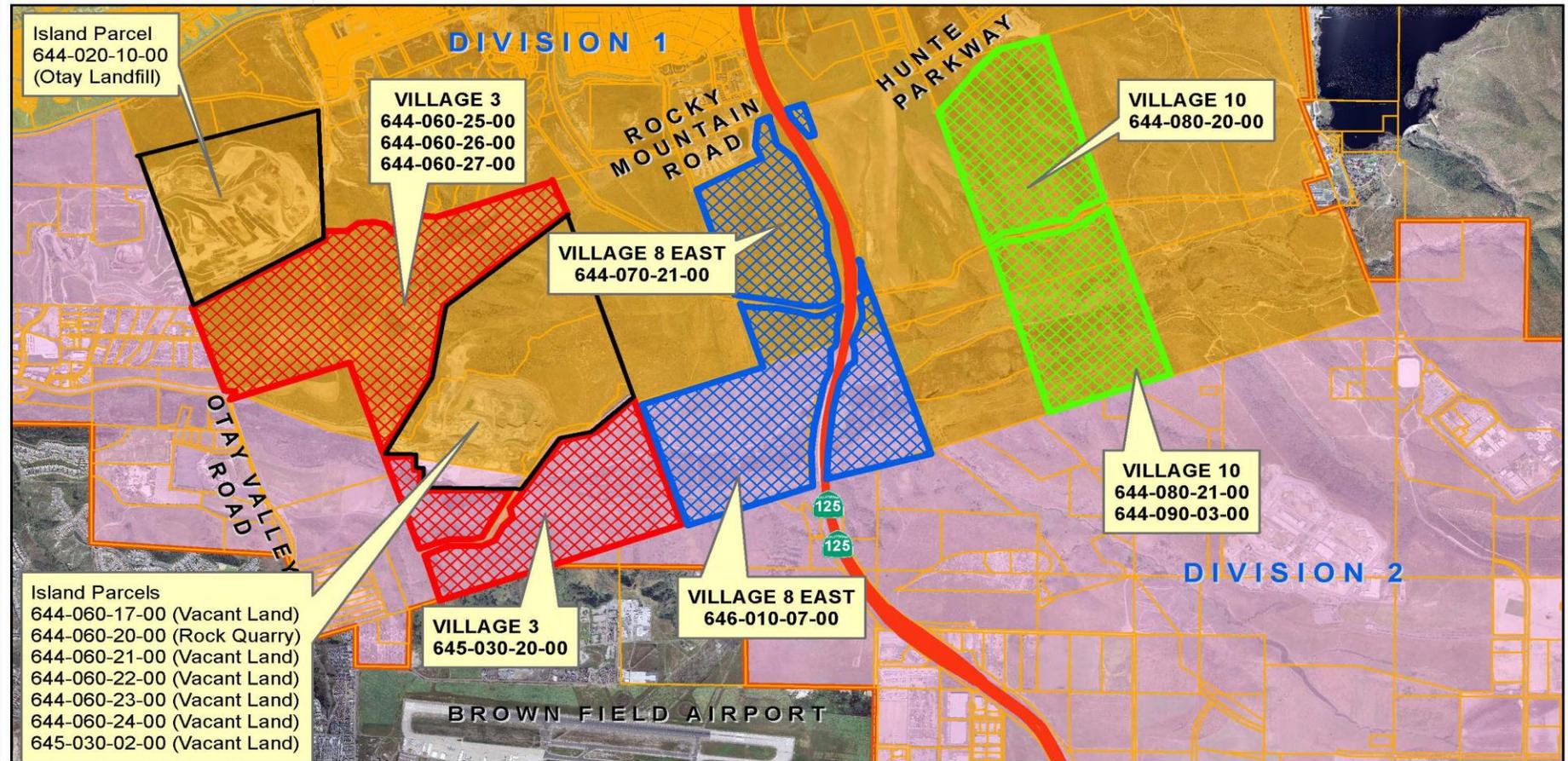


PROJECT#: D0871-090213
APN: Various
ACRES: 1,766.37 AC
OWNER: SSBT LCRE V, LLC

EXHIBIT A Village 3, Village 8 EAST & Village 10 Annexation



LOCATION MAP





ATTACHMENT A

SUBJECT/PROJECT:	Otay Ranch Village 3, Village 8 East, and Village 10 Annexation Request into Improvement Districts 22 and 27 (APNs 644-060-25, 26, 27-00; 645-030-20-00; 644-070-21-00; 646-010-07-00; 644-080-20, 21-00; 644-090-03-00)
Various	

COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee (Committee) reviewed this item at a Committee Meeting held on April 21, 2015, and the following comments were made:

- Staff recommended that the Board adopt Resolution No. 4289, fixing terms and conditions for the annexation of certain real properties owned by the SSBT LCRE V, LLC, APNs: 644-060-25, 26, 27-00; 645-030-20-00; 644-070-21-00; 646-010-07-00; 644-080-20, 21-00; and 644-090-03-00 into the Otay Water District Improvement District Nos. 22 and 27.
- It was indicated that the proposed annexation is to provide water service to the indicated parcels located in the Otay Ranch University Villages 3, 8 East, and 10 within the City of Chula Vista, California and included within the Otay Water District Boundary.
- The annexation area totals 1,766.37 acres. Exhibit A and Attachment B (Exhibit B) of the staff report shows the location of the annexation area. Village 3 totals 732.49 acres and is located east of Otay Valley Road and north of Brown Field; Village 8 East totals 565.35 acres and is located south of Rocky Mountain Road and adjacent to SR 125; and Village 10 totals 468.53 acres and is located south of Hunte Parkway and east of SR 125.
- Staff noted that the Board last saw this project in November 2013 when they approved the Water Supply and Verification Report (WS&VR). Staff indicated that Village 3 North is a pedestrian and transit oriented village containing 1,597 homes arranged around a mixed-use core with up to 20,000 square-feet of

commercial retail, an elementary school, and park sites. Village 8 East is planned as a pedestrian oriented urban village with 3,560 mixed density residential units, up to 20,000 square-feet of commercial retail, an elementary school, a neighborhood park and Community Park Facilities sites. Village 10 is planned as a pedestrian oriented urban village with 1,740 mixed density residential units, an elementary school, park and Community Park Facilities site.

- It was noted that the expected potable water demand for the Otay Ranch University Villages Project, as is included in the WS&VR and approved by the Board, totals 2.14 million gallons per day or about 2,393 acre-feet per year (AFY). The projected recycled water demand is 0.55 million gallons per day or 616 AFY. In total, the project proposes a projected potable water demand that will equate to approximately 3,500 EDUs (Equivalent dwelling units) for the District.
- Staff stated that the project will be constructed in several phases with construction starting at Village 3.
- It was indicated that a written request and Petition signed by Ms. Sophie Yang with SSBT LCRE V, LLC, has been received for the annexation of parcels into Improvement District Nos. 22 and 27 for water service. The property is within the sphere of influence of the District and will be part of IDs 22 and 27 upon approval by the Board of Directors.
- Staff stated that the annexation of the Otay Ranch Villages 3, 8 East, and 10 parcels will create two (2) island parcels inside IDs 22 and 27 as shown on Exhibit A of the staff report. The island parcel located north of Village 3 consists of the Otay Landfill, and the island parcel located adjacent to Village 3 and bordered by Village 8 west consists of a rock quarry and vacant land.
- In response to several questions by the Committee, staff stated that islands are created when non-annexed parcels are surrounded by annexed parcels within a jurisdictional boundary. Staff also stated that the Project consists of parcels that are in Divisions 1 and 2.
- The Committee inquired about sufficient water availability for the project considering that the State is experiencing an emergency drought condition. Staff stated that they believe there is sufficient water availability for the project as

indicated in its planning documents that include projected water supply for approximately 20 years or longer. It is believed that a 1-year drought condition will not affect the availability of water supply for the project, especially when the project involves long-term planning and requires individual approval by the board for each development phase.

- Ms. Ranie Hunter from RH Consulting Group, a representative for the developer company, stated that the project is owned by the State Street Bank and Trust Company from Boston, MA. Ms. Hunter indicated that the bank took over the property in July 2014 and is committed to continuing the project's development.
- In response to a question from the Committee, Ms. Hunter stated that there are plans to develop two (2) highway interchanges for the Project along SR-125; one off an extension of Main Street and one far south at the extension of Otay Valley Road. It was indicated that the developer is working with Caltrans on this highway project.
- The Committee inquired if reclaimed water would be provided to the Project. Staff stated yes as the developer is required to submit a plan and study for reclaimed water. Ms. Hunter indicated that the developer is currently working with District staff on the draft of the Village 3 North Subarea Master Plan which includes planning for reclaimed water.

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

RESOLUTION NO. 4289

A RESOLUTION OF THE BOARD OF DIRECTORS OF OTAY WATER DISTRICT APPROVING THE ANNEXATION TO OTAY WATER DISTRICT IMPROVEMENT DISTRICT NOS. 22/27 OF THOSE LANDS DESCRIBED AS "OTAY RANCH VILLAGE 3, VILLAGE 8 EAST AND VILLAGE 10 WATER ANNEXATION REQUEST INTO IMPROVEMENT DISTRICTS (IDs) 22 AND 27" (APNs 644-060-25, 26, 27-00; 645-030-20-00; 644-070-21-00; 646-010-07-00; 644-080-20, 21-00; and 644-090-03-00) (FILE NO. ENG70-10-143/DIVISIONS 1 AND 2)

WHEREAS, a letter and petition have been submitted by SBBT LCRE V, LLC, c/o Q. SOPHIE YANG, the owner and party that has an interest in the land described in Exhibit "A," attached hereto, for annexation of said land to Otay Water District Improvement District Nos. 22/27 pursuant to California Water Code Section 72670 et seq.; and

WHEREAS, pursuant to Section 72680.1 of said Water Code, the Board of Directors may proceed and act thereon without notice and hearing.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE OTAY WATER DISTRICT FINDS, RESOLVES, ORDERS AND DETERMINES as follows:

1. A depiction of the area proposed to be annexed, and the boundaries of IDs 22/27 following the annexation, is set forth on a map in Exhibit "B" filed with the Secretary of the District, which map shall govern for all details as to the area proposed to be annexed.

2. The purpose of the proposed annexation is to make water service available to the area to be annexed, which availability constitutes a benefit to said area.

3. The Board finds and determines that the area proposed to be annexed to IDs 22/27 will be benefited by such annexation

and that the property currently within IDs 22/27 will also be benefited and not injured by such annexation because after the annexation a larger tax base will be available to finance the water facilities and improvements of IDs 22/27.

4. The Board of Directors hereby declares that the annexation of said property is subject to the owners complying with the following terms and conditions:

(a) The petitioner for said annexation shall pay to Otay Water District the following:

- (1) The annexation processing fee at the time of application;
- (2) State Board of Equalization filing fees in the amount of \$5,000;
- (3) The water annexation fees at the time of connection to the Otay Water District water system;
- (4) Yearly assessment fees will be collected through the County Tax Assessor's office in the amount of \$10 or \$30 for APNs 644-060-25, 26, 27-00; 645-030-20-00; 644-070-21-00; 646-010-07-00; 644-080-20, 21-00; and 644-090-03-00;
- (5) In the event that water service is to be provided, Petitioners shall pay all applicable water meter fees per Equipment Dwelling Unit (EDU) at the time the meter is purchased; and

(6) Payment by the owner of APNs 644-060-25, 26, 27-00; 645-030-20-00; 644-070-21-00; 646-010-07-00; 644-080-20, 21-00; and 644-090-03-00 of all other applicable local or state agency fees or charges.

(b) The property to be annexed shall be subject to taxation after annexation thereof for the purposes of the improvement district, including the payment of principal and interest on bonds and other obligations of the improvement district, authorized and outstanding at the time of annexation, the same as if the annexed property had always been a part of the improvement district.

5. The Board hereby declares the property described in Exhibit "A" shall be considered annexed to IDs 22/27 upon passage of this resolution.

6. The Board of Directors further finds and determines that there are no exchanges of property tax revenues to be made pursuant to California Revenue and Taxation Code Section 95 et seq., as a result of such annexation.

7. The annexation of APNs 644-060-25, 26, 27-00; 645-030-20-00; 644-070-21-00; 646-010-07-00; 644-080-20, 21-00; and 644-090-03-00 to the District's Improvement Districts 22/27 is hereby designated as the "OTAY RANCH VILLAGE 3, VILLAGE 8 EAST AND VILLAGE 10 WATER ANNEXATION".

8. Pursuant to Section 57202(a) of the Government Code, the effective date of the OTAY RANCH VILLAGE 3, VILLAGE 8 EAST

AND VILLAGE 10 WATER ANNEXATION shall be the date this Resolution is adopted by the Board of Directors of the Otay Water District.

9. The General Manager of the District and the Secretary of the District, or their respective designees, are hereby ordered to take all actions required to complete this annexation.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May, 2015.

President

ATTEST:

District Secretary

EXHIBIT A – LEGAL DESCRIPTION

VILLAGE 3

EXHIBIT "A"

ANNEXATION TO OTAY IMPROVEMENT DISTRICT NO. 22-27

GEOGRAPHIC DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY, BEING PORTIONS OF LOTS 33, 34, 35, 36, 37, 38, 39, 42 AND 43 OF MAP NO. 862, SITUATED IN THE OTAY RANCHO, CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOW:

PARCEL "A"

BEGINNING AT THE NORTHEAST CORNER OF LOT 33, ALSO BEING THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE, LEAVING THE EXISTING DISTRICT BOUNDARY, (1) SOUTH 18°39'05" EAST, 725.29 FEET;

THENCE, (2) SOUTH 49°33'43" WEST, 3300.28 FEET;

THENCE, (3) SOUTH 10°47'43" WEST, 1662.34 FEET;

THENCE, (4) SOUTH 27°56'57" WEST, 1927.41 FEET;

THENCE, (5) NORTH 18°37'59" WEST, 2139.53 FEET;

THENCE, (6) SOUTH 71°58'20" WEST, 2576.37 FEET TO THE BEGINNING OF A 95.00 FOOT RADIUS NON-TANGENT CURVE CONCAVE SOUTHEASTERLY, A RADIAL LINE TO WHICH BEARS SOUTH 86°23'52" WEST,

THENCE, (7) NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 108°21'29" AN ARC DISTANCE OF 179.66 FEET;

THENCE, (8) SOUTH 75°14'39" EAST, 45.61 FEET;

THENCE, (9) NORTH 14°45'21" EAST, 62.00 FEET;

THENCE, (10) NORTH 75°14'39" WEST, 179.58 FEET TO THE BEGINNING OF A 157.00 FOOT RADIUS CURVE, CONCAVE SOUTHERLY;

THENCE, (11) WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49°41'45" AN ARC DISTANCE OF 136.18 FEET;

THENCE, (12) NORTH 18°37'09" WEST, 49.45 FEET TO THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE ALONG THE EXISTING DISTRICT BOUNDARY, (13) NORTH 18°37'09" WEST, 1918.86 FEET;

THENCE LEAVING THE EXISTING DISTRICT BOUNDARY, (14) NORTH 60°02'08" EAST, 3064.28 FEET;

THENCE, (15) NORTH 02°20'50" WEST, 186.71 FEET TO THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE ALONG THE EXISTING DISTRICT BOUNDARY, (16) NORTH 83°25'04" EAST, 432.57 FEET;

(CONTINUED)

EXHIBIT "A"

ANNEXATION TO OTAY IMPROVEMENT DISTRICT NO. 22-27

GEOGRAPHIC DESCRIPTION

(CONTINUED)

THENCE, (17) NORTH 78°24'41" EAST, 125.67 FEET;
THENCE, (18) NORTH 60°06'49" EAST, 301.89 FEET;
THENCE, (19) SOUTH 86°43'00" EAST, 313.96 FEET;
THENCE, (20) SOUTH 57°29'21" EAST, 245.28 FEET;
THENCE, (21) NORTH 71°57'57" EAST, 188.28 FEET;
THENCE, (22) NORTH 40°13'20" EAST, 358.46 FEET;
THENCE, (23) SOUTH 84°54'08" EAST, 480.07 FEET;
THENCE, (24) NORTH 71°57'57" EAST, 2640.32 FEET TO THE POINT OF BEGINNING.

PARCEL "A" CONTAINING, 436.03 ACRES, MORE OR LESS.

PARCEL "B"

BEGINNING AT THE NORTHEAST CORNER OF LOT 33, ALSO BEING THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE, LEAVING THE EXISTING DISTRICT BOUNDARY, (25) SOUTH 18°39'05" EAST, 5280.03 FEET TO THE TRUE POINT OF BEGINNING, ALSO BEING THE NORTHEAST CORNER OF LOT 35;

THENCE, (26) SOUTH 18°39'29" EAST, 2945.12 FEET;

THENCE, (27) SOUTH 71°22'56" WEST, 2831.05 FEET TO THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE ALONG THE EXISTING DISTRICT BOUNDARY, (28) SOUTH 71°22'56" WEST, 2452.61 FEET;

THENCE LEAVING THE EXISTING DISTRICT BOUNDARY, (29) NORTH 18°37'59" WEST, 3499.98 FEET;

THENCE, (30) SOUTH 80°14'04" EAST, 600.89 FEET;

THENCE, (31) SOUTH 00°00'00" WEST, 280.40 FEET;

THENCE, (32) NORTH 90°00'00" EAST, 225.00 FEET;

THENCE, (33) SOUTH 00°00'00" WEST, 444.00 FEET;

(CONTINUED)

EXHIBIT "A"

ANNEXATION TO OTAY IMPROVEMENT DISTRICT NO. 22-27

GEOGRAPHIC DESCRIPTION

(CONTINUED)

THENCE, (34) NORTH 90°00'00" EAST, 2010.44 FEET;

THENCE, (35) NORTH 30°05'08" EAST, 272.69 FEET;

THENCE, (36) NORTH 32°38'34" EAST, 983.31 FEET TO THE BEGINNING OF A 220.00 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY;

THENCE, (37) NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 44°38'09" AN ARC DISTANCE OF 171.39 FEET;

THENCE, (38) NORTH 77°16'43" EAST, 503.98 FEET TO THE BEGINNING OF A 380.00 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY;

THENCE, (39) NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 29°49'01" AN ARC DISTANCE OF 197.75 FEET;

THENCE, (40) NORTH 47°27'41" EAST, 1010.73 FEET TO THE BEGINNING OF A 220.00 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY;

THENCE, (41) NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 23°41'22" AN ARC DISTANCE OF 90.96 FEET;

THENCE, (42) NORTH 71°09'03" EAST, 27.82 FEET;

THENCE, (43) SOUTH 18°39'05" EAST, 119.28 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT CERTAIN PARCEL OF LAND GRANTED TO THE CITY OF SAN DIEGO PER DEED RECORDED JUNE 24, 1912 IN BOOK 570, PAGE 113 OF DEEDS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 33, ALSO BEING THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE, LEAVING THE EXISTING DISTRICT BOUNDARY, (25) SOUTH 18°39'05" EAST, 5280.03 FEET TO THE NORTHEAST CORNER OF LOT 35;

THENCE, (26) SOUTH 18°39'29" EAST, 2945.12 FEET;

THENCE, (27) SOUTH 71°22'56" WEST, 2831.05 FEET TO THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE ALONG THE EXISTING DISTRICT BOUNDARY, (28) SOUTH 71°22'56" WEST, 2452.61 FEET;

(CONTINUED)

EXHIBIT "A"

ANNEXATION TO OTAY IMPROVEMENT DISTRICT NO. 22-27

GEOGRAPHIC DESCRIPTION

(CONTINUED)

THENCE LEAVING THE EXISTING DISTRICT BOUNDARY, (44) NORTH 18°37'59" WEST, 1113.25 FEET TO THE TRUE POINT OF BEGINNING;

THENCE, (45) NORTH 18°37'59" WEST, 100.02 FEET;

THENCE, (46) NORTH 72°23'33" EAST, 690.84 FEET TO THE BEGINNING OF A 306.48 FOOT RADIUS CURVE, CONCAVE SOUTHERLY;

THENCE, (47) EASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 14°30'00" AN ARC DISTANCE OF 77.56 FEET;

THENCE, (48) NORTH 86°53'33" EAST, 491.40 FEET TO THE BEGINNING OF A 266.48 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY;

THENCE, (49) NORTHEASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 60°01'41" AN ARC DISTANCE OF 279.19 FEET;

THENCE, (50) NORTH 26°51'52" EAST, 227.28 FEET;

THENCE, (51) NORTH 30°05'08" EAST, 858.20 FEET;

THENCE, (52) NORTH 90°00'00" EAST, 115.57 FEET;

THENCE, (53) SOUTH 30°05'08" WEST, 581.88 FEET;

THENCE, (54) SOUTH 59°54'52" EAST, 60.00 FEET;

THENCE, (55) SOUTH 30°05'08" WEST, 160.00 FEET;

THENCE, (56) SOUTH 80°03'19" WEST, 78.36 FEET;

THENCE, (57) SOUTH 30°05'08" WEST, 121.05 FEET;

THENCE, (58) SOUTH 26°51'52" WEST, 224.47 FEET TO THE BEGINNING OF A 366.48 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY

THENCE, (59) SOUTHWESTERLY ALONG THE ARC OF SAID, CURVE THROUGH A CENTRAL ANGLE OF 60°01'41" AN ARC DISTANCE OF 383.96 FEET;

THENCE, (60) SOUTH 86°53'33" WEST, 491.40 FEET TO THE BEGINNING OF A 206.48 FOOT RADIUS CURVE, CONCAVE SOUTHERLY;

THENCE, (61) WESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 14°30'00" AN ARC DISTANCE OF 52.25 FEET;

(CONTINUED)

EXHIBIT "A"

ANNEXATION TO OTAY IMPROVEMENT DISTRICT NO. 22-27

GEOGRAPHIC DESCRIPTION

(CONTINUED)

THENCE, (62) SOUTH 72°23'33" WEST, 689.05 FEET TO THE **TRUE POINT OF BEGINNING**.

PARCEL "B" CONTAINING, 296.46 ACRES, MORE OR LESS.

PARCEL "A" CONTAINING 436.03 ACRES, PARCEL "B" CONTAINING 296.46 ACRES. TOTAL COMPUTED ACREAGE CONTAINING 732.49 ACRES, MORE OR LESS.

DISCLAIMER: FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION IS NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS THE BASIS FOR AN OFFER FOR SALE OF THE LAND DESCRIBED.



DOUGLAS B. STROUP

3/24/15

P.L.S. 8553

HUNSAKER & ASSOCIATES SAN DIEGO, INC.



EXHIBIT A – LEGAL DESCRIPTION

VILLAGE 8 EAST

EXHIBIT "A"

ANNEXATION TO OTAY IMPROVEMENT DISTRICT NO. 22-27

GEOGRAPHIC DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY, BEING PORTIONS OF LOTS 23, 24 AND 25, AND ALL OF LOT 26 OF MAP NO. 862, SITUATED IN THE OTAY RANCHO, CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOW:

BEGINNING AT THE NORTHEAST CORNER OF LOT 23, ALSO BEING THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE, LEAVING THE EXISTING DISTRICT BOUNDARY, (1) SOUTH 18°40'35" EAST, 8171.36 FEET;

THENCE, (2) SOUTH 71°22'56" WEST, 5283.51 FEET;

THENCE, (3) NORTH 18°39'29" WEST, 2945.12 FEET TO THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE ALONG THE EXISTING DISTRICT BOUNDARY, (4) NORTH 71°58'17" EAST, 2641.65 FEET;

THENCE, (5) NORTH 18°40'05" WEST, 4197.38 FEET;

THENCE, (6) NORTH 62°10'49" EAST, 1153.82 FEET TO THE BEGINNING OF A 6500.00 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY;

THENCE, (7) NORTHEASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 02°43'27" AN ARC DISTANCE OF 309.05 FEET;

THENCE, (8) NORTH 20°05'27" WEST, 175.23 FEET;

THENCE, (9) NORTH 68°06'31" EAST, 26.62 FEET TO THE BEGINNING OF A 590.55 FOOT RADIUS NON-TANGENT CURVE, CONCAVE EASTERLY, A RADIAL LINE TO WHICH BEARS SOUTH 67°55'01" WEST,

THENCE, (10) NORTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 32°19'04" AN ARC DISTANCE OF 333.10 FEET;

THENCE, (11) NORTH 10°14'05" EAST, 389.66;

THENCE, LEAVING THE EXISTING DISTRICT BOUNDARY, (12) NORTH 71°57'57" EAST, 912.01 FEET; TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THOSE CERTAIN PARCELS OF LAND GRANTED TO THE STATE OF CALIFORNIA PER DEED RECORDED JUNE 21, 2006 AS DOCUMENT NO. 2006-0437364, AND TO THE CITY OF SAN DIEGO PER DEED RECORDED JUNE 24, 1912 IN BOOK 570, PAGE 113 OF DEEDS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 23, ALSO BEING A POINT ON THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE, (13) SOUTH 71°57'57" WEST, 22.33 FEET ALONG THE EXISTING BOUNDARY;

(CONTINUED)

EXHIBIT "A"

ANNEXATION TO OTAY IMPROVEMENT DISTRICT NO. 22-27

GEOGRAPHIC DESCRIPTION

(CONTINUED)

THENCE, LEAVING THE EXISTING DISTRICT BOUNDARY, (14) SOUTH 71°57'57" WEST, 103.89 FEET TO THE TRUE POINT OF BEGINNING OF SAID EXCEPTION;

THENCE, (15) SOUTH 27°33'10" EAST, 300.99 FEET;

THENCE, (16) SOUTH 32°25'24" EAST, 200.66 FEET;

THENCE, (17) SOUTH 36°48'48" EAST, 103.07 FEET;

THENCE, (18) SOUTH 18°40'35" EAST, 2975.14 FEET;

THENCE, (19) SOUTH 07°59'39" EAST, 62.59 FEET;

THENCE, (20) SOUTH 11°40'53" EAST, 80.36 FEET;

THENCE, (21) SOUTH 16°27'16" EAST, 81.65 FEET;

THENCE, (22) SOUTH 20°31'45" EAST, 85.66 FEET;

THENCE, (23) SOUTH 20°53'25" EAST, 99.43 FEET;

THENCE, (24) SOUTH 04°19'35" WEST, 96.86 FEET;

THENCE, (25) SOUTH 06°03'54" WEST, 226.83 FEET;

THENCE, (26) SOUTH 79°30'28" EAST, 93.20 FEET;

THENCE, (27) SOUTH 02°23'12" EAST, 62.05 FEET;

THENCE, (28) SOUTH 01°33'20" WEST, 4.39 FEET;

THENCE, (29) NORTH 79°53'28" EAST, 89.26 FEET;

THENCE, (30) SOUTH 18°40'35" EAST, 101.13 FEET;

THENCE, (31) SOUTH 79°53'28" WEST, 126.70 FEET;

THENCE, (32) SOUTH 06°36'18" WEST, 16.91 FEET;

THENCE, (33) SOUTH 45°00'17" WEST, 100.80 FEET;

THENCE, (34) SOUTH 01°23'44" WEST, 254.14 FEET;

THENCE, (35) SOUTH 11°22'17" WEST, 98.82 FEET;

THENCE, (36) SOUTH 13°44'59" WEST, 93.60 FEET;

(CONTINUED)

EXHIBIT "A"

ANNEXATION TO OTAY IMPROVEMENT DISTRICT NO. 22-27

GEOGRAPHIC DESCRIPTION

(CONTINUED)

THENCE, (37) SOUTH 31°07'16" WEST, 92.60 FEET;

THENCE, (38) SOUTH 16°38'48" WEST, 74.80 FEET;

THENCE, (39) SOUTH 08°41'59" WEST, 84.09 FEET;

THENCE, (40) SOUTH 17°25'18" WEST, 91.60 FEET;

THENCE, (41) SOUTH 25°51'16" WEST, 85.46 FEET;

THENCE, (42) SOUTH 01°52'49" WEST, 296.08 FEET;

THENCE, (43) SOUTH 12°15'52" EAST, 114.59 FEET;

THENCE, (44) SOUTH 03°15'45" WEST, 104.75 FEET TO THE BEGINNING OF A 208.85 FOOT RADIUS NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, A RADIAL LINE TO WHICH BEARS SOUTH 77°41'31" EAST;

THENCE, (45) SOUTHWESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 76°00'20" AN ARC DISTANCE OF 277.05 FEET;

THENCE, (46) SOUTH 16°12'01" WEST, 516.13 FEET TO THE BEGINNING OF A 5124.33 FOOT RADIUS CURVE, CONCAVE EASTERLY;

THENCE, (47) SOUTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 23°16'44" AN ARC DISTANCE OF 2081.99 FEET;

THENCE, (48) SOUTH 71°22'56" WEST, 269.10 FEET TO THE BEGINNING OF A 5388.36 FOOT RADIUS NON-TANGENT CURVE, CONCAVE EASTERLY, A RADIAL LINE TO WHICH BEARS SOUTH 82°34'31" WEST;

THENCE, (49) NORTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 23°50'02" AN ARC DISTANCE OF 2241.46 FEET;

THENCE, (50) NORTH 16°21'17" EAST, 514.20 FEET;

THENCE, (51) NORTH 17°02'23" WEST, 144.58 FEET;

THENCE, (52) NORTH 12°54'18" EAST, 185.91 FEET;

THENCE, (53) NORTH 48°37'43" EAST, 24.40 FEET;

THENCE, (54) NORTH 46°00'30" EAST, 70.43 FEET;

THENCE, (55) NORTH 56°36'30" EAST, 23.20 FEET;

THENCE, (56) NORTH 07°07'55" EAST, 34.21 FEET;

THENCE, (57) NORTH 07°23'01" EAST, 669.55 FEET;

(CONTINUED)

EXHIBIT "A"

ANNEXATION TO OTAY IMPROVEMENT DISTRICT NO. 22-27

GEOGRAPHIC DESCRIPTION

(CONTINUED)

THENCE, (58) NORTH 21°25'33" EAST, 151.67 FEET;

THENCE, (59) NORTH 08°31'16" WEST, 94.21 FEET;

THENCE, (60) SOUTH 71°41'28" WEST, 372.54 FEET TO THE BEGINNING OF A 366.48 FOOT RADIUS CURVE, CONCAVE NORTHERLY;

THENCE, (61) WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 27°32'56" AN ARC DISTANCE OF 176.21 FEET;

THENCE, (62) NORTH 80°45'36" WEST, 1642.06 FEET TO THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE ALONG THE EXISTING DISTRICT BOUNDARY, (63) NORTH 18°40'05" WEST, 113.16 FEET;

THENCE LEAVING THE EXISTING DISTRICT BOUNDARY, (64) SOUTH 80°45'36" EAST, 1695.02 FEET TO THE BEGINNING OF A 266.48 FOOT RADIUS CURVE, CONCAVE NORTHERLY;

THENCE, (65) EASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 27°32'56" AN ARC DISTANCE OF 128.13 FEET;

THENCE, (66) NORTH 71°41'28" EAST, 389.79 FEET;

THENCE, (67) NORTH 08°31'16" WEST, 34.90 FEET;

THENCE, (68) NORTH 03°22'36" EAST, 409.30 FEET;

THENCE, (69) NORTH 06°16'18" WEST, 470.79 FEET;

THENCE, (70) NORTH 15°10'34" WEST, 376.40 FEET;

THENCE, (71) NORTH 09°51'12" WEST, 250.40 FEET;

THENCE, (72) NORTH 03°32'38" WEST, 12.23 FEET;

THENCE, (73) NORTH 01°56'51" WEST, 81.47 FEET;

THENCE, (74) NORTH 06°16'59" EAST, 21.48 FEET;

THENCE, (75) NORTH 10°08'21" EAST, 101.43 FEET;

THENCE, (76) NORTH 16°11'16" WEST, 23.17 FEET;

THENCE, (77) NORTH 27°57'54" WEST, 62.26 FEET;

THENCE, (78) NORTH 27°28'31" WEST, 81.51 FEET;

(CONTINUED)

EXHIBIT "A"

ANNEXATION TO OTAY IMPROVEMENT DISTRICT NO. 22-27

GEOGRAPHIC DESCRIPTION

(CONTINUED)

THENCE, (79) NORTH 24°54'06" WEST, 80.66 FEET;
THENCE, (80) NORTH 24°16'07" WEST, 83.32 FEET;
THENCE, (81) NORTH 26°54'16" WEST, 77.44 FEET;
THENCE, (82) NORTH 23°49'21" WEST, 9.49 FEET;
THENCE, (83) NORTH 21°53'05" WEST, 60.52 FEET;
THENCE, (84) NORTH 32°22'09" WEST, 84.98 FEET;
THENCE, (85) NORTH 33°21'12" WEST, 75.02 FEET;
THENCE, (86) NORTH 28°15'19" WEST, 71.01 FEET;
THENCE, (87) NORTH 18°01'30" WEST, 90.72 FEET;
THENCE, (88) NORTH 06°57'05" WEST, 87.91 FEET;
THENCE, (89) NORTH 11°34'31" WEST, 72.69 FEET;
THENCE, (90) NORTH 09°17'26" WEST, 52.21 FEET;
THENCE, (91) NORTH 29°15'47" WEST, 655.97 FEET;
THENCE, (92) NORTH 37°37'04" WEST, 637.18 FEET;
THENCE, (93) NORTH 27°36'15" WEST, 213.31 FEET;
THENCE, (94) NORTH 20°26'27" WEST, 266.83 FEET;
THENCE, (95) NORTH 71°57'57" EAST, 534.02 FEET TO THE **TRUE POINT OF BEGINNING** OF SAID EXCEPTION.

CONTAINING, 565.35 ACRES, MORE OR LESS.

DISCLAIMER: FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION IS NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS THE BASIS FOR AN OFFER FOR SALE OF THE LAND DESCRIBED.



DOUGLAS B. STROUP
HUNSAKER & ASSOCIATES SAN DIEGO, INC.

3/24/15
P.L.S. 8553



EXHIBIT A – LEGAL DESCRIPTION

VILLAGE 10

EXHIBIT "A"

ANNEXATION TO OTAY IMPROVEMENT DISTRICT NO. 22-27

GEOGRAPHIC DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY, BEING PORTIONS OF LOTS 13 AND 14, AND ALL OF LOT 15, OF MAP NO. 862, SITUATED IN THE OTAY RANCHO, CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOW:

BEGINNING AT THE NORTHEAST CORNER OF LOT 13, ALSO BEING THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE, LEAVING THE EXISTING DISTRICT BOUNDARY, (1) SOUTH $18^{\circ} 41'55''$ EAST, 8117.61 FEET TO THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE ALONG THE EXISTING DISTRICT BOUNDARY, (2) SOUTH $71^{\circ} 22'56''$ WEST, 841.02 FEET;

THENCE LEAVING THE EXISTING DISTRICT BOUNDARY, (3) SOUTH $71^{\circ} 22'56''$ WEST, 1800.76 FEET;

THENCE, (4) NORTH $18^{\circ} 41'14''$ WEST, 7168.62 FEET;

THENCE, (5) NORTH $46^{\circ} 25'40''$ EAST, 495.29 FEET;

THENCE, (6) NORTH $34^{\circ} 04'54''$ EAST, 732.68 FEET;

THENCE, (7) NORTH $42^{\circ} 51'05''$ EAST, 265.78 FEET;

THENCE, (8) NORTH $50^{\circ} 13'24''$ EAST, 315.59 FEET;

THENCE, (9) NORTH $41^{\circ} 33'34''$ WEST, 72.14 FEET;

THENCE, (10) NORTH $71^{\circ} 57'55''$ EAST, 1107.50 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT CERTAIN PARCEL OF LAND GRANTED TO THE CITY OF SAN DIEGO PER DEED RECORDED JUNE 24, 1912 IN BOOK 570, PAGE 113 OF DEEDS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 13, ALSO BEING A POINT ON THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE, LEAVING THE EXISTING DISTRICT BOUNDARY, (11) SOUTH $18^{\circ} 41'55''$ EAST, 3954.43 FEET TO THE TRUE POINT OF BEGINNING;

THENCE, (12) SOUTH $18^{\circ} 41'55''$ EAST, 103.04 FEET;

THENCE, (13) SOUTH $85^{\circ} 14'40''$ WEST, 37.52 FEET TO THE BEGINNING OF A 206.48 FOOT RADIUS CURVE, CONCAVE SOUTHERLY;

THENCE, (14) WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF $20^{\circ} 00'51''$ AN ARC DISTANCE OF 72.13 FEET;

THENCE, (15) SOUTH $65^{\circ} 13'49''$ WEST, 465.15 FEET TO THE BEGINNING OF A 206.48 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY;

(CONTINUED)

EXHIBIT "A"

ANNEXATION TO OTAY IMPROVEMENT DISTRICT NO. 22-27

GEOGRAPHIC DESCRIPTION

(CONTINUED)

THENCE, (16) SOUTHWESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 10° 00'14" AN ARC DISTANCE OF 36.05 FEET;

THENCE, (17) SOUTH 55° 13'35" WEST, 330.20 FEET TO THE BEGINNING OF A 366.48 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY;

THENCE, (18) SOUTHWESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 20° 00'10" AN ARC DISTANCE OF 127.94 FEET;

THENCE, (19) SOUTH 75° 13'45" WEST, 540.16 FEET;

THENCE, (20) SOUTH 79° 16'48" WEST, 605.95 FEET TO THE BEGINNING OF A 149.18 FOOT RADIUS CURVE, CONCAVE SOUTHERLY;

THENCE, (21) WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 19° 04'19" AN ARC DISTANCE OF 49.66 FEET;

THENCE, (22) SOUTH 60° 12'29" WEST, 410.51 FEET;

THENCE, (23) NORTH 18° 41'14" WEST, 101.91 FEET;

THENCE, (24) NORTH 60° 12'29" EAST, 390.88 FEET TO THE BEGINNING OF A 249.18 FOOT RADIUS CURVE, CONCAVE SOUTHERLY;

THENCE, (25) EASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 19° 04'19" AN ARC DISTANCE OF 82.94 FEET;

THENCE, (26) NORTH 79° 16'48" EAST, 602.42 FEET;

THENCE, (27) NORTH 75° 13'45" EAST, 536.63 FEET TO THE BEGINNING OF A 266.48 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY;

THENCE, (28) NORTHEASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 20° 00'10" AN ARC DISTANCE OF 93.03 FEET;

THENCE, (29) NORTH 55° 13'35" EAST, 330.20 FEET TO THE BEGINNING OF A 306.48 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY;

THENCE, (30) NORTHEASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 10° 00'14" AN ARC DISTANCE OF 53.51 FEET;

THENCE, (31) NORTH 65° 13'49" EAST, 465.15 FEET TO THE BEGINNING OF A 306.48 FOOT RADIUS CURVE, CONCAVE SOUTHERLY;

(CONTINUED)

EXHIBIT "A"

ANNEXATION TO OTAY IMPROVEMENT DISTRICT NO. 22-27

GEOGRAPHIC DESCRIPTION

(CONTINUED)

THENCE, (32) EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 20° 00'51" AN ARC DISTANCE OF 107.06 FEET;

THENCE, (33) NORTH 85° 14'40" EAST, 12.70 FEET TO THE **TRUE POINT OF BEGINNING** OF SAID EXCEPTION.

CONTAINING, 468.53 ACRES, MORE OR LESS.

DISCLAIMER: FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION IS NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS THE BASIS FOR AN OFFER FOR SALE OF THE LAND DESCRIBED.



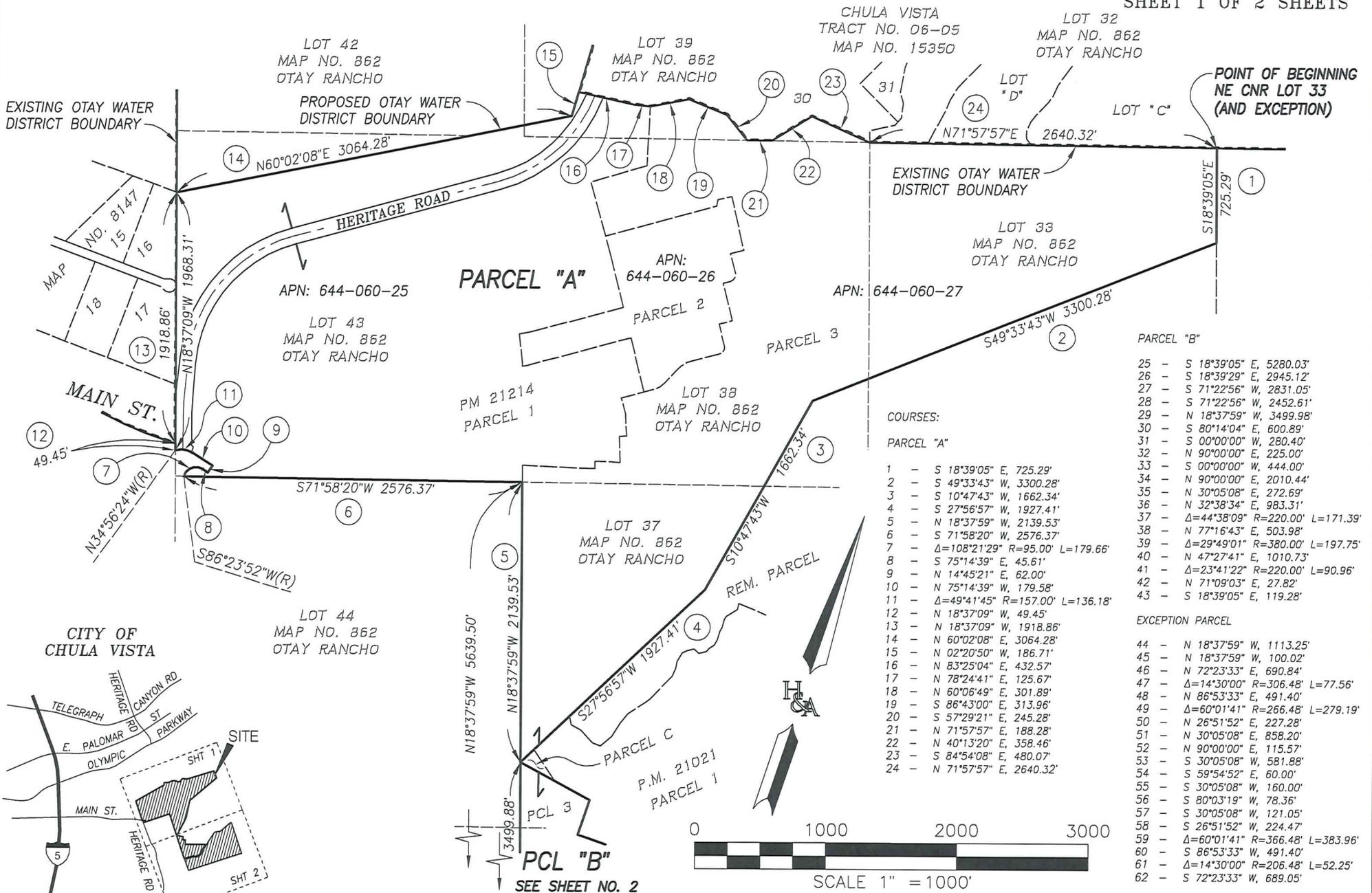
DOUGLAS B. STROUP
HUNSAKER & ASSOCIATES SAN DIEGO, INC.

3/24/15
P.L.S. 8553



EXHIBIT B – LEGAL MAP

VILLAGE 3



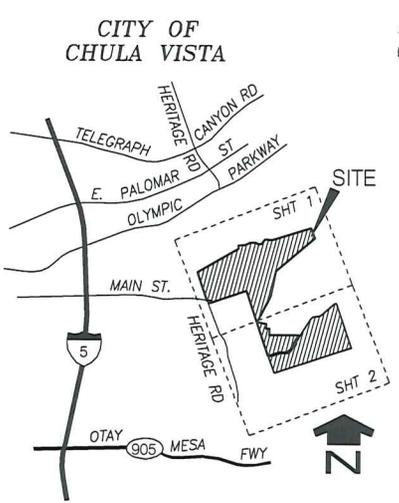
COURSES:

PARCEL "A"

1	- S 18°39'05" E, 725.29'
2	- S 49°33'43" W, 3300.28'
3	- S 10°47'43" W, 1662.34'
4	- S 27°56'57" W, 1927.41'
5	- N 18°37'59" W, 2139.53'
6	- S 71°58'20" W, 2576.37'
7	- Δ=108°21'29" R=95.00' L=179.66'
8	- S 75°14'39" E, 45.61'
9	- N 14°45'21" E, 62.00'
10	- N 75°14'39" W, 179.58'
11	- Δ=49°41'45" R=157.00' L=136.18'
12	- N 18°37'09" W, 49.45'
13	- N 18°37'09" W, 1918.86'
14	- N 60°02'08" E, 3064.28'
15	- N 02°20'50" W, 186.71'
16	- N 83°25'04" E, 432.57'
17	- N 78°24'41" E, 125.67'
18	- N 60°06'49" E, 301.89'
19	- S 86°43'00" E, 313.96'
20	- S 57°29'21" E, 245.28'
21	- N 71°57'57" E, 188.28'
22	- N 40°13'20" E, 358.46'
23	- S 84°54'08" E, 480.07'
24	- N 71°57'57" E, 2640.32'

EXCEPTION PARCEL

25	- S 18°39'05" E, 5280.03'
26	- S 18°39'29" E, 2945.12'
27	- S 71°22'56" W, 2831.05'
28	- S 71°22'56" W, 2452.61'
29	- N 18°37'59" W, 3499.98'
30	- S 80°14'04" E, 600.89'
31	- S 00°00'00" W, 280.40'
32	- N 90°00'00" E, 225.00'
33	- S 00°00'00" W, 444.00'
34	- N 90°00'00" E, 2010.44'
35	- N 30°05'08" E, 272.69'
36	- N 32°38'34" E, 983.31'
37	- Δ=44°38'09" R=220.00' L=171.39'
38	- N 77°16'43" E, 503.98'
39	- Δ=29°49'01" R=380.00' L=197.75'
40	- N 47°27'41" E, 1010.73'
41	- Δ=23°41'22" R=220.00' L=90.96'
42	- N 71°09'03" E, 27.82'
43	- S 18°39'05" E, 119.28'



_____ EXISTING OTAY WATER DISTRICT BOUNDARY
 _____ PROPOSED OTAY WATER DISTRICT BOUNDARY
 _____ EXISTING PARCELS

DOUGLAS B. STROUP
 L.S. 8553
 EXP. 12/31/16



ASSESSOR'S PARCEL NUMBERS: 644-060-(25-27), 645-030-20	LAFCO RESOLUTION NO. N/A	ACREAGE 732.49	DATE: 3/13/15	SCALE: 1"=1000'
--	-----------------------------	-------------------	------------------	--------------------

CITY OF CHULA VISTA TRACT NO. _____

BEING A PORTION OF THE OTAY RANCHO IN THE CITY OF CHULA VISTA, CA IN THE COUNTY OF SAN DIEGO, CA

HUNSAKER & ASSOCIATES SAN DIEGO, INC.
 PLANNING - ENGINEERING - SURVEYING
 9707 WAPLES STREET, SAN DIEGO, CA 92121
 (858) 558-4500 - FAX (858) 558-1414

DISCLAIMER:
 "FOR ASSESSMENT PURPOSES ONLY. THE DESCRIPTION OF LAND IS NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS THE BASIS FOR AN OFFER FOR SALE OF THE LAND DESCRIBED."

SEE SHEET NO. 1

EXISTING OTAY WATER DISTRICT BOUNDARY

N71°57'57"E
2640.32'

POINT OF BEGINNING
NE CNR LOT 33
(AND EXCEPTION)

LOT 33
MAP NO. 862
OTAY RANCHO

APN: 644-060-19

SEE SHEET NO. 1

LOT 28
MAP NO. 862
OTAY RANCHO

LOT 44
MAP NO. 862
OTAY RANCHO

PCL "A"

LOT 37
MAP NO. 862
OTAY RANCHO

APN: 644-060-27
PM 21214
PARCEL 3

LOT 34
MAP NO. 862
OTAY RANCHO

P.M. 21021
PARCEL 1
(APN: 644-060-20)

LOT 27
MAP NO. 862
OTAY RANCHO

LOT 45
MAP NO. 862
OTAY RANCHO

PCL "B"

P.M. 20264
PARCEL 2
1894.87'

PARCEL "B"

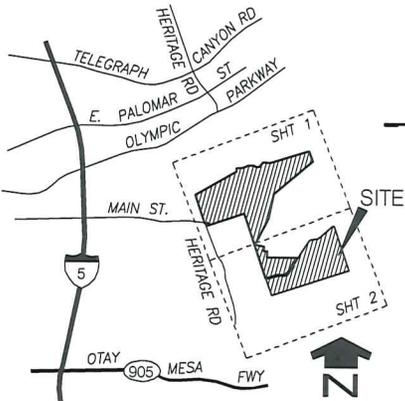
PM 21214
PARCEL 3

TRUE POINT OF BEGINNING (PARCEL "B")
NE CORNER LOT 35

LOT 26
MAP NO. 862
OTAY RANCHO

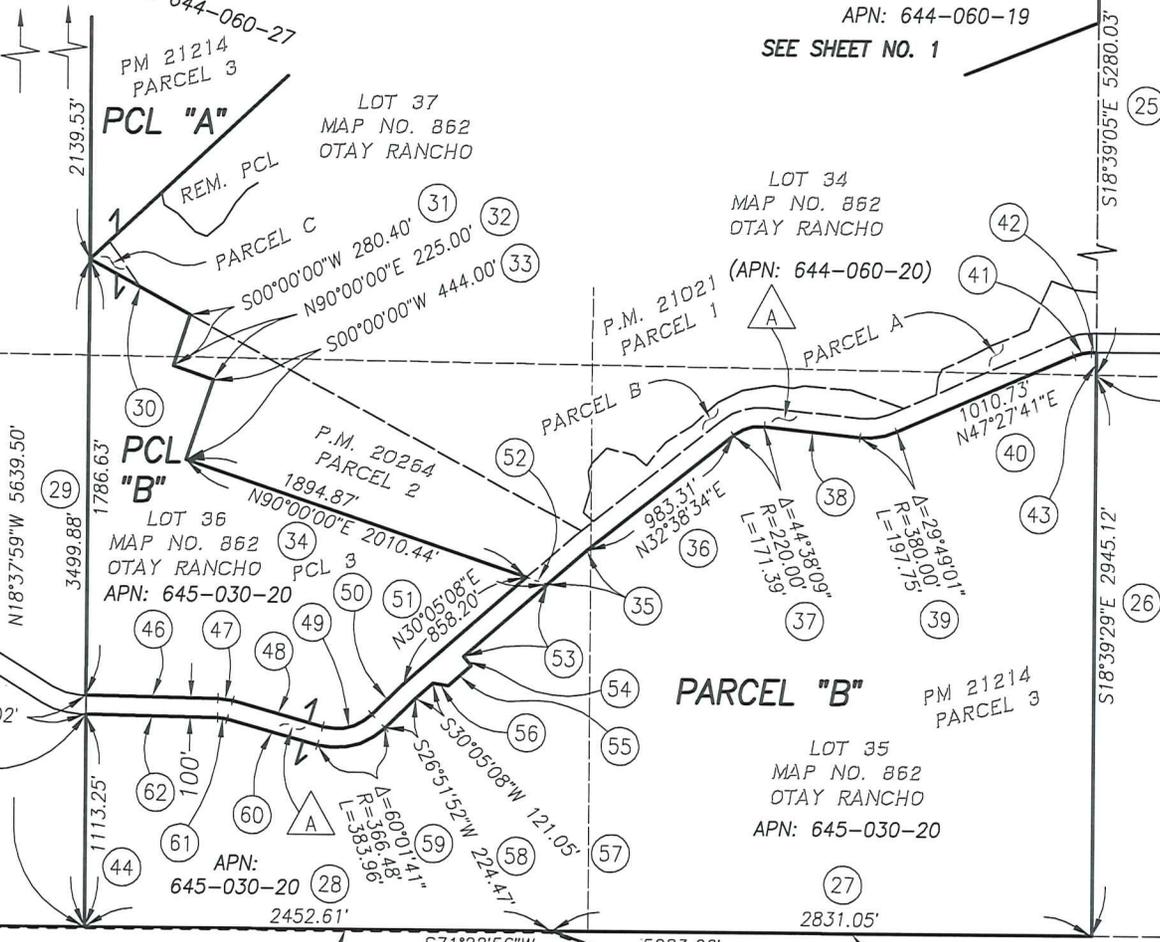
TRUE POINT OF BEGINNING
(EXCEPTION)

CITY OF CHULA VISTA



VICINITY MAP

NOT TO SCALE



- EXISTING OTAY WATER DISTRICT BOUNDARY
- PROPOSED OTAY WATER DISTRICT BOUNDARY
- - - EXISTING PARCELS



EXISTING RIGHT-OF-WAY GRANTED TO THE CITY OF SAN DIEGO PER DOCUMENT RECORDED JUNE 24, 1912 IN BOOK 570, PAGE 113 OF DEEDS.

DOUGLAS B. STROUP
EXP. 12/31/16

L.S. 8553

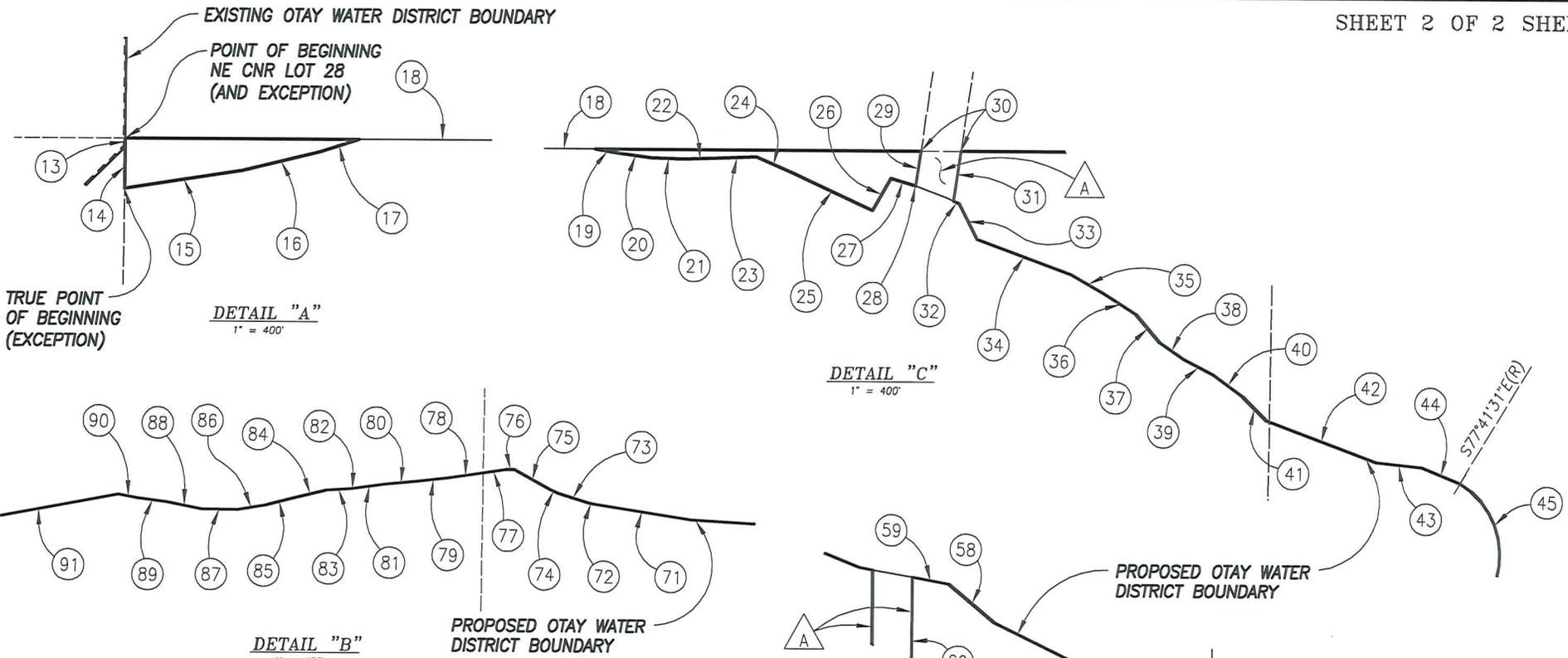


SCALE 1" = 1000'

ASSESSOR'S PARCEL NUMBERS: 644-060-(25-27), 645-030-20	LAFCO RESOLUTION NO. N/A	ACREAGE 732.49	DATE: 3/13/15	SCALE: 1"=1000'
CITY OF CHULA VISTA TRACT NO. _____		HUNSAKER & ASSOCIATES SAN DIEGO, INC. PLANNING - ENGINEERING - SURVEYING 9707 WAPLES STREET, SAN DIEGO, CA 92121 (858) 558-4500 - FAX (858) 558-1414		
BEING A PORTION OF THE OTAY RANCHO IN THE CITY OF CHULA VISTA, CA IN THE COUNTY OF SAN DIEGO, CA				

EXHIBIT B – LEGAL MAP

VILLAGE 8 EAST



TRUE POINT OF BEGINNING (EXCEPTION)

DETAIL "A"
1" = 400'

DETAIL "C"
1" = 400'

DETAIL "B"
1" = 400'

DETAIL "D"
1" = 400'

COURSES:

- 1 - S18°40'35"E 8171.36'
- 2 - S71°22'56"W 5283.51'
- 3 - N18°39'29"W 2945.12'
- 4 - N71°58'17"E 2641.65'
- 5 - N18°40'05"W 4197.38'
- 6 - N62°10'49"E 1153.82'
- 7 - Δ=02°43'27" R=6500.00' L=309.05'
- 8 - N20°05'27"W 175.23'
- 9 - N68°06'31"E 26.62'
- 10 - Δ=32°19'04" R=590.55' L=333.10'
- 11 - N10°14'05"E 389.66'
- 12 - N71°57'57"E 912.01'

EXCEPTION PARCEL CONTINUED:

- 31 - S 79°53'28" W 126.70'
- 32 - S 06°36'18" W 16.91'
- 33 - S 45°00'17" W 100.80'
- 34 - S 01°23'44" W 254.14'
- 35 - S 11°22'17" W 98.82'
- 36 - S 13°44'59" W 93.60'
- 37 - S 31°07'16" W 92.60'
- 38 - S 16°38'48" W 74.80'
- 39 - S 08°41'59" W 84.09'
- 40 - S 17°25'18" W 91.60'
- 41 - S 25°51'16" W, 85.46'
- 42 - S 01°52'49" W, 296.08'
- 43 - S 12°15'52" E, 114.59'
- 44 - S 03°15'45" W, 104.75'
- 45 - Δ=76°00'20" R=208.85 L=277.05'
- 46 - S 16°12'01" W, 516.13'
- 47 - Δ=23°16'44" R=5124.33' L=2081.99'
- 48 - S 71°22'56" W, 269.10'
- 49 - Δ=23°50'02" R=5388.36' L=2241.46'
- 50 - N 16°21'17" E, 514.20'
- 51 - N 17°02'23" W, 144.58'
- 52 - N 12°54'18" E, 185.91'
- 53 - N 48°37'43" E, 24.40'
- 54 - N 46°00'30" E, 70.43'
- 55 - N 56°36'30" E, 23.20'
- 56 - N 07°07'55" E, 34.21'
- 57 - N 07°23'01" E, 669.55'
- 58 - N 21°25'33" E, 151.67'
- 59 - N 08°31'16" W, 94.21'
- 60 - S 71°41'28" W, 372.54'
- 61 - Δ=27°32'56" R=366.48' L=176.21'
- 62 - N 80°45'36" W, 1642.06'
- 63 - N 18°40'05" W, 113.16'
- 64 - S 80°45'36" E, 1695.02'
- 65 - Δ=27°32'56" R=266.48' L=128.13'

EXCEPTION PARCEL CONTINUED:

- 66 - N 71°41'28" E, 389.79'
- 67 - N 08°31'16" W, 34.90'
- 68 - N 03°22'36" E, 409.30'
- 69 - N 06°16'18" W, 470.79'
- 70 - N 15°10'34" W, 376.40'
- 71 - N 09°51'12" W, 250.40'
- 72 - N 03°32'38" W, 12.23'
- 73 - N 01°56'51" W, 81.47'
- 74 - N 06°16'59" E, 21.48'
- 75 - N 10°08'21" E, 101.43'
- 76 - N 16°11'16" W, 23.17'
- 77 - N 27°57'54" W, 62.26'
- 78 - N 27°28'31" W, 81.51'
- 79 - N 24°54'06" W, 80.66'
- 80 - N 24°16'07" W, 83.32'
- 81 - N 26°54'16" W, 77.44'
- 82 - N 23°49'21" W, 9.49'
- 83 - N 21°53'05" W, 60.52'
- 84 - N 32°22'09" W, 84.98'
- 85 - N 33°21'12" W, 75.02'
- 86 - N 28°15'19" W, 71.01'
- 87 - N 18°01'30" W, 90.72'
- 88 - N 06°57'05" W, 87.91'
- 89 - N 11°34'31" W, 72.69'
- 90 - N 09°17'26" W, 52.21'
- 91 - N 29°15'47" W, 655.97'
- 92 - N 37°37'04" W, 637.18'
- 93 - N 27°36'15" W, 213.31'
- 94 - N 20°26'27" W, 266.83'
- 95 - N 71°57'57" E, 534.02'

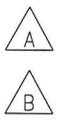
EXCEPTION PARCEL

- 13 - S 71°57'57" W 22.33'
- 14 - S 71°57'57" W 103.89'
- 15 - S 27°33'10" E 300.99'
- 16 - S 32°25'24" E 200.66'
- 17 - S 36°48'48" E 103.07'
- 18 - S 18°40'35" E 2975.14'
- 19 - S 07°59'39" E 62.59'
- 20 - S 11°40'53" E 80.36'
- 21 - S 16°27'16" E 81.65'
- 22 - S 20°31'45" E 85.66'
- 23 - S 20°53'25" E 99.43'
- 24 - S 04°19'35" W 96.86'
- 25 - S 06°03'54" W 226.83'
- 26 - S 79°30'28" E 93.20'
- 27 - S 02°23'12" E 62.05'
- 28 - S 01°33'20" W 4.39'
- 29 - N 79°53'28" E 89.26'
- 30 - S 18°40'35" E 101.13'

DOUGLAS B. STROUP
L.S. 8553
3/24/15
EXP. 12/31/16



- EXISTING OTAY WATER DISTRICT BOUNDARY
- PROPOSED OTAY WATER DISTRICT BOUNDARY
- - - EXISTING PARCELS



EXISTING RIGHT-OF-WAY GRANTED TO THE CITY OF SAN DIEGO PER DOCUMENT RECORDED JUNE 24, 1912 IN BOOK 570, PAGE 113, OF DEEDS.

EXISTING RIGHT-OF-WAY GRANTED TO THE STATE OF CALIFORNIA PER DOCUMENT RECORDED JUNE 21, 2006 AS DOC. NO. 2006-437364 OF O.R.

ASSESSOR'S PARCEL NUMBERS: 644-070-21, 646-010-07	LAFCO RESOLUTION NO. N/A	ACREAGE 565.35	DATE: 3/13/15	SCALE: 1"=400'
CITY OF CHULA VISTA TRACT NO. _____		HUNSAKER & ASSOCIATES SAN DIEGO, INC. PLANNING - ENGINEERING - SURVEYING 9707 WAPLES STREET, SAN DIEGO, CA 92121 (858) 558-4500 - FAX (858) 558-1414		
BEING A PORTION OF THE OTAY RANCHO IN THE CITY OF CHULA VISTA, CA IN THE COUNTY OF SAN DIEGO, CA				

EXHIBIT B – LEGAL MAP

VILLAGE 10

AGENDA ITEM 7c



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	May 6, 2015
SUBMITTED BY:	Dan Martin Engineering Manager	PROJECT:	VARIOUS DIV.NO. ALL
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief, Engineering <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Award of As-Needed Construction Management and Inspection Services Contract in an amount not-to-exceed \$350,000 for Fiscal Years 2016 and 2017		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) award a professional As-Needed Construction Management and Inspection Services (CMIS) contract to Alyson Consulting (Alyson) and to authorize the General Manager to execute an agreement with Alyson in an amount not-to-exceed \$350,000 for a period of two (2) fiscal years, FY 2016 and FY 2017 (ending June 30, 2017).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to enter into a professional As-Needed CMIS agreement with Alyson in an amount not-to-exceed \$350,000 for two (2) fiscal years, FY 2016 and FY 2017 (ending June 30, 2017).

ANALYSIS:

The District will require the services of a professional CMIS consultant in support of the District's Capital Improvement Program (CIP) projects for two (2) fiscal years, FY 2016 and FY 2017 (ending June 30, 2017).

The District has used an as-needed contract for construction management and inspection over the last two fiscal years. The annual effort of the As-Needed CMIS, used to support the District's CIP from January 2013 through January 2015, averaged hours that equated to less than a full-time employee (FTE) at a rate of 0.4 FTE per year. Use of the As-Needed CMIS will provide the District with the ability to obtain consulting services in a timely and efficient manner. An analysis of the CIP workload for FY 2016 and FY 2017 indicates a similar level of effort will be needed for construction management services.

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

The anticipated CIP projects that are estimated to require construction management and partial inspection for the duration of this contract are listed below:

CIP	Capital Facilities Project	ESTIMATED COST
P2267	36-Inch Main Pump Outs and Air/Vacuum Ventilation Installations	\$10,000
P2529	711-2 Reservoir Interior/Exterior Coating	\$25,000
P2530	711-1 Reservoir Interior/Exterior Coating	\$30,000
P2537	Operations Yard Property Improvements	\$20,000
P2541	624 Pressure Zone Pressure Reducing Stations	\$15,000
R2110	944-1 Optimization and Pressure Zone Modifications	\$10,000
S2033	Sewer System Rehabilitation Rancho San Diego Phase I	\$75,000
S2024	Campo Road Sewer Replacement	\$145,000
TOTAL:		\$330,000

The CMIS scopes of work for the above projects are estimated from preliminary information and past projects. Therefore, staff

believes that a \$350,000 cap on the As-Needed CMIS contract is adequate, while still providing additional capacity for unforeseen support needs by the District.

This As-Needed CMIS 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 that it will expend all of the funds authorized by the contract on professional services.

The District solicited for Construction Management and Inspection Services by placing an advertisement on the Otay Water District's website on January 27, 2015 with various other publications including the San Diego Daily Transcript. Nine (9) firms submitted a Letter of Interest and a Statement of Qualifications. The Request for Proposal (RFP) for As-Needed CMIS was sent to the nine (9) firms resulting in four (4) proposals received by February 27, 2015.

- Alyson Consulting, San Diego, CA
- Dudek & Associates, Inc., Encinitas, CA
- Hill International, Inc., Ontario, CA
- Bureau Veritas North America, Inc., Sacramento, CA

The five (5) firms located in San Diego that chose not to propose are CALTROP Corporation, Hoch Consulting, Kal Krishnan Consulting Services, Inc., Nuera Project Consulting, LLC, and Vali Cooper & Associates, Inc.

In accordance with the District's Policy 21, staff evaluated and scored all written proposals and interviewed the top three (3) firms on March 26, 2015. Alyson received the highest score for their services based on their experience, understanding of the scopes of work, proposed method to accomplish the work, and their composite hourly rate. Alyson was the most qualified consultant with the best overall rating or ranking score. A summary of the complete evaluation is shown in Attachment B.

Alyson submitted the Company Background Questionnaire as required by the RFP and staff did not find any outstanding issues. In addition, staff checked their references and performed an internet search on the company. Staff found the references to be excellent and did not find any outstanding issues with the internet search. Alyson is providing these services to the District under the District's current CMIS contract. Staff found that Alyson's performance under the current contract has been exceptional.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

The funds for this contract will be expended for a variety of projects, as previously noted above. This contract is for as-needed 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 services on a specific CIP project.

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

The Finance Department has determined that the funds to cover this contract will be available as budgeted for these projects.

STRATEGIC GOAL:

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

LEGAL IMPACT:

None.

General Manager

F:\WORKING\As Needed Services\Construction Management\As Needed CM & Inspection Svcs FY16, FY17\Staff Report\BD 5-6-15_As-Needed CMIS FY16 - FY17_Staff Report\Staff Report, As-Needed Engineering Construction Management and Inspection Services 3-30-15.docx

DM:mlc

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



ATTACHMENT A

SUBJECT/PROJECT:	Award of As-Needed Construction Management and Inspection Services Contract in an amount not-to-exceed \$350,000 for Fiscal Years 2016 and 2017
VARIOUS	

COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on April 21, 2015, and the following comments were made:

- Staff recommended that the Board award a professional As-Needed Construction Management and Inspection Services (CMIS) contract to Alyson Consulting (Alyson) and to authorize the General Manager to execute an agreement with Alyson in an amount not-to-exceed \$350,000 for a period of two (2) fiscal years, FY 2016 and FY 2017 (ending June 30, 2017).
- It was discussed that staff analyzed the level of effort needed for construction management services over the last two fiscal years which equated to less than a full-time employee at a rate of 0.4. Staff anticipates a similar level of effort for construction management for FYs 2016 and 2017.
- Staff stated that the District will require the services of an as-needed construction management and inspection services consultant to support the District's Capital Improvement Program (CIP) for FYs 2016 and 2017.
- The CIP projects that are supported by construction management include reservoir coating projects, sewer replacement and rehabilitation projects, and potable and recycled water system improvement projects. Please refer to Page 2 of the staff report for detailed information about these projects.
- Staff stated that their selection process was in accordance to the District's Policy 21. Nine (9) firms submitted a letter of interest and four (4) firms submitted a proposal. It was noted that five (5) staff members reviewed the proposal and also participated in interviews for three firms that were

shortlisted. The results of the analysis are shown in Attachment B of the staff report.

- It was indicated that Alyson Consulting of San Diego received the highest score. Staff checked Alyson's references, reviewed their Company Background Questionnaire form, and performed an internet search on the company and did not find any significant issues. Staff noted that Alyson is registering with the Department of Industrial Relations which is a new requirement of Senate Bill 854.
- Staff stated that Alyson is relatively a new company; however, the individuals proposed on this project have worked with the District on past projects with previous firms and they are currently providing As-Needed Construction Management and Inspection services. It was highlighted that Alyson's performance has been exceptional.
- The Committee commented that Alyson Consulting's score of 138 was significantly higher than the other candidate's score. Staff stated that during the interview process, Alyson came prepared with Alyson's Construction Manager (CM) and Inspection staff that would be directly assigned to the contract. Alyson's CM responded directly to the Selection Panel's questions. Staff noted that it was nice to personally meet the construction management team who would work directly with District staff on projects; this feedback was provided to the other candidates for future reference. In addition, staff was impressed with Alyson's thought process about environmental and community issues. It was noted that Alyson's proposed fees were also the lowest.
- The Committee commented that the District's selection process is the most transparent process that they have ever seen as candidates are provided detailed information about request for proposals as well as feedback after the selection process has been completed.
- In response to a question by the Committee, staff stated that the District's estimate of services required in support of construction is pretty accurate. In addition, it was noted that District staff closely monitors consultants' expenditures to ensure value and avoid their exceeding contract amount.

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

**ATTACHMENT B
SUMMARY OF PROPOSAL RANKINGS
As-Needed Construction Management and Inspection Services**

		WRITTEN							ORAL						TOTAL SCORE	REFERENCES		
		Qualifications of Staff	Understanding of Scope, Schedule and Resources	Soundness and Viability of Proposed Project Plan	INDIVIDUAL SUBTOTAL - WRITTEN	AVERAGE SUBTOTAL - WRITTEN	Proposed Rates*	Consultant's Commitment to DBE	AVERAGE TOTAL WRITTEN	Additional Creativity and Insight	Strength of Project Manager	Presentation, Communication Skills	Quality of Response to Questions	INDIVIDUAL TOTAL - ORAL			AVERAGE TOTAL ORAL	
MAXIMUM POINTS		30	25	30	85	85	15	Y/N	100	15	15	10	10	50	50	150	Poor/Good/Excellent	
Bureau Veritas	<i>Adolfo Segura</i>	24	20	24	68	67	3	Y	70									
	<i>Armando Buelna</i>	24	22	23	69													
	<i>Steve Beppler</i>	21	19	23	63													
	<i>Brandon DiPietro</i>	25	21	24	70													
	<i>Kevin Cameron</i>	24	20	23	67													
										NOT INTERVIEWED								
Hill International	<i>Adolfo Segura</i>	23	21	22	66	70	1	N	71	12	13	8	8	41	39	110		
	<i>Armando Buelna</i>	23	22	25	70					11	10	7	7	35				
	<i>Steve Beppler</i>	25	22	25	72					13	10	8	7	38				
	<i>Brandon DiPietro</i>	26	20	24	70					13	12	8	7	40				
	<i>Kevin Cameron</i>	25	22	24	71					13	12	8	8	41				
Alyson Consulting	<i>Adolfo Segura</i>	28	24	28	80	78	15	Y	93	13	14	9	9	45	45	138	Excellent	
	<i>Armando Buelna</i>	28	24	25	77					14	14	8	10	46				
	<i>Steve Beppler</i>	28	24	26	78					13	13	7	8	41				
	<i>Brandon DiPietro</i>	28	24	27	79					15	14	9	9	47				
	<i>Kevin Cameron</i>	26	24	28	78					14	14	8	8	44				
Dudek	<i>Adolfo Segura</i>	26	23	26	75	75	3	Y	78	9	9	7	7	32	36	114		
	<i>Armando Buelna</i>	26	23	26	75					12	12	7	7	38				
	<i>Steve Beppler</i>	27	23	25	75					12	10	6	6	34				
	<i>Brandon DiPietro</i>	27	21	25	73					12	12	7	7	38				
	<i>Kevin Cameron</i>	27	23	27	77					12	12	7	7	38				

RATES SCORING CHART			
Consultant	Rate	Position	Score
Bureau Veritas	\$820		3
Hill International	\$855	highest	1
Alyson Consulting	\$645	lowest	15
Dudek	\$825		3

*The fees were evaluated by comparing rates for six positions. The sum of these six rates are noted on the table to the left.

Note: The Review Panel does not see or consider rates when scoring other categories. Rates are scored by the PM, who is not on the Review Panel.

AGENDA ITEM 7d



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	May 6, 2015
SUBMITTED BY:	Kevin Cameron Associate Civil Engineer	PROJECT:	VARIOUS DIV. NO. ALL
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief, Engineering <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Award of As-Needed Traffic Engineering Services Contract to Rick Engineering Company in an amount not to exceed \$175,000 for Fiscal Years 2016 through 2018		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) award a professional As-Needed Traffic Engineering Services contract to Rick Engineering Company (Rick Engineering) and to authorize the General Manager to execute an agreement with Rick Engineering in an amount not-to-exceed \$175,000 for a period of three (3) fiscal years, FY 2016 through FY 2018 (ending June 30, 2018).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

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

ANALYSIS:

The District will require the services of a professional traffic engineering consultant in support of the District's Capital Improvement Program (CIP) for the next three (3) fiscal years, FY 2016 through FY 2018 (ending June 30, 2018). It is more efficient and cost effective to issue an as-needed contract for traffic engineering services which will provide the District with the ability to obtain consulting services in a timely and efficient manner. This concept has also been used in the past for other disciplines such as engineering design, construction management, electrical, and environmental services.

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

The anticipated CIP projects that are estimated to require traffic engineering services for the duration of this contract are listed below:

CIP	DESCRIPTION	ESTIMATED COST
P2083	870-2 Pump Station Replacement	\$10,000
P2267	36-Inch Main Pumpouts and Air/Vacuum Ventilation Installations	\$10,000
P2453	SR-11 Utility Relocations	\$10,000
P2508	Pipeline Cathodic Protection Replacement Program	\$20,000
P2528	30-Inch Potable Water Pipeline Manifold at 624 Reservoirs	\$15,000
P2552	South Barcelona Helix WD and Otay WD Interconnection	\$10,000
P2553	Heritage Road Bridge Replacement and Utility Relocation	\$5,000
S2024	Campo Road Sewer Main Replacement	\$20,000
S2033	Sewer System Various Locations Rehabilitation	\$35,000
TOTAL:		\$135,000

The traffic engineering scopes of work for the above projects are estimated from preliminary information and past projects. Therefore, staff believes that a \$175,000 cap on the As-Needed Traffic Engineering Services contract is adequate, while still providing additional capacity for unforeseen support needs by the District.

This As-Needed 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 that it will expend all of the funds authorized by the contract for professional services.

The District solicited traffic engineering services by placing an advertisement on the Otay Water District's website on January 14, 2015 and with various other publications including the San Diego Daily Transcript. Eleven (11) firms submitted a letter of interest and a statement of qualifications. The Request for Proposal (RFP) for As-Needed Traffic Engineering Services was sent to all eleven (11) firms resulting in nine (9) proposals received by February 12, 2015.

- Advantec Consulting Engineers, San Diego, CA
- Darnell & Associates, Inc., San Diego, CA
- Dokken Engineering, San Diego, CA
- Lin Consulting, Inc., San Diego, CA
- Linscott Law & Greenspan Engineers, San Diego, CA
- Kimley Horn & Associates, Inc., San Diego, CA
- Nasland Engineering, San Diego, CA
- Rick Engineering Company, San Diego, CA
- STC Traffic, Inc., Carlsbad, CA

The two (2) firms that chose not to propose were KOA Corporation, San Diego, CA and LSA Associates, Carlsbad, CA.

In accordance with the District's Policy 21, staff evaluated and scored all written proposals. Rick Engineering 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. Rick Engineering was the most qualified consultant with the best overall rating or ranking. A summary of the complete evaluation is shown in Attachment B.

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

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

The funds for this contract will be expended for a variety of projects, as previously noted above. This contract is for as-needed

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 services on a specific CIP project.

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

The Finance Department has determined that the funds to cover this contract will be available as budgeted for these projects.

STRATEGIC GOAL:

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

LEGAL IMPACT:

None.

KC/RP:jf

P:\WORKING\As Needed Services\Traffic Engineer\FY16-FY18\Staff Report\5-6-15-Staff Report-As-Needed Traffic Engineer .docx

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



ATTACHMENT A

SUBJECT/PROJECT:	Award of As-Needed Traffic Engineering Services Contract to Rick Engineering Company in an amount not to exceed \$175,000 for Fiscal Years 2016 through 2018
Various	

COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee (Committee) reviewed this item at a meeting held on April 21, 2015, and the following comments were made:

- Staff recommended that the Board award a professional As-Needed Traffic Engineering Services contract to Rick Engineering Company (Rick Engineering) and to authorize the General Manager to execute an agreement with Rick Engineering in an amount not-to-exceed \$175,000 for a period of three (3) fiscal years, FY 2016 through FY 2018 (ending June 30, 2018).
- It was discussed that the As-Needed Traffic Engineering Services contract will provide the District with the ability to obtain consulting services in a timely and efficient manner on an as-needed basis. Page 2 of the staff report provides a list of the proposed CIP projects that will need this service.
- Staff indicated that \$40,000 is included in the contract amount for unanticipated work.
- Staff discussed the selection process and indicated that it was in accordance with the District's Policy 21. Eleven (11) firms submitted a letter of interest and nine (9) firms submitted a proposal. Five (5) District staff members ranked the proposals and the result of the analysis is shown in Attachment B of the staff report.
- Staff stated that Rick Engineering received the highest score from the panel. Staff checked Rick Engineering's references, reviewed their Company Background Questionnaire form, and performed an internet search on the company and did not find any significant issues. It was noted that Rick Engineering is

registered with the Department of Industrial Relations, which is a new requirement of Senate Bill (SB) 854.

- It was highlighted that Rick Engineering's references included the City of Vista, City of Carlsbad, and the City of Murrieta; which they all highly rated Rick Engineering and indicated that they would use them again on future contracts.
- In response to a question from the Committee, staff stated that the District previously contracted with Darnell & Associates, Inc. for As-Needed Traffic Engineering Services.
- In response to several questions from the Committee, staff stated that the District provides traffic control plans with the construction drawings when a project goes out for bid. Staff believes that this process helps Contractors have a better understanding of the traffic control needs of the project, as required by the Local Agencies, and increases efficiency. The Committee stated that this is a good process as the District would receive better bids and experience less problems in terms of delays and over expenditures of projects.
- The Committee inquired if the consultant provides services when the District responds to an emergency event, like a water main break. Staff stated that it depends on the situation. In most cases, when District staff responds to emergencies, staff provides traffic control per local jurisdictional requirements. If District staff requires additional resources, the consultant would be contacted to help out.

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



ATTACHMENT B

SUBJECT/PROJECT:	Award of As-Needed Traffic Engineering Services Contract to Rick Engineering Company in an amount not to exceed \$175,000 for Fiscal Years 2016 through 2018
Various	

ATTACHMENT B SUMMARY OF PROPOSAL RANKINGS As-Needed Traffic Engineering Services											
		WRITTEN								TOTAL SCORE	REFERENCES
		Qualifications of Team	Responsiveness and Project Understanding	Technical and Management Approach	INDIVIDUAL SUBTOTAL - WRITTEN	AVERAGE SUBTOTAL - WRITTEN	Proposed Rates*	Consultant's Commitment to DBE			
MAXIMUM POINTS		30	25	30	85	85	15	Y/N	100	Poor/Good/Excellent	
1	Advantec Consulting Engineers	Ming Zhao	25	23	22	70	69	9	Y	78	
		Brandon DiPietro	26	21	24	71					
		Steve Beggler	21	19	25	65					
		Jeff Marchioro	24	17	25	66					
		Kent Payne	27	21	27	71					
2	Darnell & Associates, Inc.	Ming Zhao	25	23	25	73	71	12	Y	83	
		Brandon DiPietro	26	23	24	73					
		Steve Beggler	24	20	23	67					
		Jeff Marchioro	25	23	26	74					
		Kent Payne	24	19	24	67					
3	Dokken Engineering	Ming Zhao	28	25	26	79	79	8	Y	87	
		Brandon DiPietro	28	24	28	80					
		Steve Beggler	28	24	27	79					
		Jeff Marchioro	28	24	28	80					
		Kent Payne	28	23	28	79					
4	Lin Consulting, Inc.	Ming Zhao	26	24	26	76	72	12	Y	84	
		Brandon DiPietro	25	21	23	69					
		Steve Beggler	24	22	25	71					
		Jeff Marchioro	24	22	24	70					
		Kent Payne	26	23	27	76					
5	Linscott Law & Greenspan Engineers	Ming Zhao	25	22	23	70	68	15	Y	83	
		Brandon DiPietro	25	21	23	69					
		Steve Beggler	22	21	23	66					
		Jeff Marchioro	22	20	24	66					
		Kent Payne	24	23	24	71					
6	Kimley Horn & Associates, Inc.	Ming Zhao	26	23	27	76	76	1	Y	77	
		Brandon DiPietro	27	23	26	76					
		Steve Beggler	28	24	27	79					
		Jeff Marchioro	25	23	25	73					
		Kent Payne	24	23	27	74					
7	Nasland Engineering	Ming Zhao	25	20	25	70	70	11	Y	81	
		Brandon DiPietro	24	20	23	67					
		Steve Beggler	24	22	24	70					
		Jeff Marchioro	24	23	26	73					
		Kent Payne	23	23	25	71					
8	Rick Engineering Company	Ming Zhao	28	24	29	81	77	13	Y	90	Excellent
		Brandon DiPietro	27	22	27	76					
		Steve Beggler	27	22	25	74					
		Jeff Marchioro	27	22	25	74					
		Kent Payne	29	24	27	80					
9	STC Traffic, Inc.	Ming Zhao	26	23	26	75	73	13	Y	86	
		Brandon DiPietro	26	21	24	71					
		Steve Beggler	25	23	24	72					
		Jeff Marchioro	24	23	26	73					
		Kent Payne	27	21	26	74					

RATES SCORING CHART			
Consultant	Rate	Fee Position	Score
1 Advantec Consulting Engineers	\$755		9
2 Darnell & Associates, Inc.	\$650		12
3 Dokken Engineering	\$818		8
4 Lin Consulting, Inc.	\$630		12
5 Linscott Law & Greenspan Engineers	\$525	highest	15
6 Kimley Horn & Associates, Inc.	\$1,075	lowest	1
7 Nasland Engineering	\$670		11
8 Rick Engineering Company	\$585		13
9 STC Traffic, Inc.	\$600		13

*The fees were evaluated by comparing rates for six (6) positions. The sum of these rates are noted in the above table.
 Note: Review Panel does not see or consider rates when scoring other categories. Rates are scored by the PM, who is not on Review Panel.



AGENDA ITEM 7e

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	May 6, 2015
SUBMITTED BY:	Kevin Koeppen, Finance Manager	PROJECT:	DIV.NO. All
APPROVED BY:	<input checked="" type="checkbox"/> Joseph R. Beachem, Chief Financial Officer <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Annual Review of Investment Policy (Policy No. 27) and Re-Delegating Authority for All Investment Related Activities to the Chief Financial Officer		

GENERAL MANAGER'S RECOMMENDATION:

That the Board receives the District's Investment Policy (Policy #27) for review, and re-delegates authority for all investment related activities to the Chief Financial Officer (CFO), in accordance with Government Code Section 53607.

COMMITTEE ACTION:

See Attachment A.

PURPOSE:

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

ANALYSIS:

The primary goals of the Investment Policy are to assure compliance with the California Government Code, Sections 53600 et seq. The primary objectives, in priority order, of investment activities are:

1. Protect the principal of the funds.
2. Remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably anticipated.

3. The District's return is a market rate of return that is commensurate with the conservative investments approach to meet the first two objectives of safety and liquidity.

The code provides a broad range of investment options for local agencies, including Federal Treasuries, Federal Agencies, Callable Federal Agencies, the State Pool, the County Pool, high-grade corporate debt, and others. Over recent years, the size of the District's portfolio has declined from \$110 million in 2010 to \$84 million as of February 28, 2015. The reduction is primarily due to planned outlays for construction projects and the drawdown of debt proceeds.

Because of the District's adherence to a conservative range of authorized investments, we have been able to maintain a healthy and diversified portfolio with no investment losses despite an extended period of turmoil and instability in the national financial markets. The policy is consistent with the current law and the overall objectives of the policy are being met.

FISCAL IMPACT:

None.

STRATEGIC GOAL:

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

LEGAL IMPACT:

None.

Attachments:

- A) Committee Action Form
- B) Investment Policy No. 27
- c) Presentation



ATTACHMENT A

SUBJECT/PROJECT:	Annual Review of Investment Policy (Policy No. 27) and Re-delegating Authority for All Investment Related Activities to the Chief Financial Officer
-------------------------	---

COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting held on April 14, 2015 and the following comments were made:

- Staff is requesting that the board receive the District's Investment Policy (Policy No. 27) for review, and re-delegates authority for all investment related activities to the Chief Financial Officer, in accordance with Government Code Section 53607.
- It was indicated that the District's current Investment Policy complies with California Government Code Sections 53600 through 53692 and the policy has received certification from the Association of Public Treasurers of the United States and Canada (APT US&C).
- Changes to the Investment Policy are made, as needed, to reflect updates or changes in governing regulatory codes and best practices. There were no such changes during this period; therefore, staff is not recommending any changes be made to the District's Investment Policy this year.
- The Government Code establishes the investment objectives of public entities to be: (1)safeguard the principal, (2)maintain liquidity and (3) achieve a market investment return.
- Based on the Government Code, the District's fund objectives in order of priority are: 1) Safety; 2) Liquidity; and 3) Yield.
- The following are the various instruments in which the District invests in:

- Bank Deposits
- LAIF
- County Pool
- Government Sponsored Entities (GSE's)

Staff reviewed the objectives of (1) Safety and (2) Liquidity and how they relate to each of the District's investment categories (please see slides 6 and 7 of Attachment C to staffs' report).

- Staff benchmarks the District's yield versus the yield of the County Pool and LAIF to evaluate third objective, yield. The annual yield on the District's various investments, as of February 28, 2015, compared to the benchmarks are as follows:

	<u>FY15</u>	<u>FY14</u>
Otay	0.64%	0.37%
LAIF	0.27%	0.26%
County Pool	0.48%	0.42%

- Though the percentages are still low, the District's yield has increased substantially from last year to this year. The increase is due to a combination of factors including: rising interest rates, maturing GSE's with lower yields and investing in GSE's with a slightly greater duration. The District has extended the maximum duration of GSE's from 2½ years to 3 years. During the last downturn in interest rates the District invested in shorter-term maturities of 2 years to 2½ years, with the expectation that interest rates would rise. Staff performed an analysis, which it updates periodically, and determined that by extending investment maturities to 3 years the District earns a higher rate of return versus investing in a 2½ year GSE and reinvesting those funds at maturity.
- The District reconciles cash and performs a rolling seven (7) day forecast on a daily basis to determine the District's immediate cash needs. On a monthly basis, the District performs a 30 day forecast to project the funds available for investing in GSE's, the County Pool or LAIF. Throughout the month, staff updates this availability projection and adjusts the portfolio accordingly.
- Staff presented a breakdown of the District's investment portfolio, as of February 28, 2015, which totaled approximately \$84.5 million (please see slide 10 in Attachment C to staffs' report) where \$8.6 million is

invested in LAIF, \$63.7 million in Government Agency Bonds, \$893,000 in Bank Deposits and CD's, and \$11.3 million in the San Diego County Pool.

- The committee commended staff for the good returns that they are achieving on the Otay portfolio as its return is more than twice that of the LAIF fund and 0.16% greater than the County Pool.
- The committee inquired about staffs' strategy, if they are putting more into the GSE funds versus LAIF and the San Diego County Pool. Staff indicated that the level of GSE investment has increased due, ultimately, to changes in call activity. During periods of rising interest rates GSE's are less likely to call an issuance than they would during periods when interest rates are flat or declining. Recently, interest rates have risen resulting in a decrease in call activity. In addition, staff has sought to stabilize call activity by selecting investments with greater call protection. Due to the timing of calls in relation to the sale of GSE's, it can take two (2) to three (3) weeks to reinvest called funds, during which time the funds are held in the lower yielding LAIF or County Pool investments. The current rise in interest rates and selection of investments with greater call protection has reduced the level of called funds waiting to be reinvested and increased level of funds invested in higher yielding GSE's.

Following the discussion, the committee supported staffs' recommendation and presentation to the full board on the consent calendar.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

1.0: POLICY

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

2.0: SCOPE

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

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

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

3.0: PRUDENCE

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

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

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

4.0: OBJECTIVE

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

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

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

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

5.0 DELEGATION OF AUTHORITY

Authority to manage the Otay Water District's investment program is derived from the California Government Code, Sections 53600 through 53692. Management responsibility for the investment program is hereby

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

delegated to the Chief Financial Officer (CFO), who shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and their procedures in the absence of the CFO.

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

6.0: ETHICS AND CONFLICTS OF INTEREST

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

7.0: AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

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

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

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

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

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

8.0: AUTHORIZED AND SUITABLE INVESTMENTS

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

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

8.02) Local Agency Investment Fund (LAIF), which is a State of California managed investment pool, may be used up to the maximum permitted by State Law (currently \$50 million). The District may also invest bond proceeds in LAIF with the same but independent maximum limitation.

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

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

- Federal Home Loan Bank (FHLB)
- Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac")
- Federal National Mortgage Association (FNMA or "Fannie Mae")
- Government National Mortgage Association (GNMA or "Ginnie Mae")
- Federal Farm Credit Bank (FFCB)
- Federal Agricultural Mortgage Corporation (FAMCA or "Farmer Mac")

There is no percentage limitation of the portfolio which can be invested in this category, although a five-year maturity limitation is applicable. Government agencies whose implied guarantee has been reduced or eliminated shall require an "A" rating or higher by a nationally recognized statistical rating organization.

8.04) Interest-bearing demand deposit accounts and Certificates of Deposit (CD) will be made only in Federal Deposit Insurance Corporation (FDIC) insured accounts. For deposits in excess of the insured maximum of \$250,000, approved collateral shall be required in accordance with California Government Code, Section 53652. Investments in CD's are limited to 15 percent of the District's portfolio.

8.05) Commercial paper, which is short-term, unsecured promissory notes of corporate and public entities. Purchases of eligible commercial paper may not exceed 10 percent of the outstanding paper of an issuing corporation, and maximum investment maturity will be restricted to 270 days. Investment is further limited as described in California Government Code, Section 53601(h). Purchases of commercial paper may not exceed 10 percent of the District's portfolio and no more than 10 percent of the outstanding commercial paper of any single issuer.

8.06) Medium-term notes defined as all corporate debt securities with a maximum remaining maturity of five years or less, and that meet the further requirements of California Government Code, Section 53601(k). Investments in medium-term notes are limited to 10 percent of the District's portfolio.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

8.07) Money market mutual funds that invest only in Treasury securities and repurchase agreements collateralized with Treasury securities, and that meet the further requirements of California Government Code, Section 53601(1). Investments in money market mutual funds are limited to 10 percent of the District's portfolio.

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

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

9.0: INVESTMENT POOLS/MUTUAL FUNDS

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

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

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

- Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

10.0 COLLATERALIZATION

Collateralization will be required on certificates of deposit exceeding the \$250,000 FDIC insured maximum. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest. Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained. The right of collateral substitution is granted.

11.0: SAFEKEEPING AND CUSTODY

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

12.0: DIVERSIFICATION

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

13.0: MAXIMUM MATURITIES

To the extent possible, the Otay Water District will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the District will not directly invest in securities maturing more than five years from the date of purchase. However, for time deposits with banks or savings and loan

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

associations, investment maturities will not exceed two years. Investments in commercial paper will be restricted to 270 days.

14.0: INTERNAL CONTROL

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

15.0: PERFORMANCE STANDARDS

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

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

16.0: REPORTING

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

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

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

17.0: INVESTMENT POLICY ADOPTION

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

18.0: GLOSSARY

See Appendix A.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

APPENDIX A: GLOSSARY

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

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

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

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

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

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

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

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

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

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

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

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

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

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

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

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

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

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

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

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

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

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

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

Federal Agricultural Mortgage Corporation (FAMC or Farmer Mac): A stockholder owned, publicly-traded corporation that was established under the Agricultural Credit Act of 1987, which added a new Title VIII to the Farm Credit Act of 1971. Farmer Mac is a government sponsored enterprise, whose mission is to provide a secondary market for agricultural real estate mortgage loans, rural housing mortgage loans, and rural utility cooperative loans. The corporation is authorized to purchase and guarantee securities. Farmer Mac guarantees that all security holders will receive timely payments of principal and interest.

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

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

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

competitor Fannie Mae, is regulated by the United States Department of Housing and Urban Development (HUD).

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

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

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

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

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

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

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

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

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

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

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

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

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

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

MONEY MARKET MUTUAL FUNDS: An open-end mutual fund which invests only in money markets. These funds invest in short term (one day to one

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

year) debt obligations such as Treasury bills, certificates of deposit, and commercial paper.

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

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

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

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

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

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

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

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

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

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

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

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

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

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

STRUCTURED NOTES: Notes issued by Government Sponsored Enterprises (FHLB, FNMA, FAMCA, etc.), and Corporations, which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
INVESTMENT POLICY	27	9/15/93	5/6/15

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

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

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

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

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



**INVESTMENT POLICY No. 27
and
PERFORMANCE REVIEW**

May 6, 2015



POLICY REVIEW

- **Purpose:**

- Annual Policy Review

- Delegation of Investment Authority



INVESTMENT POLICY GUIDELINES

A. California Government Code:

Sections 53600 through 53692

B. Investment Policy Certification:

Association of Public Treasurers of the United States & Canada (APT US&C)

Benefits of Certification:

- Trust and confidence that the District's Investment Policy is a professionally accepted policy.
- Assurance that the District is abiding by professional standards to ensure prudent management of public funds.



POLICY CHANGES

Changes have been made in the past when they were needed. There are no recommended changes to the Investment Policy.



INVESTMENT OBJECTIVE

To safeguard the principal, maintain liquidity and to achieve a market investment return.

Fund Objectives (in order of priority)

- Safety
- Liquidity
- Yield

Safety

Category	Safety
Bank Deposits	Amounts in excess of \$250,000 FDIC limit are required by California Government Code to be 110% collateralized by the bank.
LAIF	Mandated by applicable state statutes* and state law, invested in a conservative manner and limits the investments to fixed-income securities.
County Pool	Mandated by state law, invested in a conservative manner and limits the investments to fixed-income securities. S&P Rating of AA Af/Sl, which indicates extremely strong protection against losses and low sensitivity to changing market conditions.
GSEs	Guaranteed by the Federal Government.

* Applicable State Statutes

- No. California Government Code 16429.3 states that monies placed with the Treasurer for deposit in the LAIF by cities, counties, special districts, nonprofit corporations, or qualified quasi-governmental agencies shall not be subject to either of the following:
 - Transfer or loan pursuant to Sections 16310, 16312, or 16313.
 - Impoundment or seizure by any state official or state agency.
- California Government Code 16429.4 states that the right of a city, county, city and county, special district, nonprofit corporation, or qualified quasi-governmental agency, to withdraw its deposited money from the LAIF upon demand may not be altered, impaired, or denied in any way by any state official or state agency based upon the States failure to adopt a State Budget by July 1 of each new fiscal year.



Liquidity

- Maintain highly liquid investments with a hold strategy

Category	Availability
Bank Deposits	Immediately
LAIF	Same day
County Pool	2-3 days
GSE's	Can be converted to cash in 2-3 days



Annual Yield Performance

YTD as of February 28th:

	FY15	FY14
Otay	0.64%	0.37%
LAIF	0.27%	0.26%
County Pool	0.48%	0.42%

Cash Management

- On a daily basis the District reconciles cash and performs a rolling 7 day forecast.
- On a monthly basis the District performs a 30 day forecast.

Levels by Investment Type

Category	Target Levels
Bank Deposits	Outstanding checks and current days electronic payments.
LAIF	Short-term (30-60 days) obligations.
County Pool	Amounts in excess of bank deposit and LAIF targets that are to be invested using the laddering approach or fund short-term obligations such as current year debt payments.
GSE's	Target 2-3 year issuances with a laddering approach.

INVESTMENT PORTFOLIO

as of February 28th

		Authorized	
	\$('000s)	\$ / %	Actual %
LAIF (Operating)	\$8,586	\$50 Mil	10.16%
Govt. Agency Bonds	\$63,738	100%	75.42%
Bank Deposits & CDs	\$893	15%	1.06%
San Diego County Pool	\$11,294	50%	13.36%
TOTAL:	\$84,511		



REQUESTED BOARD ACTION

Re-delegate authority for all investment related activities to the Chief Financial Officer (CFO) in accordance with Government Code Section 53607.



Questions?

AGENDA ITEM 7f



STAFF REPORT

TYPE MEETING: Regular Board

MEETING DATE: May 6, 2015

PROJECT: DIV. NO.: ALL

SUBMITTED BY: Michael Kerr, Information Technology Manager

APPROVED BY: Adolfo Segura, Assistant Chief, Admin and IT Services

Geoff Stevens, Chief Information Officer

German Alvarez, Assistant General Manager

Mark Watton, General Manager

SUBJECT: INFORMATION TECHNOLOGY RELATED SERVICE CONTRACTS FOR FY 2016

GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize the General Manager to negotiate and enter into the following agreements:

1. One (1) year service agreements with:

a. AT&T in the amount of \$125,000 for local and long-distance telephone and internet service.

b. Verizon Wireless in the amount of \$85,000 for cellular phone, wireless modem service and equipment.

c. Tyler Technologies in the amount of \$127,000 for ERP/Financial software maintenance costs and annual technical support.

d. Azteca Cityworks in the amount of \$90,000 for software and maintenance for the District's asset and work management system.

2. Three (3) year service agreement with:

a. CompuCom, Inc. in the amount of \$180,000 (\$60,000 annually) for Microsoft Software Licenses, upgrades, and maintenance service.

COMMITTEE ACTION:

Please see "Attachment A".

PURPOSE:

To authorize the purchase of equipment and services necessary to support the District's business and technology operations and to enhance enterprise system architecture to meet emerging service needs as identified in the District's Strategic Plan.

ANALYSIS:

The IT department presents to the Board specific technology related expenses that require Board approval as they exceed the General Manager's signature authority of \$50,000 for a specific contract. These contracts and purchases are required to either operate the District's technology environment or to make planned technology related infrastructure improvements. Each item requiring the District to issue a purchase order or contract for greater than \$50,000 is described in detail in the following section. All of the items in this staff report are specifically itemized in the FY 2016 budget as well. By presenting these items collectively, staff would like to provide to the Board a more detailed view of expenses related to the District's information systems.

All purchasing guidelines have been met for the specific items in this report. Where possible, items have been competitively bid. Certain items, such as software licenses and vendor support, are sole source contracts, as only one vendor can support the product. Certain items are also purchased utilizing pricing provided in state authorized competitive contracts, primarily CALNET and WSCA (state and regional wide agreements which guarantees competitive pricing). Where possible, agreements will utilize the District's standard contract form, which provides the ability to terminate the agreement with or without cause upon 60-day notice. Contracts for software licenses and support are generally not open to negotiation and the manufacturer's standard one (1) year agreement will be utilized.

The following are detailed descriptions of the specific requests:

Explanation of Costs

Software and Support Agreements:

AT&T, \$125,000 - This item covers the purchase of telephone, facility connectivity and internet services to support all District operations. This item utilizes CALNET pricing which has been competitively bid by

the State of California. Funds for these services are allocated in the IT O&M budget.

Verizon Wireless, \$85,000 - This item covers cellular phone, wireless modem, and equipment service for District operations. Other main-stream carriers offered similar competitive device and service pricing via the Western States Contracting Alliance (WSCA) contract, however, staff selected Verizon based on the on-going reliability and signal coverage throughout the District's service footprint. Although Verizon was not the lowest submitted quote, staff determined that the minor savings does not outweigh the internal work efforts, training, and time required to replace devices across the District. In addition, the discount given to the District using WSCA is 22 percent off of the standard pricing. The District's inventory is as follows: 77 iPhones for staff use (administrative and field use) and 94 wireless 3G/4G devices and service for mobile air cards, hot-spots, field connectivity and remote monitoring of SCADA and alarm systems. Funds for this item are allocated in the IT O&M budget.

Eden Tyler Technologies, \$127,000 - This item covers yearly required software maintenance for the District's enterprise resource planning (ERP) software suite, which includes Utility Billing, Financial, Human Resources and Permitting Systems. The ERP software suite is exclusively owned and licensed by Tyler Technologies. The yearly maintenance fee includes all core licensing, software support to include required annual service packs and technical support for all software modules. This item is a sole source contract as only the product vendor is authorized to provide maintenance support. Funds for this item are allocated in the IT O&M budget.

Microsoft Software Licenses, \$180,000 (\$60,000 annually) - This item covers all of the District's required software licensing and maintenance for business operating systems to include, enterprise database, server, data center and other core productivity software. Staff negotiated a 3-year agreement with CompuCom, Inc., under the discounted pricing agreement through the County of Riverside statewide Microsoft Enterprise Agreement that provides Public Sector(s) in California with a peer-approved, audit-friendly method of saving funds and managing software licenses.

Cityworks, Public Asset Management Software, \$90,000 - This item covers yearly required software maintenance for the District's asset and work management solution. The Cityworks software suite is exclusively owned by Azteca Systems. The yearly maintenance fee includes all core licensing, GIS centric asset management solution, CCTV interface, Citizen Engagement Portal AMS/PLL and technical support for all components.

FISCAL IMPACT:

Joe Beachem, Chief Financial Officer

These items, totaling \$607,000, are specifically included in the FY 2016 Operational Budget.

STRATEGIC GOAL:

These items are in support of the District's required services and Strategic Plan, which specifically improve the overall operating cost.

LEGAL IMPACT:

None.

Attachments:

Attachment A - Committee Action Report



ATTACHMENT A

SUBJECT/PROJECT:	INFORMATION TECHNOLOGY RELATED SERVICE CONTRACTS FOR FY 2016
-------------------------	--

COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting held on April 14, 2015 and the following comments were made:

- Staff presented the following contracts for the Board authorization that support the District's technology needs:
 - A one-year service agreement in the amount of \$125,000 to AT&T for local and long-distance telephone and internet services.
 - A one-year service agreement in the amount of \$85,000 to Verizon for cellular phones and device monthly coverage, equipment charges and services.
 - A one-year service agreement in the amount of \$127,000 to Tyler Technologies for support of the District's ERP/Financial software for maintenance costs and technical support.
 - A one-year service agreement in the amount of \$90,000 to Azteca CityWorks for software and maintenance for the District's asset and work management system.
 - A three-year service agreement in the amount of \$180,000 (\$60,000 annually) to Microsoft Inc., for software licenses, upgrades, and technical assistance to support the District's business operating systems.
- Staff indicated that all purchasing guidelines have been met and where possible, items have been competitively bid. Software licenses and vendor support, are sole source contracts, as only one vendor could support the product.
- The AT&T telephone and internet service agreement utilizes CALNET negotiated competitive pricing which offers State and non-State agencies a comprehensive array of telecommunications services. The Verizon Wireless contract provides for cellular, wireless and

additional equipment services for District operations. The District will continue to take advantage of the WSCA (Western States Contracting Alliance) which guarantees competitive pricing for the State of California.

- A detailed description of each of the proposed contracts was provided to the committee (please see pages 2 and 3 of staffs' report). Staff noted that these contracts are presented to the committee annually.
- Staff stated that they were able to renegotiate the Microsoft Agreement and save the District approximately \$90,000 with the new three (3) year agreement. Staff explained that the District does not have a large enough number of licenses to take advantage of reduced costs for upgrades and replacement of software that is offered by an Enterprise Agreement. To gain such reduced costs, the District joined with other agencies in a combined agreement that was previously negotiated by a larger organization, which provides a reduced cost to each of the individual agencies.
- In response to an inquiry from the committee, it was indicated that AT&T pretty much has the rights and right-of-ways within the District's service area and provides the best coverage for the District's needs. However, Cox Communications is expanding its services within the District's service area and the District may see some savings next year due to competition between the two organizations.

Following the discussion, the committee supported staffs' recommendation and presentation of the item to the full board on the consent calendar.

AGENDA ITEM 7g



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	May 6, 2015
SUBMITTED BY:	Mark Watton, General Manager	PROJECT:	Various DIV. NO. ALL
APPROVED BY:	<input checked="" type="checkbox"/> Joe Beachem, Chief Financial Officer <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Adopt Resolution No. 4288 Declaring the Third Week of April as California Native Plant Week in the Otay Water District.		

GENERAL MANAGER'S RECOMMENDATION:

Adopt Resolution No. 4288 declaring the third week of April as California Native Plant Week in the Otay Water District.

COMMITTEE ACTION:

See Attachment A.

PURPOSE:

To present for the Board of Directors' consideration a resolution to declare the third week of April, each year, as California Native Plant Week in the Otay Water District.

ANALYSIS:

The San Diego Chapter of the California Native Plant Society (CNPS) is requesting that the District formally declare the third week of April, each year, as California Native Plant Week. Resolution Number 4288 is presented for this purpose and is based on a resolution the California Legislature passed in 2010 to inaugurate Native Plant Week to celebrate California's natural heritage of native plants.

The CNPS is a 501(c)(3) organization dedicated to protecting California's native plants and preserving them for future generations. It is a highly respected botanical organization with nearly 10,000 members who promote native plant appreciation,

research, education, and conservation through five statewide programs and 34 regional chapters in California.

San Diego relies heavily on imported water, but more than half of that water is used annually to irrigate nonnative lawns and ornamental landscaping. With drought affecting the majority of the State and with the snowpack in the Sierras at the lowest levels in recorded history, California is entering its fourth straight year of extreme to exceptional drought. As a result, Governor Brown has issued new directives for all California cities and towns to reduce water consumption including mandated conservation measures and establishing a statewide initiative to replace 50 million square feet of lawns and ornamental turf with drought tolerant landscapes.

Maintaining a typical lawn in California requires many times more water than does maintaining California native plants which, once established, can survive on little or no supplemental irrigation. To help get this important message across to consumers, the CNPS has formed a statewide program to educate and engage the public as to the benefits of incorporating California native plants into residential and commercial landscaping.

For instance, native plants save water because they are perfectly suited to California's climate and soil. Native plants reduce the need for fertilizers and herbicides, which can pollute the environment and local water resources. California natives require less pruning or mowing, saving on maintenance costs. Some California native plants are fire-resistant and can be used as a fire barrier in wildland-urban interface areas. Native plants provide food, shelter and habitat for wildlife, including native birds and butterflies.

The CNPS' campaign will also introduce residents to the beauty of native plants and to help instill an understanding and appreciation for California's natural plant life, while having a positive impact on the environment and protecting important natural resources.

Staff recommends that the board adopt Resolution No. 4288 declaring the third week of April, every year, as California Native Plant Week in the Otay Water District .

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

None.

STRATEGIC GOAL:

This Resolution supports the District's Mission statement, "To provide high value water and wastewater services to the customers of the Otay Water District in a professional, effective, and efficient

manner" and the General Manager's Vision, "A District that is innovative in providing water services at affordable rates, with a reputation for outstanding customer service."

LEGAL IMPACT:

None.

Attachments: Attachment A - Committee Action
Attachment B - Resolution No. 4288



ATTACHMENT A

SUBJECT/PROJECT:	Adopt Resolution No. 4288 Declaring the Third Week of April in every Year as California Native Plant Week
-------------------------	---

COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting held on April 14, 2015 and the following comments were made:

- The District was approached by the San Diego Chapter of the California Native Plant Society (CNPS) to adopt a resolution to formally declare the third week of April, each year, as California Native Plant Week.
- As the District was not familiar with CNPS, staff inquired with the Water Conservation Garden as they would be well informed on these type organizations and it was indicated that CNPS is a highly respected organization.
- Staff is recommending that the board declare the third week of April, in each year, as California Native Plant Week in the Otay Water District.

Following the discussion, the committee supported staffs' recommendation and presentation of the item to the full board on the consent calendar.

RESOLUTION NO. 4288

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE OTAY WATER DISTRICT
DECLARING THE THIRD WEEK OF APRIL IN EVERY YEAR
AS CALIFORNIA NATIVE PLANT WEEK

WHEREAS, California's native plants provide unique iconic, economic, artistic, historical, and environmental values to the state; and

WHEREAS, California has over 6,000 native plant types, of which over 2,000 exist only here, making our state home to more diverse plant life than all other states combined, including some of the oldest, tallest, and most massive living things on Earth; and

WHEREAS, California currently contends with over 1,000 non-native plants, some of which compete with native plant species, degrade soil, facilitate erosion and wildfires, and alter the state's natural landscapes; and

WHEREAS, California's first peoples lived and thrived by their knowledge of native plants, which provided them with the means of life for centuries; and

WHEREAS, in modern times our native plants still provide foods, medicines, and other products; and

WHEREAS, California native plant horticulture is a growing industry employing thousands of Californians, and the benefits to

water conservation and natural area restoration help provide economic stability within the state; and

WHEREAS, our native plants provide essential watershed protections by helping to recharge natural aquifers, filtering flowing water, lessening erosion and flooding, and beautifying and renewing our state; and

WHEREAS, gardens and landscapes composed of California native plants, being perfectly suited to our climate and soil, require far fewer fertilizers, soil amendments, pesticides, and water than conventional landscapes, and provide essential habitat for wildlife, and

WHEREAS, restoring California native plants provides links to wild land areas, while introducing people to their beauty and instilling a greater understanding and appreciation for California's natural heritage; and

WHEREAS, many individuals and groups have as goals, among other things, the preservation and restoration of native plants and the education of the public on their value, including the California Native Plant Society, which is celebrating its 50th year.

NOW, THEREFORE, BE IT PROCLAIMED, that the Otay Water District encourages community groups, schools, and citizens to undertake appropriate activities to promote native plant conservation and restoration, and to inform their neighbors and communities of the value of native plants in natural and horticultural settings; and

ATTACHMENT B

BE IT FURTHER PROCLAIMED that the Otay Water District hereby declares the third week of April in each year as California Native Plant Week.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6th day of May 6, 2015.

Ayes:
Noes:
Abstain:
Absent:

President

ATTEST:

District Secretary

AGENDA ITEM 8a



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	May 6, 2015		
SUBMITTED BY:	Lisa Coburn-Boyd Environmental Compliance Specialist	CIP./G.F. NO:	P2451- 001102	DIV. NO.	ALL
	Bob Kennedy Engineering Manager				
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief, Engineering <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager				
SUBJECT:	Amendment No. 3 to the Contract with AECOM Technical Services, Inc. for the Otay Mesa Desalination Conveyance and Disinfection System Project				

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board approve Amendment No. 3 to the existing contract with AECOM Technical Services, Inc. (AECOM) for design of the Otay Mesa Desalination Conveyance and Disinfection System Project, increasing the contract by \$96,506, resulting in a higher contract amount with AECOM of an amount not-to-exceed \$3,778,438 (see Exhibit A for Project location).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to execute Amendment No. 3 with AECOM (see Exhibit B) for the Otay Mesa Desalination Conveyance and Disinfection System Project (Project), increasing the contract by \$96,506, resulting in a

higher contract amount with AECOM of an amount not-to-exceed \$3,778,438.

ANALYSIS:

At the November 3, 2010 Board Meeting, AECOM was awarded a professional engineering services contract for the Otay Mesa Desalination Conveyance and Disinfection System Project. The contract amount approved by the Board was for an amount not-to-exceed \$3,910,297, to be completed by the end of Fiscal Year 2016. The District restricted AECOM's work to miscellaneous studies until January 24, 2013, when AECOM was authorized to initiate work on the preliminary design of a large diameter pipeline 3.5 miles long, a pump station, and a disinfection facility, along with the environmental surveys and studies for CEQA/NEPA compliance.

At the April 8, 2014 Board Meeting, Amendment No. 1 was approved by the Board increasing the contract amount \$136,409 for additional environmental surveys and project management. The new contract amount, after approval of the amendment, was \$4,046,706 and the completion date of the Project was extended to June 30, 2018.

At the October 1, 2014 Board Meeting, Amendment No. 2 was approved by the Board to decrease the contract by \$364,774 to eliminate construction services from AECOM's contract and to remove any suggestion of AECOM's financial interest in the construction of the Project by the firm that is completing the environmental work. This reduced the AECOM contract amount to \$3,681,932.

The Project has been making steady progress towards the completion of its environmental document (EIR/EIS) which is required to be completed for the Presidential Permit process. However, there have been challenges encountered during the environmental process that have affected the pace of the Project. Additional work that could not have been foreseen, such as the resolution of Conflict of Interest documents for the Department of State (DOS), changes in the alignment alternatives based on pipeline alignment information from Mexico, and the analysis of an outfall for out of specification water discharge have impacted AECOM's budget and schedule.

The \$96,506 budget increase has several components, as detailed in the letter from AECOM, Exhibit C. In the Contract Amendment No. 1 to the Agreement with AECOM, the project management budget

was extended for six (6) months to September 2014. Since September 2014, staff was aware that the project management budget needed additional funding, but rather than issuing a Contract Amendment under the General Manager's authority and due to the project's visibility, it was decided to negotiate for all the additional tasks and to continue the Project until the end of October 2015, when it is expected that the EIR/EIS will be complete. There is also a component of the requested budget increase that is due to additional work required by Project modifications and DOS coordination beginning in January 2014 through the present. Going forward, as the environmental process moves towards completion, District staff will be handling more of the project management and all of the coordination with the DOS in order to control costs.

Staff will bring another update during the September/October 2015 timeframe with further recommendations.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

The total budget for CIP P2451, as approved in the FY 2015 budget, is \$30,000,000. Expenditures to date are \$3,414,499.09. Total expenditures, plus outstanding commitments, including this contract, totals \$6,217,223.15.

Based on a review of the financial budget, the Project Manager anticipates that the budget is sufficient to support this Project (see Attachment B).

The Finance Department has determined that, under the current rate model, 40% of the funding will be available from the Expansion Fund and 60% of the funding will be available from the Betterment Fund.

STRATEGIC GOAL:

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

LEGAL IMPACT:

None

LCB/BK/RP:jf

P:\WORKING\CIP P2451 Desalination Feasibility Study\Staff Reports\Board 05-06-15\BD 05-06-15,
Staff Report, AECOM CO No-3 (LCB-BK).doc

Attachments: Attachment A - Committee Action
 Attachment B - Budget Detail
 Exhibit A - Location Map
 Exhibit B - Contract Amendment No. 3
 Exhibit C - Letter from AECOM, March 17, 2015



ATTACHMENT A

SUBJECT/PROJECT: P2451-001102	Amendment No. 3 to the Contract with AECOM Technical Services, Inc. for the Otay Mesa Desalination Conveyance and Disinfection System Project
---	---

COMMITTEE ACTION:

This item was reviewed at a Desalination Project Committee meeting held on April 8, 2015 and the committee requested that staff provide an update on the Rosarito Desalination and the Otay Mesa Conveyance and Disinfection System Projects prior to the discussion of the third amendment to the AECOM contract:

- Since the last update provided to the committee in October 2014, the project has taken a new direction. In November 2014, the State of Baja California approached NSC Agua (NSCA) with a proposal to purchase the entire production of the plant. The State would utilize what is required in Mexico and then would sell the remaining production to Otay WD and any other agencies in the United States. Staff noted, however, that Otay WD would be the only agency who could take the water directly from Mexico.
- NSCA is in a negotiations process with the State of Baja California via a Private Public Partnership (PPP). This process allows for the direct negotiations of the State with private companies such as NSCA.
- At the same time, the State of Baja California is interested in indirect water transfers of Colorado River Water. That is, Mexico's water from the Colorado River would remain in Lake Mead. The water that remains in Lake Mead would be monetized (sold to the Western United States) and a portion of that revenue would offset the cost of desalinated water.
- The State of Baja California has appointed Baja Norte Water Resources, LLC as the point of contact between the State of Baja California and parties in the United States who have interest in purchasing water from the Rosarito Desalination Plant.
- Staff has met with Baja Norte Water Resources, LLC and advised them of the District's desalinated water requirements

for the purchase of water from the Rosarito Desalination Plant.

- Staff is still waiting for an official pronouncement from CILA and CONAGUA on what project they will support; public or private. It is expected that CILA and CONAGUA will support the private project proposed by NSCA. District consultant, Pete Silva, stated that there is discussion between CILA/CONAGUA and their counterparts in the United States concerning Minute 319X. Some of the issues concerning the Public/Private Project will be sorted out in the near future.
- District staff and consultant Silva attended the Colorado River Users Conference last December and met with various Federal and State representatives from the United States and Mexico. In addition, District staff has met on various occasions with representatives of the Governor of the State of Baja California.
- Staff is recommending that the District continue with the Presidential Permit/CEQA/NEPA process and curtail any other activity until the State of Baja California's PPP process becomes more definitive and a pronouncement is made in support of the NSCA project from CILA and CONAGUA.
- Staff anticipates that a Presidential Permit would be obtained by the Spring of 2016. The permit allows Otay WD to construct a pipeline to cross the United States border with Mexico.
- It is anticipated that the negotiations between the State of Baja California and NSCA would take approximately 1 (one) year to conclude. Staff will follow closely the negotiations between the State of Baja California with federal agencies on both sides of the border and with the Colorado River stakeholders.

Following the update on the desalination project, staff presented the third amendment to the contract with AECOM:

- Staff is recommending that the Board approve amendment number three (3) to the District's existing contract with AECOM Technical Services, Inc. for the design of the Otay Mesa Desalination Conveyance and Disinfection System Project, increasing the contract by \$96,506, resulting in a new contract amount with AECOM of \$3,778,438.
- AECOM was awarded a professional engineering services contract for the Otay Mesa Desalination Conveyance and

Disinfection System Project in Nov 2010 in an amount not-to-exceed \$3,910,297. In January 2013, AECOM was authorized to begin work on the preliminary design and environmental process for the project. Since that time there have been two amendments to the contract. In April 2014 their contract increased \$136,409 for additional environmental survey work and project management. The second amendment was approved in October 2014 decreasing the contract amount by \$364,774. This decrease was due to the removal of construction support services by AECOM to remove any potential conflict of interest as required by the Department of State. The current contract amount, after the second amendment, is \$3,681,932.

- The environmental work for the Project has been proceeding and preparation of the draft EIR/EIS is underway. The EIR/EIS must be completed and certified in order to complete the presidential permit process. There have, however, been challenges encountered during the environmental process that has affected the pace of the project. Additional work, that could not have been foreseen, such as the resolution of the Conflict of Interest documents for the Department of State (DOS), changes in the alignment alternatives based on pipeline alignment information from Mexico and the analysis of an outfall for out of specification water discharge have impacted AECOM's budget and schedule.
- The budget increase has several components which are detailed in the letter from AECOM, attached as Exhibit B, in staffs' report. Staff indicated in amendment number one (1) to AECOM's contract, the project management budget was extended for six months until September 2014. Since that time, staff has been aware that the project management budget needed additional funding, but rather than issuing another contract amendment under the GM's authority and, due to the high visibility of the project, it was decided to negotiate all the changes at one time. The proposed amendment carries the work through October 2015 when it is expected that the EIR/EIS will be complete. There is also a component of the requested increase that is due to additional work required by modifications to the project and DOS coordination beginning in January 2014 through the present. Going forward, as the environmental process moves towards completion, District staff will be handling more of the project management and all of the coordination with the DOS in order to control costs.
- Staff will bring an update on the environmental process in September or October of this year and a recommendation concerning the agreement with AECOM.

- In response to an inquiry from the committee, staff indicated that the original contract with AECOM was signed in 2010. The project start was delayed nearly two (2) years and, again in 2014 the project slowed, as the District was waiting on key information and progress in Mexico. Due to the delays, it produced some inefficiencies. The proposed amendment number three (3) would augment three (3) areas in the scope of work tasks: A) Project Management and Administration; B) Environmental Documentation; and C) Significant Tasks which Impacted their Work.
- Staff stated that AECOM would complete the Plan and the Project Design Report (PDR), the actual design of the pipeline and pump station, corrosion studies, blending studies, etc., with the remaining \$2.6 million on the contract.

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

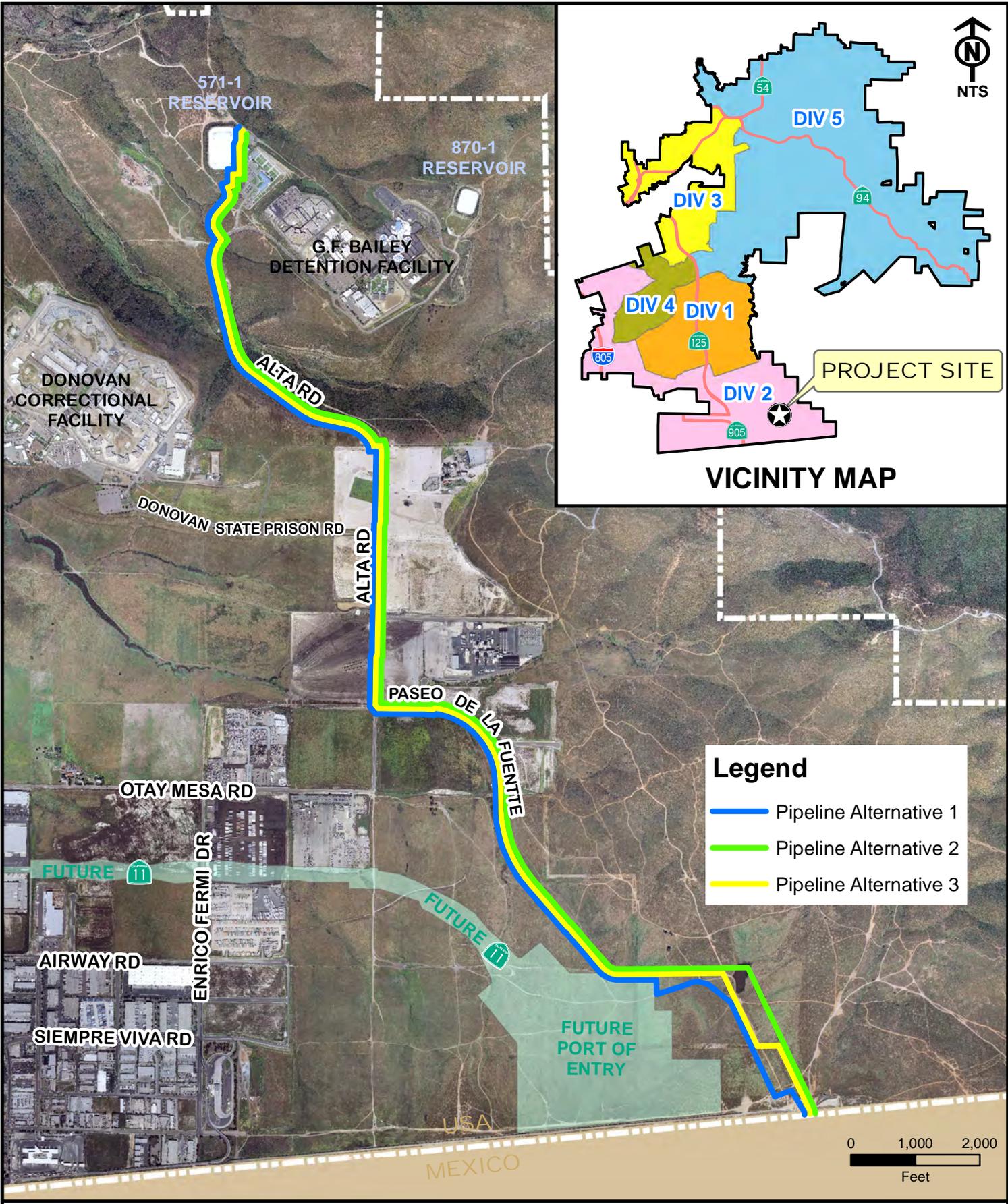


ATTACHMENT B – Budget Detail

SUBJECT/PROJECT:	Amendment No. 3 to the Contract with AECOM Technical Services, Inc. for the Otay Mesa Desalination Conveyance and Disinfection System Project
P2451-001102	

Level	Title	Committed	Expenditures	Outstanding Commitment	Projected Final Cost	Vendor	
Planning	Consultant Contracts	\$98,577.34	\$98,577.34	\$0.00	\$98,577.34	CAMP DRESSER & MCKEE	
		\$13,311.19	\$13,311.19	\$0.00	\$13,311.19	CPM PARTNERS INC	
		\$380,200.00	\$380,200.00	\$0.00	\$380,200.00	HECTOR I MARES-COSSIO	
		\$71,530.09	\$71,530.09	\$0.00	\$71,530.09	MARSTON+MARSTON INC	
		\$4,172.90	\$4,172.90	\$0.00	\$4,172.90	SALVADOR LOPEZ-CORDOVA	
		\$267,066.00	\$188,355.05	\$78,710.95	\$267,066.00	SILVA SILVA INTL	
		\$26,700.00	\$26,700.00	\$0.00	\$26,700.00	REA & PARKER RESEARCH	
	Meals/Travel/ Incidentals	\$20,121.05	\$20,121.05	\$0.00	\$20,121.05	STAFF	
	Printing	\$60.59	\$60.59	\$0.00	\$60.59	MAIL MANAGEMENT GROUP	
	Professional Legal Fees	\$162,041.07	\$162,041.07	\$0.00	\$162,041.07	GARCIA CALDERON & RUIZ	
		\$12,155.04	\$6,534.50	\$5,620.54	\$12,155.04	BROWNSTEIN HYATT FARBER	
		\$43,174.50	\$43,174.50	\$0.00	\$43,174.50	SOLORZANO CARVAJAL GONZALEZ Y	
		\$25,312.31	\$25,312.31	\$0.00	\$25,312.31	STUTZ ARTIANO SHINOFF	
	Service Contracts	\$290.30	\$290.30	\$0.00	\$290.30	S.D. DAILY TRANSCRIPT	
		\$685.20	\$685.20	\$0.00	\$685.20	SAN DIEGO UNION-TRIBUNE	
		\$49,000.00	\$29,213.02	\$19,786.98	\$49,000.00	(W)RIGHT-ON COMMUNICATIONS INC	
		\$39,500.00	\$39,500.00	\$0.00	\$39,500.00	BUSTAMANTE & ASSOCIATES	
		\$875.00	\$875.00	\$0.00	\$875.00	LEONARD VILLARREAL	
		\$500.00	\$500.00	\$0.00	\$500.00	REBECA SOTURA NICKERSON (Interpreter)	
	Standard Salaries	\$1,009,853.63	\$1,009,853.63	\$0.00	\$1,009,853.63		
	Total	\$2,225,126.21	\$2,121,007.74	\$104,118.47	\$2,225,126.21		
	Design	Consultant Contracts	\$5,108.75	\$5,108.75	\$0.00	\$5,108.75	MARSTON+MARSTON INC
			\$28,770.00	\$28,770.00	\$0.00	\$28,770.00	MICHAEL R WELCH PHD
\$5,000.00			\$5,000.00	\$0.00	\$5,000.00	ATKINS	
\$8,818.00			\$8,818.00	\$0.00	\$8,818.00	CPM PARTNERS INC	
\$3,681,932.00			\$1,079,832.41	\$2,602,099.59	\$3,681,932.00	AECOM TECHNICAL SERVICES	
\$96,506.00				\$96,506.00	\$96,506.00	AECOM TECHNICAL SERVICES AMENDMENT NO. 3	
\$3,952.00		\$3,952.00	\$0.00	\$3,952.00	AIRX UTILITY SURVEYORS		
Professional Legal Fees		\$7,761.19	\$7,761.19	\$0.00	\$7,761.19	STUTZ ARTIANO SHINOFF	
Meals/Travel/ Incidentals		\$3,174.39	\$3,174.39	\$0.00	\$3,174.39	STAFF	
Service Contracts		\$114.08	\$114.08	\$0.00	\$114.08	REPROHAUS CORP	
		\$342.80	\$342.80	\$0.00	\$342.80	SAN DIEGO UNION-TRIBUNE	
Standard Salaries		\$150,288.25	\$150,288.25	\$0.00	\$150,288.25		
Total		\$3,991,767.46	\$1,293,161.87	\$2,698,605.59	\$3,991,767.46		
Construction	Standard Salaries	\$329.48	\$329.48	\$0.00	\$329.48		
	Total	\$329.48	\$329.48	\$0.00	\$329.48		
Budget	\$30,000,000.00						
TOTAL		\$6,217,223.15	\$3,414,499.09	\$2,802,724.06	\$6,217,223.15		

P:\WORKING\CIP P2451 Desalination Feasibility Study\Graphics\Exhibits\Figures\Exhibit A, March 2015.mxd



OTAY WATER DISTRICT

OTAY MESA DESALINATION CONVEYANCE AND DISINFECTION SYSTEM PROJECT



EXHIBIT A

EXHIBIT B

THIRD AMENDMENT TO AGREEMENT
BETWEEN OTAY WATER DISTRICT AND
AECOM TECHNICAL SERVICES, INC. RELATIVE TO
THE PROFESSIONAL ENGINEERING SERVICES FOR
THE OTAY MESA CONVEYANCE AND DISINFECTION SYSTEM

This Third Amendment ("Amendment") to the original Agreement for Professional Engineering Services is made and entered into as of the ____ day of _____, 2015, by and between the OTAY WATER DISTRICT ("District"), and AECOM TECHNICAL SERVICES, INC. ("Consultant").

RECITALS

A. District and Consultant entered into that certain Professional Services Agreement dated January 3, 2011 (the "Original Agreement"), under which Consultant agreed to provide the services therein described in connection with the District's Otay Mesa Conveyance and Disinfection System (the "Services"). The Original Agreement was amended on June 16, 2014 (the "Amended Original Agreement") and on October 21, 2014 (the "Second Amended Original Agreement").

B. The Second Amended Original Agreement is due to expire on June 30, 2018 and the Services are 31% complete.

C. District and Consultant desire to enter into this Agreement to amend certain specific terms and conditions of the Amended Original Agreement as indicated below.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants hereinafter contained, the parties agree as follows:

1. Exhibit A to the Amended Original Agreement, setting forth the Services to be provided by Consultant, is hereby amended and supplemented by the attached Exhibit A, Revised and Supplemented Scope of Work, attached to this Second Amendment and incorporated herein by reference. This revision increases Task 1, Project Management by an

amount not to exceed Thirty Nine Thousand Four Hundred Ninety Eight Dollars (\$39,498) and Task 7, Environmental Documentation for an amount not to exceed Fifty Seven Thousand Eight Dollars (\$57,008).

2. The parties agree that the aggregate amount paid by the District to the Consultant for the Professional Engineering Design Services rendered by Consultant in excess of the original Agreement shall be increased by an amount not to exceed Ninety Six Thousand Five Hundred Six Dollars (\$96,506). Therefore, the total compensation paid by the District for Services described in the amended original contract and this third amendment shall not exceed Three Million Seven Hundred Seventy Eight Thousand Four Hundred Thirty Eight Dollars (\$3,778,438).

3. The parties agree that all terms and conditions of the Amended Original Agreement not modified or amended by this Third Amendment, including without limitation all indemnity and insurance requirements, are and shall remain in full force and effect.

4. This Third Amendment is subject to the venue, choice of law and interpretation provisions of the Original Agreement.

IN WITNESS WHEREOF, the parties have caused this Third Amendment to be executed as of the day and year first above written.

<p>OTAY WATER DISTRICT</p> <p>By: _____ Mark Watton Its: General Manager Date: _____</p>	<p>CONSULTANT:</p> <p>AECOM TECHNICAL SERVICES, INC.</p> <p>By: _____ Name: _____ Its: _____ Date: _____</p>
<p>Approved as to form:</p> <p>By: _____ General Counsel</p>	<p>Approved as to form:</p> <p>By: _____ Its: _____</p>

Exhibit A

REVISED AND SUPPLEMENTED SCOPE OF WORK					
Task No.	Description	Labor	Subconsultant	Other Direct Costs	Fee
1	Project Management and Administration	\$ 187,578.00	-	\$ 5,216.00	\$ 192,794.00
7	Environmental Documentation	-	\$ 815,387.00	-	\$ 815,387.00
*	Tasks 2-6, 8-22				\$ 2,770,267.00
				Total	\$ 3,778,448.00

Previous Fee	Difference
\$ 153,296.00	\$ 39,498.00
\$ 758,379.00	\$ 57,008.00
Total	\$ 96,506.00

* Tasks 2-6 and 8-22 are not modified or amended by the Third Amendment. The Consultant's fee for these tasks are provided for reference.



AECOM
401 West A Street
Suite 1200
San Diego, CA 92101
www.aecom.com

EXHIBIT C

619 610 7600 tel
619 610 7601 fax

March 17, 2015

Rod Posada, PE and Lisa Coburn-Boyd
Chief of Engineering and Environmental Compliance Specialist
2554 Sweetwater Springs Road
Spring Valley, CA 91978-2004

Otay Mesa Conveyance and Disinfection System Project CIP P2451
**Scope of Work Augmentations: Project Management, Environmental Documentation,
Schedule**

Dear Otay Water District:

We appreciate your consideration to process a third amendment to the Agreement allowing the AECOM team to continue efforts and support of the Project until October 31, 2015, including the Scope of Work augmentations, consisting of project management, environmental documentation, and specifically, coordination efforts and expenses during 2014 and projected expenses into fall 2015.

The Otay Mesa Conveyance and Disinfection System Project's (Project) original schedule anticipated the preliminary design reports (PDRs) and Environmental Impact Report/Environmental Impact Statement (EIR/EIS) would be completed in 2011. It is currently anticipated that the draft EIR/EIS will be complete in mid-2015. It is also anticipated that the Final EIR/EIS will be complete by October 31, 2015, pending any unforeseen reasons outside of our or the District's control.

The Project start was delayed by nearly two (2) years as the District waited for key information and progress in Mexico. Calendar year 2013 was productive with significant progress made on the Pipeline PDR and the draft EIR/EIS, including the individual field and technical studies that support the draft EIR/EIS. During calendar year 2014, Project progress slowed as the District again waited for information and progress in Mexico. The AECOM team worked with the District, resource agencies, and extensively with the Department of State on the both the Presidential Permit, and the approach and format for the draft EIR/EIS. The District approved Amendment No. 1 to the Existing Agreement, which included \$30,000 for Project Management during the period from April 2014 through September 2014. We were able to slightly underrun the \$5,000 per month budget, but have been out of project management budget for several months now (elapsed time now at the sixth month). Amendment No. 2 to the Existing Agreement was also processed; which was a removal of the construction support services (\$364,774) and executed in October 2014. Our request for Amendment No. 3 includes augmentations to three (3) Scope of Work tasks:



Task 1 – Project Management and Administration

Project Management and Administration work will continue until October 31, 2015 and will consist of DLM Engineering and AECOM's time to provide general support for the Project and the District as the work progresses. It also includes the time commitment for Project/District meetings, agendas and minutes, scheduling, monthly progress reporting and status updates, project controls, and coordination associated with executing the Project. Continuation of Project Management and Administration is limited to \$39,498. Also, a similar continuation of the EIR/EIS and environmental documentation is discussed and is accounted for below.

Task 7 – Environmental Documentation [Delay, Coordination, and Continuation]

The Agreement listed a schedule of completion following the Notice to Proceed (NTP) for the Administrative Draft Environmental Impact Report / Environmental Impact Statement (EIR/EIS) in 240 days (September 22nd, 2013). For various reasons outside of our or the District's control, this deliverable date was unachievable. We are now nearly 24 months into the Project and yet have managed to coordinate the environmental documentation and progress the Project without additional compensation. However, an authorization is needed to continue to coordinate this effort until its completion. It will consist of AECOM and Atkins' time previously expended, as well as through completion of the EIR/EIS work. It also includes the time commitment for Project/Client environmental meetings, coordination efforts with Department of State, and management of environmental activities. See our previous discussion of this matter in letter dated February 2014. The collective amount for this work is \$57,008.

Significant Tasks That Have Impacted Work

Over the course of the Project as it's developed, mostly in the Environmental Documentation task thus far, there have been a number of specific issues that have required Project support. Below is a brief list of such quantitative and qualitative support efforts:

Federal Lead Agency for NEPA determined to be the U.S. Department of State

- U.S. Department of State's Organizational Conflict of Interest (OCI) Statement and On-Going Obligations Forms for:
 - AECOM Technical Services, Atkins North America, Brand New Box, Geocon, and VRPA
- Additional Support for the Presidential Permit and Supplemental Documentation
- Additional Coordination for the Public Scoping Meeting and Presentation(s)
- U.S. Department of State directed certain efforts for federal agency coordination:
 - Weekly Telephone Conference Calls, Meeting Minutes, and Action Items



- Multiple Site Visits and Project Meetings

Consultation with Mexico

- Deletion of the Western Delivery Point, Removal of the Alta Road Alignment Alternative
- Addition and Introduction of New Alignment Alternative to Environmental Documentation and necessary updates to the following technical reports:
 - Biological
 - Cultural
 - Geotechnical
 - Hazardous Materials
 - Water Quality
 - Noise and Vibration
 - Traffic
 - Air Quality and Climate Change
 - Transboundary Impacts
- Mexican Environmental Documentation Translation into English from Spanish

Outfall Structure for Non-Spec Potable Water

- Addition and Introduction of New ‘Additional Project Infrastructure’ and necessary updates to the following:
 - EIR/EIS Document
 - Biological Technical Report
 - Cultural Report
 - Water Quality Evaluation

Amended Budget Request Associated with Scope of Work Augmentations

Task Number and Description	Current Authorized Budget	Amended Budget	Revised Authorized Budget
Task 1 – Project Management (Continuation)	\$105,807	+\$39,498 ¹	\$145,305
Task 7 – Environmental Documentation	\$758,379	+\$57,008 ²	\$815,387
Current Authorized Tasks (Total)	\$1,773,374	\$96,506	\$1,869,880

Amended Budget Amount Breakdown:

¹ – Task 1 *Project Management and Administration* requires an additional \$39,498 and the amount consists of the following:



- \$3,750 for DLM Engineering for October 2014 thru February 2015.
- \$9,750 for DLM Engineering for March 2015 thru October 2015; limited to 50 hours.
- \$8,406 for AECOM for overages through January 2015.
- \$3,154 for AECOM for February 2015.
- \$14,438 for AECOM for March 2015 thru October 2015; limited to 2.5 hours per week.

² – Task 7 *Environmental Documentation* requires an additional \$57,008 and the amount consists of the following:

- \$32,240 for AECOM for 12 months additional support (2014); estimated 4 hours per week.
- \$17,888 for Atkins for 12 months of additional support (2014); estimated 2 hours per week.
- \$6,880 for Atkins for March 2015 thru October 2015; limited to 40 hours.

Please note that this Amendment request does increase the current authorized budget for Task 1 *Project Management and Administration* and Task 7 *Environmental Documentation*, as well as the overall budget due to Scope of Work augmentations.

Thank you for your consideration. Please let us know if you have any questions or comments and look forward to continuing support of the District and this Project.

Sincerely,

Don MacFarlane, PE
Project Manager

Jason Caprio, PE
AECOM Project Manager

Alberto Vela
Vice President

AGENDA ITEM 9a



STAFF REPORT

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	May 6, 2015
SUBMITTED BY:	Mark Watton, General Manager	W.O./G.F. NO:	DIV. NO.
APPROVED BY:	<input checked="" type="checkbox"/> Susan Cruz, District Secretary <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Board of Directors 2015 Calendar of Meetings		

GENERAL MANAGER'S RECOMMENDATION:

At the request of the Board, the attached Board of Director's meeting calendar for 2015 is being presented for discussion.

PURPOSE:

This staff report is being presented to provide the Board the opportunity to review the 2015 Board of Director's meeting calendar and amend the schedule as needed.

COMMITTEE ACTION:

N/A

ANALYSIS:

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

STRATEGIC GOAL:

N/A

FISCAL IMPACT:

None.

LEGAL IMPACT:

None.

Attachment: Calendar of Meetings for 2015

**Board of Directors, Workshops
and Committee Meetings
2015**

Regular Board Meetings:

January 7, 2015
February 4, 2015
March 4, 2015
April 1, 2015
May 6, 2015
June 3, 2015
July 1, 2015
August 5, 2015
September 2, 2015
October 7, 2015
November 4, 2015
December 2, 2015

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

January 21, 2015
February 18, 2015
March 18, 2015
April 15, 2015
May 20, 2015
June 17, 2015
July 15, 2015
August 19, 2015
September 16, 2015
October 21, 2015
November 18, 2015
December 16, 2015

SPECIAL BOARD MEETINGS:

May 19, 2015 Budget Workshop/Special Board Meeting 3:00 pm



AGENDA ITEM 10a

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	May 6, 2015
		PROJECT:	DIV. NO.: ALL
SUBMITTED BY:	Oscar Ramirez, Safety & Security Specialist		
APPROVED BY:	<input checked="" type="checkbox"/> Adolfo Segura, Assistant Chief, Admin and IT Services		
	<input checked="" type="checkbox"/> German Alvarez, Assistant General Manager		
	<input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	INFORMATIONAL ITEM -- EMERGENCY PREPAREDNESS, SAFETY & HEALTH, AND SECURITY OVERVIEW		

GENERAL MANAGER'S RECOMMENDATION:

No recommendation. This is an informational item only.

COMMITTEE ACTION:

Please see "Attachment A".

PURPOSE:

This is an informational item regarding the state of the District's Emergency Preparedness, Safety, Security, and Business Continuity programs.

Analysis:

As part of the District's ongoing process and program improvement efforts, during the past 24 months, staff has been active in the enhancement of the District's Emergency Preparedness, Safety and Security programs. The objective of these efforts and programs is not only for agency awareness, but for staff to maintain a state of disaster emergency readiness and to maintain a safe, secure, and compliant work environment. To fulfill these efforts, the following has been accomplished to date.

Training and Compliance Programs:

Emergency Preparedness Training - The Standardized Emergency Management System (SEMS) and the National Incident Management System (NIMS)

compliance training provides education to staff ranging from line employees, to first-responder, and to command level functions. This is in compliance with State of California Government Code 8607 and Homeland Security, Presidential Directive 5 (HSPD-5).

To date:

- 138 District staff members have completed Introduction to Incident Command System ICS-100 and IS-700 Basic Introduction to NIMS.
- 54 District staff members have completed Basic Incident Command System and Single Resources for Initial Action Incident ICS-200 and IS-800 an Introduction to National Response Framework.
- 34 District staff members have completed Intermediate Incident Command System for Expanding Incidents ICS-300 and ICS-400 Advanced Incident Command System for Expanding Incidents.

Safety & Health - Cal/OSHA Compliance Training provides instruction and training requirements to assigned, competent, qualified staff and to the District's 12 member HAZWOPER emergency response team. This is in compliance with the Construction and the General Industry Safety Orders of California Title 8, Division 1, Chapter 4 and in reference to Chapter 3.2 of the California Code of Regulations.

Examples of Training:

- HAZWOPER 40-Hour and 8-Hour Annual Refresher
- HAZWOPER Incident Command System
- Confined Space and Confined Space Rescue
- Trenching and Shoring
- Qualified Electrical Worker Electrical Safety
- Asbestos Cement Pipe Initial and Annual Refresher
- First Aid, CPR, and AED

Facilities Security Improvements:

Facilities - A District-wide physical security and functional improvement assessment effort for facilities has been completed. The assessment identified and produced the information required to help enhance the District's physical security and critical infrastructure program.

Examples of improvements:

- Enterprise physical security control methodology
- Enterprise burglar alarm monitoring 24X7
- System controlled access (Entre)
- Continuity of facility services via solar and battery powered sources (up to 72 hours)

Internal and External Support Efforts & Resources:

District Teams & Resources - The District maintains an active emergency operations center (EOC) and Safety/Security committee teams, which are activated for scheduled monthly and quarterly exercises. In addition, District staff interacts regularly with the following outside agencies for sharing of information and cross-functional trainings: SDCWA, County of San Diego, OES, Cal-WARN, MACS, WebEOC, Cal/OES, FEMA, Mutual Aid Agreement, DHS, LECC, InfraGard, Cal/OSHA, SD Sheriff's Critical Infrastructure Team, local law enforcement, and alarm and security patrol vendors.

Business Continuity Improvements:

Technology Services - Over the past 36 months, the District has migrated many of its business critical services to the "cloud" and has made investments to harden and enhance our ability to sustain operations during power outages or other unplanned emergencies.

Examples of improvements:

- Enterprise email via cloud service (primary/backup service)
- Enterprise backup & replication of system data via cloud service (primary/backup service)
- Primary and backup Internet service
- Continuity of computing services via redundant UPS's and generator
- Planned colocation of backup core business systems to ensure continuity of services in the event administrative facilities are inoperable

Next Steps:

Staff continues to hold and participate in group meetings, workshops and exercises with internal stakeholders to obtain feedback on program improvements and with SDCWA, County of San Diego, and outside agencies for compliance and other key service updates.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

None. This is an informational item only.

STRATEGIC GOAL:

Health & Safety and Business Continuity.

LEGAL IMPACT:

None.



ATTACHMENT A

SUBJECT/PROJECT:	INFORMATIONAL ITEM -- EMERGENCY PREPAREDNESS, SAFETY & HEALTH, AND SECURITY OVERVIEW
-------------------------	--

COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting held on April 14, 2015 and the following comments were made:

- Staff indicated that the purpose of this staff report is to provide an overview and update on the District's Emergency Preparedness, Safety and Security Programs.
- It is the policy of the District to create and maintain an active Emergency Plan and to provide a safe and secure work environment. The Board had authorized the establishment of a District Emergency Preparedness Program. The mission of the program is the protection of life and the rapid restoration of services after an emergency.
- As part of the District's on-going process improvement efforts, during the last 24 months, staff has been active in working to enhance the program. The objective of the program is to maintain a state of disaster emergency readiness and to provide a safe, secure and compliant work environment.
- To fulfill these efforts, the following has been accomplished:
 - Emergency Preparedness Training was provided staff in compliance with State of CA Government Code 8607 and Homeland Security Presidential Directive 5:
 - o 138 District staff completed the Introduction to Incident Command System and Basic Introduction to the National Incident Management System training
 - o 54 District staff completed Basic Incident Command System, Single Resources for Initial Action Incidents and an Introduction to the National Response Framework training

- o 34 District staff completed Intermediate and Advanced Incident Command Systems for Expanding Incidents
- Safety Training was provided staff in compliance with California Occupational Safety & Health Title 8 Safety Regulations. Some examples of such training are:
 - o Hazardous Waste Operations and Emergency Response (40 hours initial training and 8 hours annual refresher)
 - o Incident Command System for Hazardous Waste Operations and Emergency Response
 - o Confined Space Operations and Confined Space Rescue
 - o Trenching & Shoring, Qualified Electrical Worker Safety, Asbestos Cement Pipe and 1st Aid/CPR/AED
- Facilities Security Improvements - some examples of these improvements are:
 - o Enterprise physical security control methodology and burglar alarm monitoring
 - o Facility Controlled Access
 - o Continuity of facility security control and burglar alarm systems services via solar and battery power sources up to 72 hours
- In terms of Support and Resources, the District maintains an Emergency Operations Center, a 12-member Hazardous Waste Operations Emergency Response Team and a Safety Committee, which are activated for scheduled monthly and quarterly exercises. In addition, the District interacts regularly with outside agencies for sharing of information, cross functional training and exercise. These agencies include the County of San Diego, CWA, law enforcement, alarm and security patrol vendors, etc.
- It was indicated over the past 36 months, the District has migrated many of its business critical services to the "cloud" and has made investments to harden and enhance the District's ability to sustain operations during power outages or other unplanned emergencies. Some examples of these improvements include:
 - Enterprise email via cloud service (primary/backup service)
 - Enterprise backup and replication of system data via cloud service (primary/backup service)
 - Primary and backup internet service
 - Continuity of computing services via redundant UPS's and generator
 - Planned colocation of backup core business systems to ensure continuity of services in the event administrative facilities are inoperable

- The next steps in the District's Emergency Preparedness, Safety and Security Programs is that staff will continue to hold and participate in group meetings, workshops and exercises with internal stakeholders to obtain feedback on the program and with outside agencies for compliance and updates.
- It was indicated that the Emergency Preparedness training mandated by the State and Federal government was originally for firefighters and emergency responders. This is changing to include water agencies and other agencies who provide services during emergencies as it is important for these agencies to understand the National Incident Management System and how to interact with the system during emergencies.
- Employees who have completed the Homeland Security training are now qualified as *First Responders* during emergencies.
- During the power outage the District was able to keep water service flowing without interruption. Staff learned during the power outage that cell phones for communication were inadequate during an emergency as cell services become overwhelmed with calls which then shuts down the service. The District is reinstating radio communications for this reason. The radio services will provide back-up communications if cell services go down.
- In response to an inquiry from the committee, staff indicated that the District has hired a contractor to break into the District's network/computer system (Penetration Audit) to identify any security issues in the District's system. The District's system passed. This test identified any external security issues and in two weeks, the contractor will be onsite to test if there are any issues in security from within the District's system.
- In response to another inquiry from the committee, staff indicated that the County of San Diego has been inspecting District facilities. There is a total of 25 District facilities which qualified under the Hazardous Materials Business Plan (HMBP) program and all have been input into the electronic required California Environmental Reporting System (CERS). All 25 District facilities have been approved by the County inspectors, 15 out of the 25 have been field inspected and the District has done well in all the inspections. The committee requested that this information also be included in staffs' presentation at the board meeting.

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

AGENDA ITEM 11



STAFF REPORT

TYPE		MEETING			
MEETING:	Regular Board	DATE:	May 6, 2015		
SUBMITTED	Mark Watton	W.O./G.F.	N/A	DIV.	N/A
BY:	General Manager	NO:	NO.		
APPROVED BY:	<input checked="" type="checkbox"/> Mark Watton, General Manager				
SUBJECT:	General Manager's Report				

GENERAL MANAGER:

- Bay Delta Conservation Plan (BDCP) - The State Treasurer issued an assessment of the affordability and financing considerations of the Bay Delta Conveyance Facility (see attachment). The report shows findings that the cost of the facilities are within range of urban and agricultural users ability to pay. On average, the BDCP supply costs are competitive to alternate supplies and, most importantly, the federal contractors need to develop a mechanism to fund their share of the BDCP. The last finding is a key element of the feasibility of the BDCP, in that, all users will support and sign for the bonding and repayment requirement in proportion to their share.

The assessment of the project was issued before the latest statement from the EPA opining that the BDCP, as proposed, will likely violate the Federal Clean Water Act. Additionally, the federal government is not likely to issue a Habitat Conservation Plan (HCP) allowing a 50-year operation plan. The alternate operating plan is potentially a Section 7 consultation, which is essentially a year-by-year plan. This turn of events shatters one of the foundational goals of the BDCP, the co-equal goal of Delta restoration and water supply reliability. Investment of \$15 billion, \$25 billion, or whatever the cost estimate that is used, in a project with no environmental or regulatory stability is risky indeed. This certainly calls into question the financing of the project as well as all the other issues still outstanding. This is just the latest chapter in the BDCP story with many more chapters to come.

- IPR Opportunities - At the request of the District's board members, to investigate and evaluate opportunities to implement an Indirect Potable Reuse (IPR) Program at the District, staff met on April 29th with representatives from Sweetwater Authority to discuss if they were interested in working with Otay on this Program. During the meeting, it was agreed to create a workgroup from both agencies. This workgroup will prepare a preliminary report and will come with recommendations to both agency's Board of Directors during the Fall of 2015.

ADMINISTRATIVE SERVICES:

Purchasing and Facilities:

- Purchase Orders - There were 130 blanket and regular purchase orders in effect during March with an adjusted total value of \$391,797. In addition, there were 172 Cal-Card transactions totaling \$40,577. By value, Cal-Card represents 10% of all purchases; blanket orders 40%; and regular PO's 50%.

Human Resources:

- Employee Picnic and Holiday Party Scheduled - Please mark your calendars to attend our Picnic and Holiday Party. The Picnic will be held at Santee Lakes on July 18th from 11:00 am - 4:00 pm, and the Holiday Party will be at the Harbor House in Seaport Village on December 5th from 6:00 pm - 11:00 pm.
- Recruitments - HR is recruiting for or preparing to recruit for Systems Support Analyst, Utility Worker I/II, Reclamation Plant Operator I/II/III, and Senior Utility Worker/Equipment Operator.
- New Hires/Promotions - There were no new hires in the month of April, but there was one promotion: Hector Licon, Senior Utility Worker/Equipment Operator, was promoted to Utility Crew Leader.

Safety & Security:

- Emergency Preparedness Training - Staff attended "Strategic Overview of Disaster Management for Water & Wastewater Operations (MGT342)".
- Safety Training - Staff completed "Crane Operation" training.
- County HMBP Inspections - Successfully completed at 870-1 and 870-2 pump station and reservoir.
- WebEOC Training Exercise - Staff completed the monthly exercise, which consisted of finding out who is listed as the County of San Diego OAEOC Operations Chief and e-mailing the results to: colvera@sdewa.org.

INFORMATION TECHNOLOGY AND STRATEGIC PLANNING:

- Technology Security Audit - As part of the District's efforts to continuously improve security measures and identify possible cyber-risks and vulnerabilities, IT staff worked with a contracted auditing firm and recently completed the initial audit/assessment of the District's technology solutions and preventive measures. The auditing firm also performed testing on the District's existing internal controls and safeguards while emphasizing preventive measures on cyber activities. Staff will provide an executive summary next month.

FINANCE:

- Commercial Sites Removing Grass - In response to MWD's \$2.00/square-foot turf removal rebate, the following commercial sites have scheduled inspections with MWD staff to confirm the square footage: Eastlake III HOA 50,000 square feet; Rancho Rios HOA 93,000 square feet; Eastlake 1 Community Association 125,200 square feet; and Steele Canyon Golf Club 1,742,400 square feet. Turf removal sites have 120 days to complete the turf removal project once MWD approves it.
- Tyler Users Conference - Staff will be attending the users conference to keep abreast of software changes and updates. The Tyler product, Eden, is the District's enterprise-wide software used to support various functions throughout the District. Staff will also be conducting a billing module best practice presentation.
- Annual Financial Audit - Staff is preparing for the fiscal year 2015 annual financial audit preliminary procedures, which will be performed in May based on the fiscal year-to-date results as of March 31, 2015. The Certified Public Accounting firm, Teaman, Ramirez & Smith, will be performing the financial audit for this fiscal year.
- Financial Reporting:
 - For the eight months ended March 31, 2015, there are total revenues of \$67,449,889 and total expenses of \$67,204,922. The revenues exceeded expenses by \$244,967.
 - The market value shown in the Portfolio Summary and in the Investment Portfolio Details as of March 31, 2015 total \$83,287,923 with an average yield to maturity of 0.64%. The total earnings year-to-date are \$404,825,21.

ENGINEERING AND WATER OPERATIONS:

Engineering:

- **927 Zone, Force Main Assessment and Repair Project:** This Project consists of inspection, condition assessment, and repair of the existing Ralph W. Chapman Water Reclamation Facility (RWCWRF) 1980 era, 16,000 feet long, 14-inch diameter steel force main. Staff is preparing for Pipeline Inspection and Condition Analysis Corporation (PICA) to inspect the lower 12,000 feet of force main next winter and in addition will be assembling bid documents for replacement of fifteen (15) existing blow offs, and replacement of the existing cathodic protection system. The project is on schedule and within budget. (R2116)
- **SR-11 Potable Water Utility Relocations:** This project consists of two (2) groups of potable water relocations to accommodate the construction of the future SR-11 right-of-way and connector ramps. The first group includes relocation of existing pipelines in Sanyo Avenue and utility easements and is currently in the construction phase. The contractor, Coffman Specialties Inc., has relocated the 10-inch and 12-inch mains and has completed a majority of the work to lower the District's 18-inch transmission main to accommodate the Caltrans freeway retaining wall footings. It is anticipated that this construction contract will reach substantial completion in May 2015 (ahead of schedule). The second group consists of relocating a 6-inch blow off in Otay Mesa Road and is currently in the construction phase. The contractor, TC Construction Co., Inc., anticipates construction to relocate the 6-inch blow off in May 2015. The overall project is on schedule and within budget. (P2453)
- **944-1, 944-2, & 458-2 Reservoir Interior/Exterior Coatings & Upgrades:** This project consists of removing and replacing the interior and exterior coatings of the 944-1 0.3 MG Reservoir, the 944-2 3.0 MG Reservoir, and the 458-2 1.8 MG Reservoir along with providing structural upgrades to ensure the tanks comply with both State and Federal OSHA standards as well as the American Water Works Association and the County Health Department standards. The contractor, Olympus & Associates, has completed the interior coating of the 944-2 Reservoir and started the exterior coating work. The contractor is completing the removal of the existing coating from the interior floor, roof, and walls at the 458-2 Reservoir. It is anticipated that work to apply the new interior coating at the 458-2 Reservoir will begin in May 2015, pending structural repair work. The overall project is behind schedule. The District's Construction Manager is working with the contractor on a recovery schedule that currently indicates a July 2015 completion. The overall project is within budget. (P2531, P2532, P2535)

- **Ralph W. Chapman Water Reclamation Facility (RWCWRF) Return Activated Sludge (RAS) Pumps Replacement Project:** This Project consists of removal and replacement of the existing 5 horsepower (HP) RAS pumps with upgraded 20 HP units. On January 7, 2015, the Board awarded a construction contract to Cora Constructors, Inc. Pumps have been ordered and on-site activities are projected to start in June. The project is on schedule and within budget. (R2111)
- **Calavo Basin Sewer System Rehabilitation:** This project consists of removing and replacing approximately 1,200 linear feet of 8-inch PVC sewer pipeline and construction of 220 feet of new 8-inch PVC sewer pipeline in the residential streets of the Calavo Gardens area near Avocado Boulevard. The contractor, Arrieta Construction, continued work on Avocado Boulevard and Redondo Drive during April 2015. It is anticipated that work will begin on Anaheim Drive and Queen Avenue in May 2015. Eight (8) of the fourteen (14) rehabilitation sites are completed. The project is on schedule to be completed in June and within budget. (S2033)
- **Rosarito Desalination:**
Staff and representatives from NSC Agua continue to coordinate on complying with the California Water Resources Control Board Drinking Water Program regulatory requirements. The work on the EIR/EIS for the project are proceeding. All of the technical reports to support the EIR/EIS are complete and being reviewed by staff and the State Department and the EIR/EIS chapters are being written. The draft document for public review is anticipated to be ready in late May/June 2015. (P2451)
- **850-3 Reservoir Interior Coatings:** This project consists of removing and replacing the interior coatings of the 850-3 3.0 MG Reservoir. On April 1, 2015, the Board awarded a construction contract to Abhe & Svoboda. A Pre-Construction Meeting was held on April 29, 2015, and mobilization to the site on May 4, 2015. The project is within budget, and behind by one (1) month due to the bid protest received by the Painters Union. (P2542)
- **450-1 Disinfection Facility Rehabilitation:** This project consists of replacing two (2) sodium hypochlorite tanks, relocating the chlorine feed pumps, installing a new roll-up door, and constructing a containment area. On March 4, 2015, the Board awarded a construction contract to Fordyce Construction. Notice to Proceed was granted on April 6, 2015, and the contractor is in the submittal process for long lead items. The project is on schedule and within budget. (R2112)

- **Disposal of Real Estate Properties Declared Surplus by the Board:** The District, through a competitive process based on qualifications and pricing, has secured the real estate brokerage services of The Norberg Group to support the disposal of properties declared surplus by the Board. On March 13, 2015, the District entered into listing agreements with The Norberg Group for six (6) properties. The Norberg Group has listed and is marketing the properties.
- For the month of March 2015, the District sold 19 meters (37.5 EDUs) generating \$346,761 in revenue. Projection for this period was 12.8 meters (15.3 EDUs), with budgeted revenue of \$140,758. Total revenue for Fiscal Year 2015 is \$3,023,805, against the annual budget of \$1,689,093.

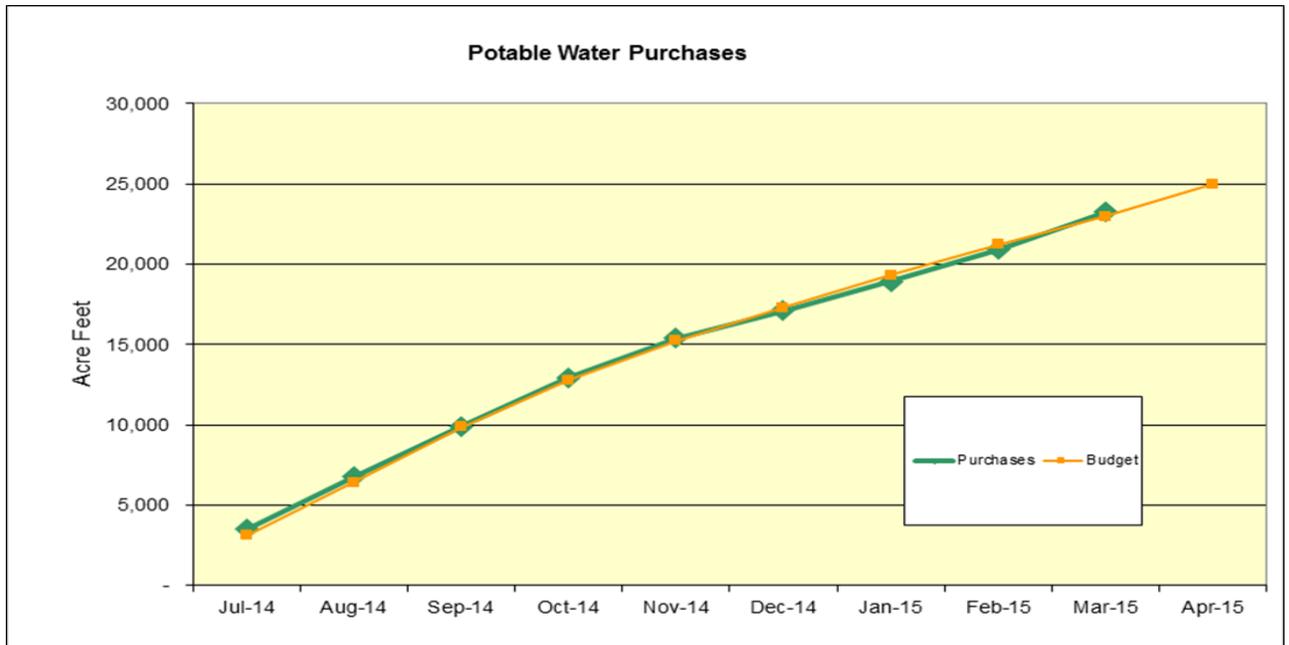
The following table summarizes Engineering's project purchases and amendments issued during the period of March 12, 2015 through April 17, 2015 that were within staff signatory authority:

Date	Action	Amount	Contractor/ Consultant	Project
03/31/15	P.O.	\$3,081.24	Pacific Pipeline Supply	458-2 Reservoir Interior & Exterior Coating & Upgrades (P2535)

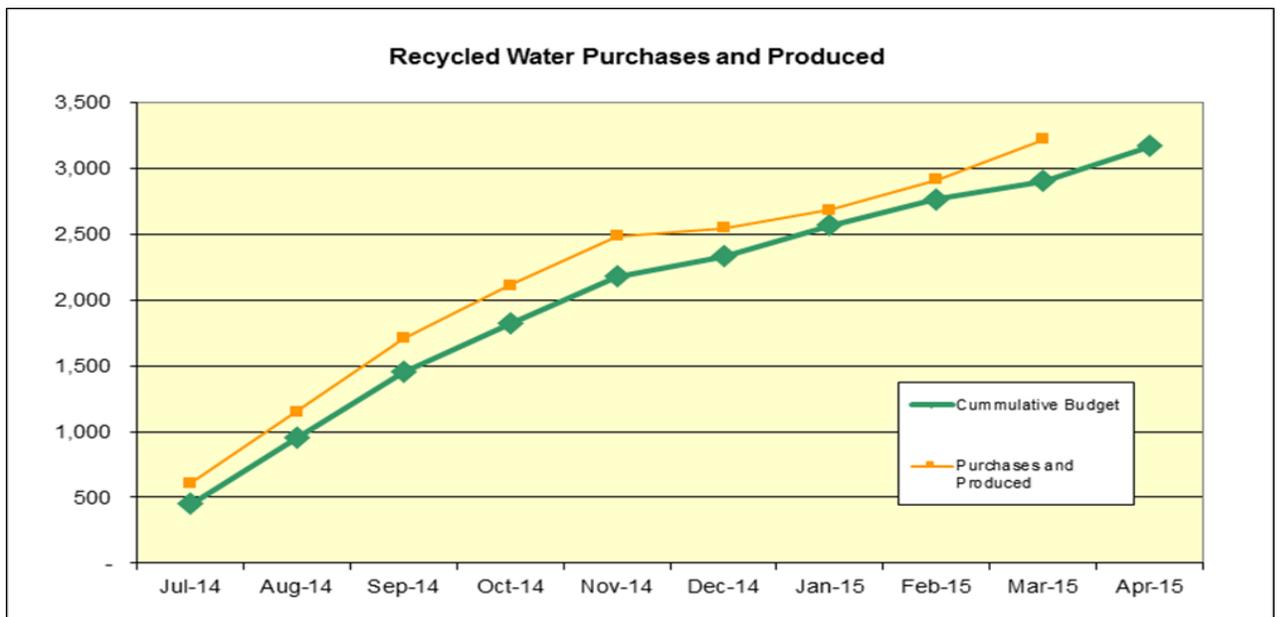
Water Operations:

- The Annual Drinking Water Report, reporting for calendar year 2014, is complete and has been submitted to the State as required.
- Staff is currently working on the 2014 Consumer Confidence Report.
- The third annual proactive leak detection survey, as part of the District's Leak Detection and Repair Program, is complete. To date, the District has surveyed 45% of the District's total potable distribution system and over 19% of the District's total recycled water system. Approximately 345 miles of pipelines were surveyed, discovering 207 total leaks which include 60 leaks on the customers' side. All of the District's leaks (147) have been repaired, resulting in a water savings estimated at \$300,000.
- Total number of potable water meters is 49,378.

- The March potable water purchases were 2,314.0 acre-feet which is 31.9% above the budget of 1,753.7 acre-feet. The cumulative purchases through March is 23,253.3 acre-feet which is 1.2% above the cumulative budget of 22,969.0 acre-feet.



- The March recycled water purchases and production was 308.6 acre-feet which is 120.8% above the budget of 139.8 acre-feet. The cumulative production and purchases through March is 3,218.9 acre-feet which is 10.9% above the cumulative budget of 2,903.5 acre-feet.



- Recycled water consumption for the month of March is as follows:
 - Total consumption was 197.4 acre-feet or 64,313,040 gallons and the average daily consumption was 2,074,614 gallons per day.
 - Total recycled water consumption as of March for FY 2015 is 3190.2 acre-feet.
 - Total number of recycled water meters is 707.

- Wastewater flows for the month of March were as follows:
 - Total basin flow, gallons per day: 1,617,901.
 - Spring Valley Sanitation District Flow to Metro, gallons per day: 535,569.
 - Total Otay flow, gallons per day: 1,082,332.
 - Flow Processed at the Ralph W. Chapman Water Recycling Facility, gallons per day: 978,450.
 - Flow to Metro from Otay Water District was 103,883 gallons per day.

By the end of March, there were 6,091 wastewater EDUs.

Attachment: State Treasurer's Assessment of the Affordability and Financing Considerations of the Bay Delta Conveyance Facility

State Treasurer's Assessment of the Affordability and Financing Considerations of the Bay Delta Conveyance Facility

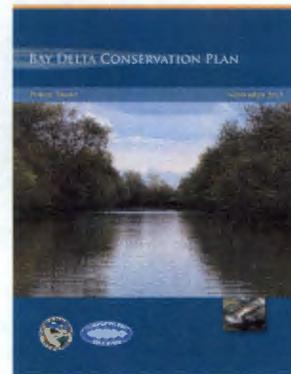
Imported Water Committee
April 23, 2015



Amy Chen, Director of MWD Program

Findings of the State Treasurer's Report

- ▶ Cost of the Delta conveyance facility is within range of urban and agricultural users capacity to pay
- ▶ On average, supply costs for the BDCP are competitive to alternative supplies
- ▶ CVP contractors will need to develop financing mechanism to fund their share of BDCP, including creation of take-or-pay contracts or rate stabilization fund



2

Report includes multiple qualifiers

Issuance of bonds:

"a number of important financing issues...will need to be resolved before bonds could be issued to support construction of the BDCP conveyance facility..."

Modeled four agencies:

"may not be representative of the many smaller SWP and CVP contractors, most notably CVP agricultural water users."

Agricultural contractors:

"ability to pay for the BDCP-related costs depends primarily upon their agricultural customers' capacity to absorb these higher water costs..."

Capacity to Pay:

"much higher for permanent crops and vegetable crops and much lower for row crops."



"CVP contractors will need to develop financing mechanism..."

having a steady reliable supply of credit would pay a somewhat higher price for that financing.

- Based on the report for the CVP contractors will also likely need to include other credit features that are included in the DWR bonds such as "take-or-pay" provisions, ability to suspend water deliveries for emergency, most likely storm damage requirements, ability to buy a no. amount for non-payment of permitted, etc. As with color of pay contracts, such features would be a significant change for the CVP contractors and may raise significant public concern regarding the impact on smaller agricultural contractors.
- The average water profile of the CVP contractors is significantly different from that of the SWP contractors. While the largest SWP operations are in coastal agencies, the majority of CVP contractors are agricultural districts. More than 60% of the SWP contractors received financial responsibility from contractors credit AA or AA- as higher to SWP or identity, while approximately 40% of the CVP contractors' assumed responsibility for the conveyance facility is from contractors that have at least one rating in the BBB+ category. Moody's, which has the largest contribution of SWP contractors, accounts for approximately 20.0% of the "contractor credit quality" amount of water under contract to be delivered to CVP contractors, and is rated A- by SWP and Fish. Assuming a 50/50 split between SWP and CVP, "contractor" share of the \$10.25 billion of bonds for CVP contractors under the Base Case would be approximately \$2.75 billion if the "contractor credit quality" percentages were used to adjust CVP debt obligations. By contrast, Moody's currently has approximately \$337 million of bonds outstanding.
- Having a steady and reliable supply of credit would pay a somewhat higher price for that financing. The contractor's profile for water is the water quality of the CVP contractors for water supply contracts is somewhat different.

Other Financing Issues

Capacity of Conveyance Facility: In order to fund the conveyance facility with the current bonds, USDB is guaranteed to pay back on ownership share in the facility. Thus, a variety of ownership structures and debt structures including one to which a joint venture would own the CVP ownership share of the project and SWP would own the SWP ownership share of the project. Other ownership structures involving public entities are also possible.

"Even if the CVP contractors develop a new credit with take-or-pay obligations and similar credit features to the DWR bonds, it is not clear at this point whether \$10.25 billion of bonds (assuming a 50/50 split) in the base case could reasonably be issued without a large rate stabilization fund or other credit enhancement or subsidy from the federal government, state government or SWP contractors."



Key Financing Risks

“..there are a number of important risks... Construction cost overruns and delays...Regulatory uncertainty...if.. State and federal funding for habitat conservation is not ...forthcoming, the ability to operate the tunnels could be jeopardized.. Climate change...presents a financing risk...”

are potentially challenging. During a period of low water deliveries, at the same time contractors are securing alternative water supplies, they would be obligated to continue to make debt service payments. This could be problematic particularly for most agricultural contractors because their revenues are likely to be impacted either directly as a function of crop prices or because they would follow a portion of their acreage, resulting in lower crop yields to bring to market.

The financial pressure on contractors having to make annual debt service payments, particularly in addition to securing alternative water supplies in dry years, might be able to be partially mitigated in a number of different ways, including the establishment of a large rate-stabilization reserve. However, such a reserve would need to be funded initially and rules would need to be established to govern how it would be replenished when it is utilized during dry periods.

Even if the CVP contractors develop a new credit with a take-or-pay obligation and similar credit features to the DWR bonds, it is not clear at this point whether \$10.25 billion of bonds (assuming a 50/50 split in the Basin) can be raised without a large rate stabilization fund or other credit enhancement or subsidy from the federal government, state government, or SWP producers.

Key Financing risks
 Finally, there are a number of important risks that could pose significant obstacles to successful financing of the proposed conversion facility. Construction cost overruns and delays, which pose an uncertainty for long-term financing projects of this type, could result in substantially higher debt service costs for the SWP and CVP contractors, which they may not be able to pass on to their water users. Regulatory uncertainty, whereby the ability to operate the Bay Delta Conservation Plan as intended is uncertain, could lead to reductions in equity from the Delta and that the water allocations are insufficient to generate the intended revenues for the water contractors to meet their debt service obligations. If the BDCP is postponed, some and before.

Potential Risk: recent reports by the Los Angeles Times and E&E News indicate the Bay Delta Conservation Plan’s Habitat Conservation Plan is being abandoned



State Treasurer’s Analysis Assumptions

- ▶ Total estimated BDCP costs: \$25 billion
 - Water contractors’ share: \$17 billion
- ▶ Cost allocation between SWP and CVP
 - Two scenarios: 50/50, 60/40
- ▶ Three cases evaluated
 - Base
 - Costs and construction schedule, same as BDCP; 40-year bond
 - Best
 - Capital costs 10% less than base; interest rates 1% lower
 - Worst
 - Capital costs 30% higher; interest rates 2% more



Debt Financing by the Water Contractors – in 2015\$¹

	Base Case	Best Case	Worst Case
Total Peak Cost			
Peak Contractor Cost (\$2015)	\$909M	\$604M	\$1,359M
SWP Share			
50/50 Split for SWP/CVP (\$2015)	\$455M	\$302M	\$680M
60/40 Split for SWP/CVP (\$2015)	\$546M	\$362M	\$816M
MWD Share (Table A)*			
50/50 Split for SWP/CVP (\$2015)	\$211M	\$140M	\$315M
60/40 Split for SWP/CVP (\$2015)	\$253M	\$168M	\$378M

1. Source: MWD presentation from January 27, 2015

* MWD performed its own analysis in 2013, when that analysis is brought forward to 2015\$, it shows MWD share would be \$250M under a 50/50 split or \$299M under a 60/40 split



7

MWD's Incremental BDCP Unit Cost

MWD Incremental BDCP Benefits (Based on Table A%) = 199,337AF¹					
	Cost Split	Base Case	Best Case	Worst Case	MWD Estimate ²
MWD Share Peak Annual Cost³ (2015\$)	SWP: 60%	\$253 M	\$168 M	\$378 M	\$299 M
MWD Cost/BDCP Incremental Benefit	CVP: 40%	\$1,269/AF	\$843/AF	\$1,896/AF	\$1,500/AF

1. Based on data provided in MWD's September 23, 2014 presentation, MWD's calculated incremental BDCP benefit is about 200,000 AF/Y on average, based on its Table A allocation

2. MWD's 2013 estimate (presented in 2014) displayed in 2015 \$s

3. Costs shown differ from State Treasurer's Report: Nominal \$ shown in State Treasurer's Report; 2015\$ shown in MWD PPT and here. Data shown can be found in MWD's January 27, 2015 presentation



8

Meeting San Diego's Supply Needs

Meeting San Diego County's Water Supply Demands	Long-Term Cost to San Diego Region	Cost-Control/Predictability	Reliability	Drought Proof	Local Control
Conservation	○	●	●	●	●
MWD's SWP Supplies without BDCP	○	●	●	●	●
MWD's SWP Supplies with BDCP	○	●	●	●	●
MWD's Colorado River Supplies	●	○	○	○	●
Imperial Irrigation District-Water Transfer	○	○	○	○	○
All American Canal Lining Project/Coachella Canal Lining Project Supplies	●	●	●	●	○
Carlsbad Desalination	○	○	●	●	●
Recycled Water	○	○	●	●	●
Potable Reuse	○	○	●	●	●
Groundwater	○	○	●	○	●



9

Considerations

- ▶ State Treasurer's Report is illustrative
- ▶ Important financing issues must be resolved before bonds could be issued
 - Certainty of revenue stream critical
 - Debt service requirements for SWP contractors
 - Need for CVP contractors to develop new credit to finance their share
- ▶ Recent reports on Administration's proposal to abandon BDCP as HCP will significantly increase financing risks



10

OTAY WATER DISTRICT
COMPARATIVE BUDGET SUMMARY
FOR NINE MONTHS ENDED MARCH 31, 2015

	Annual Budget	Actual	Budget	YTD Variance	Var %
REVENUES:					
Potable Water Sales	\$ 45,669,500	\$ 33,622,436	\$ 34,408,500	\$ (786,064)	(2.3%)
Recycled Water Sales	8,826,600	6,642,804	6,603,000	39,804	0.6%
Potable Energy Charges	2,145,600	1,639,420	1,614,800	24,620	1.5%
Potable System Charges	12,337,500	8,998,177	8,978,600	19,577	0.2%
Potable MWD & CWA Fixed Charges	10,936,200	8,202,561	8,238,100	(35,539)	(0.4%)
Potable Penalties	870,300	714,034	643,800	70,234	10.9%
Total Water Sales	80,785,700	59,819,432	60,486,800	(667,368)	(1.1%)
Sewer Charges	3,007,700	2,201,887	2,201,000	887	0.0%
Meter Fees	51,500	72,882	38,600	34,282	88.8%
Capacity Fee Revenues	1,150,600	878,759	863,000	15,759	1.8%
Betterment Fees for Maintenance	301,800	188,123	301,800	(113,677)	(37.7%)
Non-Operating Revenues	1,947,800	1,420,741	1,426,500	(5,759)	(0.4%)
Tax Revenues	3,763,700	2,366,758	2,220,500	146,258	6.6%
Interest	77,400	85,906	58,100	27,806	47.9%
Transfer from Potable General Fund	553,800	415,400	415,400	-	0.0%
Total Revenues	\$ 91,640,000	\$ 67,449,889	\$ 68,011,700	\$ (561,811)	(0.8%)
EXPENSES:					
Potable Water Purchases	\$ 34,521,500	\$ 25,542,267	\$ 25,774,800	\$ 232,533	0.9%
Recycled Water Purchases	1,601,500	1,059,083	1,268,650	209,567	16.5%
CWA-Infrastructure Access Charge	1,901,400	1,418,271	1,419,000	729	0.1%
CWA-Customer Service Charge	1,792,200	1,344,401	1,342,200	(2,201)	(0.2%)
CWA-Emergency Storage Charge	4,741,200	3,530,879	3,541,200	10,322	0.3%
MWD-Capacity Res Charge	701,400	500,486	500,100	(386)	(0.1%)
MWD-Readiness to Serve Charge	1,800,000	1,362,998	1,350,000	(12,998)	(1.0%)
Subtotal Water Purchases	47,059,200	34,758,384	35,195,950	437,566	1.2%
Power Charges	2,838,400	2,409,949	2,180,400	(229,549)	(10.5%)
Payroll & Related Costs	19,747,600	14,783,696	15,000,300	216,604	1.4%
Material & Maintenance	3,619,800	2,415,712	2,674,250	258,538	9.7%
Administrative Expenses	5,009,200	2,962,700	3,436,430	473,730	13.8%
Legal Fees	410,000	157,381	307,500	150,119	48.8%
Expansion Reserve	2,538,900	1,904,200	1,904,200	-	0.0%
Betterment Reserve	3,530,000	2,647,500	2,647,500	-	0.0%
Replacement Reserve	3,270,200	2,452,700	2,452,700	-	0.0%
New Supply Fee	705,000	528,800	528,800	-	0.0%
Transfer to Sewer General Fund	553,800	415,400	415,400	-	0.0%
OPEB Trust	647,100	485,300	485,300	-	0.0%
Potable General Fund	1,583,800	1,187,900	1,187,900	-	0.0%
Sewer Replacement	127,000	95,300	95,300	-	0.0%
Total Expenses	\$ 91,640,000	\$ 67,204,922	\$ 68,511,930	\$ 1,307,008	1.9%
EXCESS REVENUES(EXPENSE)	\$ -	\$ 244,967	\$ (500,230)	\$ 745,197	

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

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Federal Agency Issues- Callable	57,735,000.00	57,768,950.50	57,735,984.04	70.58	997	761	0.879	0.892
Federal Agency Issues - Coupon	8,000,000.00	8,007,640.00	8,001,634.68	9.78	925	203	0.395	0.400
Certificates of Deposit - Bank	81,784.76	81,784.76	81,784.76	0.10	730	296	0.030	0.030
Local Agency Investment Fund (LAIF)	4,685,947.78	4,687,745.91	4,685,947.78	5.73	1	1	0.274	0.278
San Diego County Pool	11,294,298.31	11,290,000.00	11,294,298.31	13.81	1	1	0.505	0.512
Investments	81,797,030.85	81,836,121.17	81,799,649.57	100.00%	795	557	0.745	0.755
Cash								
Passbook/Checking (not included in yield calculations)	1,451,801.68	1,451,801.68	1,451,801.68		1	1	0.231	0.235
Total Cash and Investments	83,248,832.53	83,287,922.85	83,251,451.25		795	557	0.745	0.755

Total Earnings	March 31 Month Ending	Fiscal Year To Date
Current Year	50,467.53	404,825.21
Average Daily Balance	84,308,275.60	83,711,696.60
Effective Rate of Return	0.70%	0.64%

I hereby certify that the investments contained in this report are made in accordance with the District Investment Policy Number 27 adopted by the Board of Directors on May 7, 2014. The market value information provided by Interactive Data Corporation. The investments provide sufficient liquidity to meet the cash flow requirements of the District for the next six months of expenditures.


Joseph Beachem, Chief Financial Officer

4-21-15

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

INVESTMENT OVERVIEW & MARKET STATUS:

The federal funds rate has remained constant now for over 5 years. On December 16, 2008, at the Federal Reserve Board's regular scheduled meeting, the federal funds rate was lowered from 1.00% to "a target range of between Zero and 0.25%" in response to the nation's ongoing financial crisis, as well as banking industry pressure to ease credit and stimulate the economy. This marked the ninth reduction in a row since September 18, 2007, when the rate was 5.25%. There have been no further changes made to the federal funds rate at the Federal Reserve Board's subsequent regular scheduled meetings, the most recent of which was held on March 18, 2015. In determining how long to maintain the current 0 to ¼ percent target range for the federal funds rate, they went on to say: *"the Committee will assess progress--both realized and expected--toward its objectives of maximum employment and 2 percent inflation. This assessment will take into account a wide range of information, including measures of labor market conditions, indicators of inflation pressures and inflation expectations, and readings on financial and international developments. Consistent with its previous statement, the Committee judges that an increase in the target range for the federal funds rate remains unlikely at the April FOMC meeting. The Committee anticipates that it will be appropriate to raise the target range for the federal funds rate when it has seen further improvement in the labor market and is reasonably confident that inflation will move back to its 2 percent objective over the medium term. This change in the forward guidance does not indicate that the Committee has decided on the timing of the initial increase in the target range."*

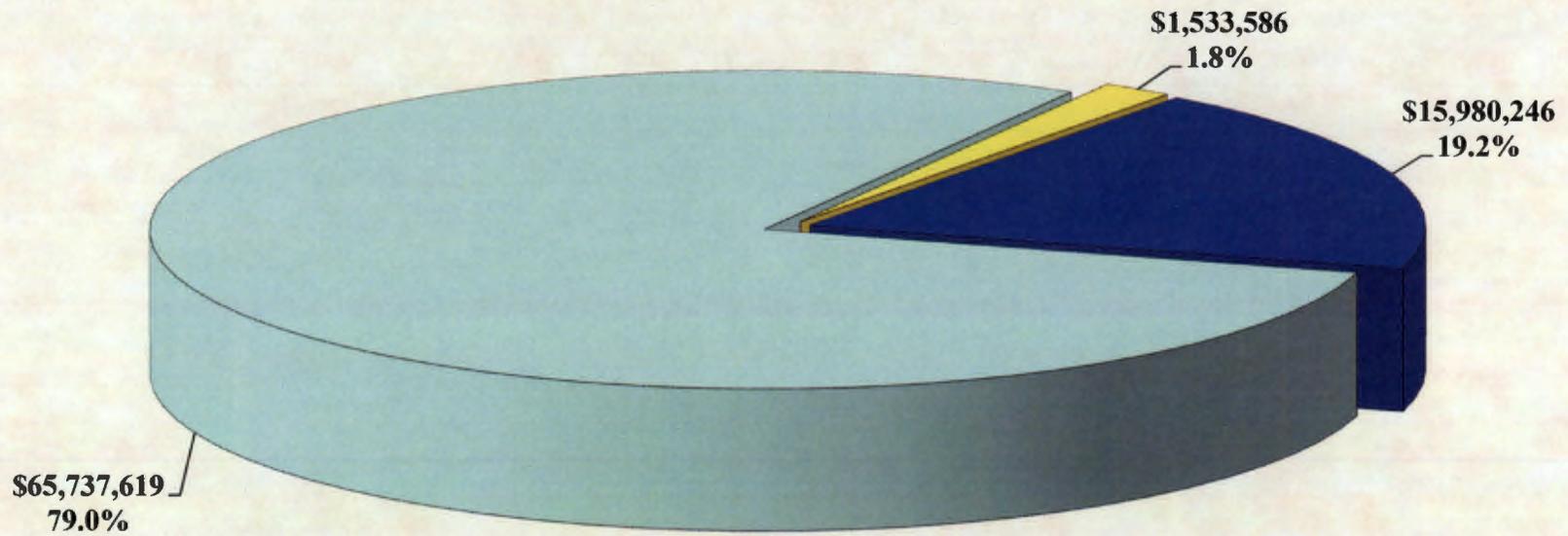
Despite the large drop in available interest rates, the District's overall effective rate of return at March 31, 2015 was 0.64%, which was the same as the previous month. At the same time the LAIF return on deposits has improved over the previous month, reaching an average effective yield of 0.278% for the month of March 2015. Based on our success at maintaining a competitive rate of return on our portfolio during this extended period of interest rate declines, no changes in investment strategy regarding returns on investment are being considered at this time. This desired portfolio mix is important in mitigating any liquidity risk from unforeseen changes in LAIF or County Pool policy.

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

PORTFOLIO COMPLIANCE: March 31, 2015

	<u>Investment</u>	<u>State Limit</u>	<u>Otay Limit</u>	<u>Otay Actual</u>
8.01:	Treasury Securities	100%	100%	0
8.02:	Local Agency Investment Fund (Operations)	\$50 Million	\$50 Million	\$4.7 Million
8.02:	Local Agency Investment Fund (Bonds)	100%	100%	0
8.03:	Federal Agency Issues	100%	100%	78.96%
8.04:	Certificates of Deposit	30%	15%	.10%
8.05:	Short-Term Commercial Notes	25%	10%	0
8.06:	Medium-Term Commercial Debt	30%	10%	0
8.07:	Money Market Mutual Funds	20%	10%	0
8.08:	San Diego County Pool	100%	100%	13.57%
12.0:	Maximum Single Financial Institution	100%	50%	1.74%

Otay Water District Investment Portfolio: 03/31/2015



Total Cash and Investments: \$83,251,451

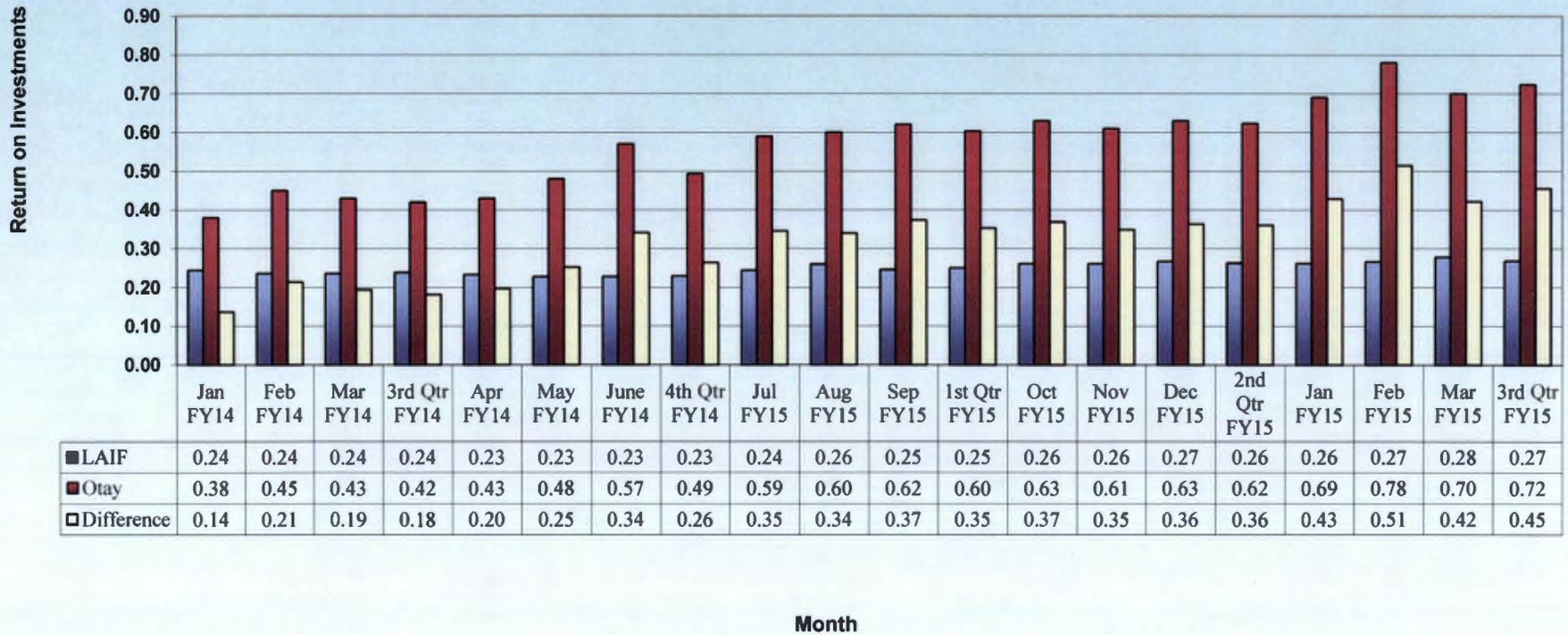
■ Banks (Passbook/Checking/CD)

■ Pools (LAIF & County)

■ Agencies & Corporate Notes

Performance Measure FY-15 Return on Investment

Target: Meet or Exceed 100% of LAIF



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

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity	Maturity Date
Federal Agency Issues- Callable												
3134G4PX0	2277	Federal Home Loan Mortgage		12/27/2013	2,000,000.00	1,997,640.00	2,000,000.00	0.500		0.493	453	06/27/2016
3133EDKF8	2291	Federal Farm Credit Bank		04/29/2014	2,000,000.00	1,999,560.00	2,000,000.00	0.550		0.542	485	07/29/2016
3134G4UC0	2305	Federal Home Loan Mortgage		09/08/2014	2,000,000.00	2,002,380.00	2,001,895.15	0.650		0.570	485	07/29/2016
3135GOXR9	2269	Fannie Mae		06/06/2013	2,000,000.00	1,997,660.00	2,000,000.00	0.550	AA	0.542	524	09/08/2016
3134G4WJ3	2284	Federal Home Loan Mortgage		03/19/2014	2,000,000.00	2,001,740.00	2,000,000.00	0.625		0.616	537	09/19/2016
3133EECX6	2313	Federal Farm Credit Bank		11/25/2014	2,000,000.00	1,999,300.00	2,000,000.00	0.610		0.602	604	11/25/2016
3130A3FY5	2309	Federal Home Loan Bank		11/28/2014	2,000,000.00	2,001,500.00	2,000,000.00	0.700		0.690	604	11/25/2016
3134G55T8	2295	Federal Home Loan Mortgage		06/12/2014	2,000,000.00	2,001,680.00	2,000,000.00	0.700	AA	0.690	621	12/12/2016
3130A25S1	2299	Federal Home Loan Bank		06/19/2014	2,000,000.00	2,001,180.00	2,000,000.00	0.700		0.690	628	12/19/2016
3136G1XZ7	2274	Federal National Mortgage Assoc		12/19/2013	2,000,000.00	2,001,120.00	2,000,000.00	0.670		0.661	628	12/19/2016
3134G5A47	2301	Federal Home Loan Mortgage		06/30/2014	2,000,000.00	2,001,380.00	2,000,000.00	0.650		0.641	639	12/30/2016
3130A35R1	2306	Federal Home Loan Bank		10/06/2014	2,000,000.00	2,000,140.00	2,000,000.00	0.850		0.838	646	01/06/2017
3133EELR9	2317	Federal Farm Credit Bank		01/27/2015	2,000,000.00	1,998,880.00	1,999,088.89	0.625		0.616	667	01/27/2017
3134G55X9	2298	Federal Home Loan Mortgage		06/10/2014	2,000,000.00	1,998,380.00	2,000,000.00	0.810		0.799	709	03/10/2017
3134G4WH7	2285	Federal Home Loan Mortgage		03/20/2014	2,000,000.00	2,002,600.00	2,000,000.00	0.900		0.888	719	03/20/2017
3134G56A8	2297	Federal Home Loan Mortgage		06/16/2014	2,000,000.00	2,002,520.00	2,000,000.00	1.000		0.986	807	06/16/2017
3134G56N0	2300	Federal Home Loan Mortgage		06/26/2014	2,000,000.00	1,998,660.00	2,000,000.00	1.000		0.986	817	06/26/2017
3136G23G0	2304	Federal National Mortgage Assoc		08/15/2014	2,000,000.00	2,002,440.00	2,000,000.00	1.050		1.036	867	08/15/2017
3130A1ZX9	2296	Federal Home Loan Bank		05/22/2014	2,000,000.00	2,000,160.00	2,000,000.00	1.050		1.036	874	08/22/2017
3130A3MH4	2314	Federal Home Loan Bank		12/29/2014	2,000,000.00	2,007,020.00	2,000,000.00	1.000		0.986	912	09/29/2017
3134G5BL8	2302	Federal Home Loan Mortgage		07/17/2014	2,000,000.00	2,000,920.00	2,000,000.00	1.220		1.203	930	10/17/2017
3134G5LH6	2307	Federal Home Loan Mortgage		10/30/2014	2,000,000.00	2,001,320.00	2,000,000.00	1.100		1.085	943	10/30/2017
3133EECG3	2311	Federal Farm Credit Bank		11/20/2014	1,030,000.00	1,032,369.00	1,030,000.00	1.140		1.124	964	11/20/2017
3133EECG3	2312	Federal Farm Credit Bank		11/20/2014	2,705,000.00	2,711,221.50	2,705,000.00	1.140		1.124	964	11/20/2017
3136G2A23	2308	Federal National Mortgage Assoc		11/28/2014	2,000,000.00	2,001,340.00	2,000,000.00	1.200		1.184	972	11/28/2017
3134G5PP4	2310	Federal Home Loan Mortgage		12/12/2014	2,000,000.00	2,000,580.00	2,000,000.00	1.250		1.233	986	12/12/2017
3130A3N59	2315	Federal Home Loan Bank		12/29/2014	2,000,000.00	1,993,200.00	2,000,000.00	1.125		1.110	1,003	12/29/2017
31315PW88	2316	Federal Agricultural Mortgage		01/08/2015	2,000,000.00	2,000,360.00	2,000,000.00	1.300		1.282	1,013	01/08/2018
3130A4MF6	2318	Federal Home Loan Bank		03/30/2015	2,000,000.00	2,011,700.00	2,000,000.00	1.300		1.282	1,093	03/29/2018
Subtotal and Average			55,865,052.45		57,735,000.00	57,768,950.50	57,735,984.04			0.879	761	

Federal Agency Issues - Coupon

3133EC6F6	2258	Federal Farm Credit Bank		12/05/2012	3,000,000.00	3,000,930.00	3,000,000.00	0.350	AA	0.345	61	06/01/2015
3133EC7H1	2260	Federal Farm Credit Bank		12/17/2012	3,000,000.00	3,001,410.00	3,000,000.00	0.340		0.335	138	08/17/2015
3135G0YE7	2286	Federal National Mortgage Assoc		04/01/2014	2,000,000.00	2,005,300.00	2,001,634.68	0.625		0.558	513	08/26/2016

Data Updated: SET_ME8: 04/20/2015 14:03
Run Date: 04/20/2015 - 14:03

Portfolio OTAY
NL! AP
PM (PRF_PM2) 7.3.0

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

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity	Maturity Date
Subtotal and Average			8,001,680.10		8,000,000.00	8,007,640.00	8,001,634.68			0.395	203	
Certificates of Deposit - Bank												
2050003183-6	2283	California Bank & Trust		01/22/2014	81,784.76	81,784.76	81,784.76	0.030		0.030	296	01/22/2016
Subtotal and Average			81,784.76		81,784.76	81,784.76	81,784.76			0.030	296	
Local Agency Investment Fund (LAIF)												
LAIF	9001	STATE OF CALIFORNIA			4,685,947.78	4,687,745.91	4,685,947.78	0.278		0.274	1	
LAIF BABS 2010	9012	STATE OF CALIFORNIA		07/01/2014	0.00	0.00	0.00	0.267		0.263	1	
Subtotal and Average			7,108,528.43		4,685,947.78	4,687,745.91	4,685,947.78			0.274	1	
San Diego County Pool												
SD COUNTY POOL	9007	San Diego County			11,294,298.31	11,290,000.00	11,294,298.31	0.512		0.505	1	
Subtotal and Average			11,294,298.31		11,294,298.31	11,290,000.00	11,294,298.31			0.505	1	
Total and Average			84,308,275.60		81,797,030.85	81,836,121.17	81,799,649.57			0.745	557	

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

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity
Union Bank											
UNION MONEY	9002	STATE OF CALIFORNIA			10,001.78	10,001.78	10,001.78	0.010		0.010	1
PETTY CASH	9003	STATE OF CALIFORNIA			2,950.00	2,950.00	2,950.00			0.000	1
UNION OPERATING	9004	STATE OF CALIFORNIA			1,360,746.51	1,360,746.51	1,360,746.51	0.250		0.247	1
PAYROLL	9005	STATE OF CALIFORNIA		07/01/2014	27,891.35	27,891.35	27,891.35			0.000	1
RESERVE-10 COPS	9010	STATE OF CALIFORNIA			6,944.42	6,944.42	6,944.42	0.010		0.010	1
RESERVE-10 BABS	9011	STATE OF CALIFORNIA			18,847.85	18,847.85	18,847.85	0.010		0.010	1
UBNA-2010 BOND	9013	STATE OF CALIFORNIA		07/01/2014	0.00	0.00	0.00			0.000	1
UBNA-FLEX ACCT	9014	STATE OF CALIFORNIA		07/01/2014	24,419.77	24,419.77	24,419.77			0.000	1
		Average Balance	0.00								1
Total Cash and Investments			84,308,275.60		83,248,832.53	83,287,922.85	83,251,451.25			0.745	557

**Month End
GASB 31 Compliance Detail
Sorted by Fund - Fund
March 1, 2015 - March 31, 2015**

CUSIP	Investment #	Fund	Investment Class	Maturity Date	Beginning Invested Value	Purchase of Principal	Addition to Principal	Redemption of Principal	Adjustment in Value		Ending Invested Value
									Amortization Adjustment	Change in Market Value	
Fund: Treasury Fund											
3134G5A47	2301	99	Fair Value	12/30/2016	1,999,140.00	0.00	0.00	0.00	0.00	2,240.00	2,001,380.00
3134G56N0	2300	99	Fair Value	06/26/2017	1,994,580.00	0.00	0.00	0.00	0.00	4,080.00	1,998,660.00
3134G5BL8	2302	99	Fair Value	10/17/2017	2,002,600.00	0.00	0.00	0.00	0.00	-1,680.00	2,000,920.00
3134G55X9	2298	99	Fair Value	03/10/2017	1,995,500.00	0.00	0.00	0.00	0.00	2,880.00	1,998,380.00
3134G4PX0	2277	99	Fair Value	06/27/2016	1,995,780.00	0.00	0.00	0.00	0.00	1,860.00	1,997,640.00
3134G56A8	2297	99	Fair Value	06/16/2017	2,000,480.00	0.00	0.00	0.00	0.00	2,040.00	2,002,520.00
3134G55T8	2295	99	Fair Value	12/12/2016	1,999,780.00	0.00	0.00	0.00	0.00	1,900.00	2,001,680.00
3134G4WH7	2285	99	Fair Value	03/20/2017	2,000,720.00	0.00	0.00	0.00	0.00	1,880.00	2,002,600.00
3134G4WJ3	2284	99	Fair Value	09/19/2016	1,999,140.00	0.00	0.00	0.00	0.00	2,600.00	2,001,740.00
3134G4UC0	2305	99	Fair Value	07/29/2016	2,000,720.00	0.00	0.00	0.00	0.00	1,680.00	2,002,380.00
3134G5LH6	2307	99	Fair Value	10/30/2017	1,996,760.00	0.00	0.00	0.00	0.00	4,560.00	2,001,320.00
3134G5PP4	2310	99	Fair Value	12/12/2017	2,000,580.00	0.00	0.00	0.00	0.00	0.00	2,000,580.00
3136G1XZ7	2274	99	Fair Value	12/19/2016	1,998,500.00	0.00	0.00	0.00	0.00	2,620.00	2,001,120.00
3135G0YE7	2286	99	Fair Value	08/26/2016	2,003,760.00	0.00	0.00	0.00	0.00	1,540.00	2,005,300.00
3136G23G0	2304	99	Fair Value	08/15/2017	1,996,860.00	0.00	0.00	0.00	0.00	5,580.00	2,002,440.00
3136G2A23	2308	99	Fair Value	11/28/2017	1,996,700.00	0.00	0.00	0.00	0.00	4,640.00	2,001,340.00
3130A35R1	2306	99	Fair Value	01/06/2017	2,000,060.00	0.00	0.00	0.00	0.00	80.00	2,000,140.00
3130A1ZX9	2296	99	Fair Value	08/22/2017	1,996,820.00	0.00	0.00	0.00	0.00	3,340.00	2,000,160.00
3130A4MF6	2318	99	Fair Value	03/29/2018	0.00	2,000,000.00	0.00	0.00	0.00	11,700.00	2,011,700.00
3130A3FY5	2309	99	Fair Value	11/25/2016	1,998,420.00	0.00	0.00	0.00	0.00	3,080.00	2,001,500.00
3130A25S1	2299	99	Fair Value	12/19/2016	1,999,580.00	0.00	0.00	0.00	0.00	1,600.00	2,001,180.00
3130A3MH4	2314	99	Fair Value	09/29/2017	2,006,820.00	0.00	0.00	0.00	0.00	200.00	2,007,020.00
3130A3N59	2315	99	Fair Value	12/29/2017	1,986,340.00	0.00	0.00	0.00	0.00	6,860.00	1,993,200.00
LAIF BABS 2010	9012	99	Fair Value		0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESERVE-10 COPS	9010	99	Amortized		6,944.34	0.00	0.08	0.00	0.00	0.00	6,944.42
PETTY CASH	9003	99	Amortized		2,950.00	0.00	0.00	0.00	0.00	0.00	2,950.00
PAYROLL	9005	99	Amortized		27,891.35	0.00	0.00	0.00	0.00	0.00	27,891.35
UNION OPERATING	9004	99	Amortized		704,938.35	0.00	966,185.18	310,377.02	0.00	0.00	1,360,746.51
UNION MONEY	9002	99	Amortized		10,004.02	0.00	2,020,751.78	2,020,754.02	0.00	0.00	10,001.78
RESERVE-10 BABS	9011	99	Amortized		18,847.49	0.00	0.36	0.00	0.00	0.00	18,847.85

Data Updated: SET_ME8: 04/20/2015 14:03

Run Date: 04/20/2015 - 14:03

Portfolio OTAY
NL! AP

GD (PRF_GD) 7.1.1
Report Ver. 7.3.5

Month End
 GASB 31 Compliance Detail
 Sorted by Fund - Fund

CUSIP	Investment #	Fund	Investment Class	Maturity Date	Beginning Invested Value	Purchase of Principal	Addition to Principal	Redemption of Principal	Adjustment in Value		Ending Invested Value
									Amortization Adjustment	Change in Market Value	
Fund: Treasury Fund											
UBNA-2010 BOND	9013	99	Amortized		0.00	0.00	0.00	0.00	0.00	0.00	0.00
LAIF	9001	99	Fair Value		8,585,779.32	0.00	1,100,000.00	5,000,000.00	0.00	1,966.59	4,687,745.91
UBNA-FLEX ACCT	9014	99	Amortized		40,116.87	0.00	0.00	15,697.10	0.00	0.00	24,419.77
3133EC7H1	2260	99	Fair Value	08/17/2015	3,001,980.00	0.00	0.00	0.00	0.00	-570.00	3,001,410.00
3133EELR9	2317	99	Fair Value	01/27/2017	1,996,340.00	0.00	0.00	0.00	0.00	2,540.00	1,998,880.00
3133EECX6	2313	99	Fair Value	11/25/2016	1,997,060.00	0.00	0.00	0.00	0.00	2,240.00	1,999,300.00
3133EDKF8	2291	99	Fair Value	07/29/2016	1,996,900.00	0.00	0.00	0.00	0.00	2,660.00	1,999,560.00
3133EECG3	2312	99	Fair Value	11/20/2017	2,705,811.50	0.00	0.00	0.00	0.00	5,410.00	2,711,221.50
3133EECG3	2311	99	Fair Value	11/20/2017	1,030,309.00	0.00	0.00	0.00	0.00	2,060.00	1,032,369.00
3133EC6F6	2258	99	Fair Value	06/01/2015	3,001,320.00	0.00	0.00	0.00	0.00	-390.00	3,000,930.00
2050003183-6	2283	99	Amortized	01/22/2016	81,784.76	0.00	0.00	0.00	0.00	0.00	81,784.76
3135GOXR9	2269	99	Fair Value	09/06/2016	1,994,980.00	0.00	0.00	0.00	0.00	2,680.00	1,997,660.00
SD COUNTY POOL	9007	99	Fair Value		11,201,000.00	0.00	0.00	0.00	0.00	89,000.00	11,290,000.00
31315PW88	2316	99	Fair Value	01/08/2018	2,000,000.00	0.00	0.00	0.00	0.00	360.00	2,000,360.00
Subtotal					84,374,597.00	2,000,000.00	4,086,937.40	7,346,828.14	0.00	173,216.59	83,287,922.85
Total					84,374,597.00	2,000,000.00	4,086,937.40	7,346,828.14	0.00	173,216.59	83,287,922.85

**Month End
Activity Report
Sorted By Issuer
March 1, 2015 - March 31, 2015**

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
Issuer: STATE OF CALIFORNIA									
Union Bank									
UNION MONEY	9002	STATE OF CALIFORNIA			0.010		2,020,751.78	2,020,754.02	
UNION OPERATING	9004	STATE OF CALIFORNIA			0.250		966,185.18	310,377.02	
RESERVE-10 COPS	9010	STATE OF CALIFORNIA			0.010		0.08	0.00	
RESERVE-10 BABS	9011	STATE OF CALIFORNIA			0.010		0.36	0.00	
UBNA-FLEX ACCT	9014	STATE OF CALIFORNIA					0.00	15,697.10	
Subtotal and Balance				811,692.42			2,986,937.40	2,346,828.14	1,451,801.68
Local Agency Investment Fund (LAIF)									
LAIF	9001	STATE OF CALIFORNIA			0.278		1,100,000.00	5,000,000.00	
Subtotal and Balance				8,585,947.78			1,100,000.00	5,000,000.00	4,685,947.78
Issuer Subtotal				7.373%	9,397,640.20		4,086,937.40	7,346,828.14	6,137,749.46
Issuer: California Bank & Trust									
Certificates of Deposit - Bank									
Subtotal and Balance				81,784.76					81,784.76
Issuer Subtotal				0.098%	81,784.76		0.00	0.00	81,784.76
Issuer: Federal Agricultural Mortgage									
Federal Agency Issues- Callable									
Subtotal and Balance				2,000,000.00					2,000,000.00
Issuer Subtotal				2.402%	2,000,000.00		0.00	0.00	2,000,000.00
Issuer: Fannie Mae									
Federal Agency Issues- Callable									
Subtotal and Balance				2,000,000.00					2,000,000.00

Month End
Activity Report
March 1, 2015 - March 31, 2015

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Current Rate	Transaction Date	Par Value		Ending Balance
				Beginning Balance				Purchases or Deposits	Redemptions or Withdrawals	
Issuer Subtotal			2.402%	2,000,000.00			0.00	0.00	2,000,000.00	
Issuer: Federal Farm Credit Bank										
Federal Agency Issues- Callable										
Subtotal and Balance					9,735,000.00					9,735,000.00
Federal Agency Issues - Coupon										
Subtotal and Balance					6,000,000.00					6,000,000.00
Issuer Subtotal			18.901%	15,735,000.00			0.00	0.00	15,735,000.00	
Issuer: Federal Home Loan Bank										
Federal Agency Issues- Callable										
3130A4MF6	2318	Federal Home Loan Bank				1.300	03/30/2015	2,000,000.00	0.00	
Subtotal and Balance					12,000,000.00			2,000,000.00	0.00	14,000,000.00
Issuer Subtotal			16.817%	12,000,000.00				2,000,000.00	0.00	14,000,000.00
Issuer: Federal Home Loan Mortgage										
Federal Agency Issues- Callable										
Subtotal and Balance					24,000,000.00					24,000,000.00
Issuer Subtotal			28.829%	24,000,000.00			0.00	0.00	24,000,000.00	
Issuer: Federal National Mortgage Assoc										
Federal Agency Issues- Callable										
Subtotal and Balance					6,000,000.00					6,000,000.00
Federal Agency Issues - Coupon										
Subtotal and Balance					2,000,000.00					2,000,000.00
Issuer Subtotal			9.610%	8,000,000.00			0.00	0.00	8,000,000.00	
Issuer: San Diego County										

Month End
Activity Report
March 1, 2015 - March 31, 2015

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value Beginning Balance	Current Rate	Transaction Date	Purchases or Deposits	Par Value Redemptions or Withdrawals	Ending Balance
Issuer: San Diego County									
San Diego County Pool									
				11,294,298.31					11,294,298.31
			Issuer Subtotal 13.567%	11,294,298.31			0.00	0.00	11,294,298.31
			Total 100.000%	84,508,723.27			6,086,937.40	7,346,828.14	83,248,832.53

**Month End
Duration Report
Sorted by Investment Type - Investment Type
Through 03/31/2015**

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 360	Current Yield	Maturity/ Call Date	Modified Duration
3135GOXR9	2269	99	Fannie Mae	Fair	2,000,000.00	2,000,000.00	1,997,660.00	.5500000	0.542	0.785	09/06/2016	1.420
3136G1XZ7	2274	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	2,001,120.00	.6700000	0.661	0.637	12/19/2016	1.701
3134G4PX0	2277	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	1,997,640.00	.5000000	0.493	0.596	06/27/2016	1.231
3134G4WJ3	2284	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,001,740.00	.6250000	0.616	0.565	09/19/2016	1.458
3134G4WH7	2285	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,002,600.00	.9000000	0.888	0.833	03/20/2017	1.948
3133EDKF8	2291	99	Federal Farm Credit Bank	Fair	2,000,000.00	2,000,000.00	1,999,560.00	.5500000	0.542	0.567	07/29/2016	1.319
3134G55T8	2295	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,001,680.00	.7000000	0.690	0.650	12/12/2016	1.681
3130A1ZX9	2296	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,000,160.00	1.050000	1.036	1.047	08/22/2017	2.353
3134G56A8	2297	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,002,520.00	1.000000	0.986	0.942	06/16/2017	2.173
3134G55X9	2298	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	1,998,380.00	.8100000	0.799	0.852	03/10/2017	1.917
3130A25S1	2299	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,001,180.00	.7000000	0.690	0.665	12/19/2016	1.700
3134G56N0	2300	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	1,998,660.00	1.000000	0.986	1.031	06/26/2017	2.200
3134G5A47	2301	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,001,380.00	.6500000	0.641	0.610	12/30/2016	1.732
3134G5BL8	2302	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,000,920.00	1.220000	1.203	1.202	10/17/2017	2.484
3136G23G0	2304	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	2,002,440.00	1.050000	1.036	0.998	08/15/2017	2.334
3134G4UC0	2305	99	Federal Home Loan Mortgage	Fair	2,001,895.15	2,000,000.00	2,002,380.00	.6500000	0.570	0.560	07/29/2016	1.318
3130A35R1	2306	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,000,140.00	.8500000	0.838	0.846	01/06/2017	1.744
3134G5LH6	2307	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,001,320.00	1.100000	1.085	1.074	10/30/2017	2.525
3136G2A23	2308	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	2,001,340.00	1.200000	1.184	1.065	11/28/2017	2.600
3130A3FY5	2309	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,001,500.00	.7000000	0.690	0.654	11/25/2016	1.634
3134G5PP4	2310	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,000,580.00	1.250000	1.233	1.239	12/12/2017	2.635
3133EECG3	2311	99	Federal Farm Credit Bank	Fair	1,030,000.00	1,030,000.00	1,032,369.00	1.140000	1.124	1.051	11/20/2017	2.579
3133EECG3	2312	99	Federal Farm Credit Bank	Fair	2,705,000.00	2,705,000.00	2,711,221.50	1.140000	1.124	1.051	11/20/2017	2.579
3133EECX6	2313	99	Federal Farm Credit Bank	Fair	2,000,000.00	2,000,000.00	1,999,300.00	.6100000	0.602	0.631	11/25/2016	1.635
3130A3MH4	2314	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,007,020.00	1.000000	0.986	0.857	09/29/2017	2.452
3130A3N59	2315	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	1,993,200.00	1.125000	1.110	1.252	12/29/2017	2.685
31315PW88	2316	99	Federal Agricultural Mortgage	Fair	2,000,000.00	2,000,000.00	2,000,360.00	1.300000	1.282	1.294	01/08/2018	2.704
3133EELR9	2317	99	Federal Farm Credit Bank	Fair	1,999,088.89	2,000,000.00	1,998,880.00	.6250000	0.616	0.656	01/27/2017	1.806
3130A4MF6	2318	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,011,700.00	1.300000	1.282	1.101	03/29/2018	2.930

**Month End
Duration Report
Sorted by Investment Type - Investment Type
Through 03/31/2015**

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 360	Current Yield	Maturity/ Call Date	Modified Duration
3133EC6F6	2258	99	Federal Farm Credit Bank	Fair	3,000,000.00	3,000,000.00	3,000,930.00	.3500000	0.345	0.288	06/01/2015	0.167
3133EC7H1	2260	99	Federal Farm Credit Bank	Fair	3,000,000.00	3,000,000.00	3,001,410.00	.3400000	0.335	0.246	08/17/2015	0.378
3135G0YE7	2286	99	Federal National Mortgage Assoc	Fair	2,001,634.68	2,000,000.00	2,005,300.00	.6250000	0.558	0.435	08/26/2016	1.395
2050003183-6	2283	99	California Bank & Trust	Amort	81,784.76	81,784.76	81,784.76	.0300000	0.030	0.030	01/22/2016	0.807 †
LAIF	9001	99	STATE OF CALIFORNIA	Fair	4,685,947.78	4,685,947.78	4,687,745.91	.2780000	0.274	0.278		0.000
LAIF BABS 2010	9012	99	STATE OF CALIFORNIA	Fair	0.00	0.00	0.00	.2670000	0.263	0.267		0.000
SD COUNTY	9007	99	San Diego County	Fair	11,294,298.31	11,294,298.31	11,290,000.00	.5120000	0.505	0.512		0.000
Report Total					81,799,649.57	81,797,030.85	81,836,121.17			0.732		1.501 †

† = Duration can not be calculated on these investments due to incomplete Market price data.

**Month End
Interest Earnings
Sorted by Fund - Fund
March 1, 2015 - March 31, 2015
Yield on Beginning Book Value**

CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Ending Book Value	Maturity Date	Current Rate	Annualized Yield	Adjusted Interest Earnings		
										Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
Fund: Treasury Fund												
3134G5A47	2301	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/30/2016	0.650	0.638	1,083.33	0.00	1,083.33
3134G56N0	2300	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	06/26/2017	1.000	0.981	1,666.67	0.00	1,666.67
3134G5BL8	2302	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	10/17/2017	1.220	1.197	2,033.34	0.00	2,033.34
3134G55X9	2298	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	03/10/2017	0.810	0.795	1,350.00	0.00	1,350.00
3134G4PX0	2277	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	06/27/2016	0.500	0.491	833.33	0.00	833.33
3134G56A8	2297	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	06/16/2017	1.000	0.981	1,666.66	0.00	1,666.66
3134G55T8	2295	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/12/2016	0.700	0.687	1,166.67	0.00	1,166.67
3134G4WH7	2285	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	03/20/2017	0.900	0.883	1,500.00	0.00	1,500.00
3134G4WJ3	2284	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	09/19/2016	0.625	0.613	1,041.67	0.00	1,041.67
3134G4UC0	2305	99	MC1	2,000,000.00	2,002,014.10	2,001,895.15	07/29/2016	0.650	0.567	1,083.33	-118.95	964.38
3134G5LH6	2307	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	10/30/2017	1.100	1.079	1,833.34	0.00	1,833.34
3134G5PP4	2310	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/12/2017	1.250	1.226	2,083.33	0.00	2,083.33
3136G1XZ7	2274	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/19/2016	0.670	0.657	1,116.67	0.00	1,116.67
3135G0YE7	2286	99	FAC	2,000,000.00	2,001,731.79	2,001,634.68	08/26/2016	0.625	0.556	1,041.67	-97.11	944.56
3136G23G0	2304	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	08/15/2017	1.050	1.030	1,750.00	0.00	1,750.00
3136G2A23	2308	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	11/28/2017	1.200	1.177	2,000.00	0.00	2,000.00
3130A35R1	2306	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	01/06/2017	0.850	0.834	1,416.67	0.00	1,416.67
3130A1ZX9	2296	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	08/22/2017	1.050	1.030	1,750.00	0.00	1,750.00
3130A4MF6	2318	99	MC1	2,000,000.00	0.00	2,000,000.00	03/29/2018	1.300	0.659	72.22	0.00	72.22
3130A3FY5	2309	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	11/25/2016	0.700	0.687	1,166.66	0.00	1,166.66
3130A25S1	2299	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/19/2016	0.700	0.687	1,166.67	0.00	1,166.67
3130A3MH4	2314	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	09/29/2017	1.000	0.981	1,666.67	0.00	1,666.67
3130A3N59	2315	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/29/2017	1.125	1.104	1,875.00	0.00	1,875.00
RESERVE-10 COPS	9010	99	PA1	6,944.42	6,944.34	6,944.42		0.010	0.010	0.06	0.00	0.06
UNION OPERATING	9004	99	PA1	1,360,746.51	704,938.35	1,360,746.51		0.250	0.589	352.64	0.00	352.64
UNION MONEY	9002	99	PA1	10,001.78	10,004.02	10,001.78		0.010	0.208	1.77	0.00	1.77
RESERVE-10 BABS	9011	99	PA1	18,847.85	18,847.49	18,847.85		0.010	0.010	0.16	0.00	0.16
LAIF	9001	99	LA1	4,685,947.78	8,585,947.78	4,685,947.78		0.278	0.230	1,678.39	0.00	1,678.39
3133EC7H1	2260	99	FAC	3,000,000.00	3,000,000.00	3,000,000.00	08/17/2015	0.340	0.334	850.00	0.00	850.00

Data Updated: SET_ME8: 04/20/2015 14:03

Run Date: 04/20/2015 - 14:03

Portfolio OTAY

NLI AP

IE (PRF_IE) 7.2.0

Report Ver. 7.3.5

Month End
Interest Earnings
March 1, 2015 - March 31, 2015

CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Ending Book Value	Maturity Date	Current Rate	Annualized Yield	Adjusted Interest Earnings		
										Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
Fund: Treasury Fund												
3133EELR9	2317	99	MC1	2,000,000.00	1,999,047.22	1,999,088.89	01/27/2017	0.625	0.638	1,041.66	41.67	1,083.33
3133EECX6	2313	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	11/25/2016	0.610	0.599	1,016.67	0.00	1,016.67
3133EDKF8	2291	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	07/29/2016	0.550	0.540	916.66	0.00	916.66
3133EECG3	2312	99	MC1	2,705,000.00	2,705,000.00	2,705,000.00	11/20/2017	1.140	1.119	2,569.75	0.00	2,569.75
3133EECG3	2311	99	MC1	1,030,000.00	1,030,000.00	1,030,000.00	11/20/2017	1.140	1.119	978.50	0.00	978.50
3133EC6F6	2258	99	FAC	3,000,000.00	3,000,000.00	3,000,000.00	06/01/2015	0.350	0.343	875.00	0.00	875.00
2050003183-6	2283	99	BCD	81,784.76	81,784.76	81,784.76	01/22/2016	0.030	0.030	2.11	0.00	2.11
3135GOXR9	2269	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	09/06/2016	0.550	0.540	916.67	0.00	916.67
SD COUNTY POOL	9007	99	LA3	11,294,298.31	11,294,298.31	11,294,298.31		0.512	0.512	4,911.32	0.00	4,911.32
31315PW88	2316	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	01/08/2018	1.300	1.276	2,166.66	0.00	2,166.66
Subtotal				83,193,571.41	84,440,558.16	83,196,190.13			0.703	50,641.92	-174.39	50,467.53
Total				83,193,571.41	84,440,558.16	83,196,190.13			0.703	50,641.92	-174.39	50,467.53



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	May 6, 2015
SUBMITTED BY:	Kevin Koeppen, Finance Manager, Treasury & Acct	W.O./G.F. NO:	DIV. NO.
APPROVED BY:	Joseph Beachem, Chief Financial Officer (Chief)		
APPROVED BY:	German Alvarez, Assistant General Manager (Asst. GM)		
SUBJECT:	Accounts Payable Demand List		

PURPOSE:

Attached is the list of demands for the Board's information.

FISCAL IMPACT:

SUMMARY FOR PERIOD 3/19/2015 - 4/22/2015	NET DEMANDS
CHECKS (2042669 - 2042945)	\$ 2,021,954.07
VOID CHECKS (6)	(\$ 24,818.65)
TOTAL CHECKS	\$ 1,997,135.42
WIRE TO:	
CALPERS - OTHER POST EMPLOYMENT BENEFITS (MONTHLY)	\$ 141,300.00
CITY OF CHULA VISTA - BI-MONTHLY SEWER CHARGES (JAN-FEB 2015)	\$ 3,283,124.73
CITY TREASURER - RECLAIMED WATER PURCHASE (1/4/15-2/2/15))	\$ 33,675.72
CITY TREASURER - RECLAIMED WATER PURCHASE (2/3/15-3/4/15)	\$ 58,107.72
OTAY WATER DISTRICT - BI-WEEKLY PAYROLL DEDUCTION	\$ 672.00
OTAY WATER DISTRICT - BI-WEEKLY PAYROLL DEDUCTION	\$ 672.00
OTAY WATER DISTRICT - BI-WEEKLY PAYROLL DEDUCTION	\$ 672.00
PREFERRED BENEFIT INSURANCE - DENTAL & COBRA CLAIMS (APR 2015)	\$ 16,296.38
SAN DIEGO COUNTY WATER AUTH - WATER DELIVERIES & CHARGES (FEB 2015)	\$ 3,104,679.25
SPECIAL DISTRICT RISK - HEALTH ADMINISTRATION (APR 2015)	\$ 280,992.66
SPECIAL DISTRICT RISK - HEALTH ADMINISTRATION (MAY 2015)	\$ 280,321.50
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 237.69
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 393.69
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 1,010.33
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 237.69
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 393.69
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 1,010.33
STATE OF CALIFORNIA - CA SALES USE TAX (1ST QTR 2015)	\$ 398.00
UNION BANK - BI-WEEKLY PAYROLL TAXES	\$ 160,259.03
UNION BANK - BI-WEEKLY PAYROLL TAXES - FICA	\$ 140,563.30
UNION BANK NA - COPS 1996 (MONTHLY)	\$ 404.52
UNION BANK NA - COPS 1996 (QUARTERLY)	\$ 26,850.13
TOTAL CASH DISBURSEMENTS	\$ 9,529,407.78

RECOMMENDED ACTION:

That the Board received the attached list of demands.

Jb/Attachment

CHECK REGISTER

Otay Water District

Date Range: 3/19/2015 - 4/22/2015

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2042669	03/25/15	15645	(W)RIGHT ON COMMUNICATIONS INC	12202345	02/27/15	COMMUNITY OUTREACH (A) (FEB 2015)	3,790.42	6,593.75
				12202346	02/27/15	COMMUNITY OUTREACH / DESAL (FEB 2015)	2,803.33	
2042784	04/08/15	11466	A&G INSTRUMENT SERVICE AND	35086	03/10/15	CALIBRATION SERVICES	1,282.60	1,282.60
2042885	04/22/15	16286	A.M. ORTEGA CONSTRUCTION	Ref002441571	04/20/15	UB Refund Cst #0000216730	1,496.72	1,496.72
2042737	04/01/15	01910	ABCANA INDUSTRIES	961250	03/13/15	SODIUM HYPOCHLORITE	2,030.42	7,095.69
				961383	03/16/15	SODIUM HYPOCHLORITE	1,848.96	
				961378	03/16/15	SODIUM HYPOCHLORITE	667.00	
				961218	03/12/15	SODIUM HYPOCHLORITE	637.57	
				960886	03/05/15	SODIUM HYPOCHLORITE	535.56	
				961215	03/12/15	SODIUM HYPOCHLORITE	514.96	
				961017	03/09/15	SODIUM HYPOCHLORITE	464.94	
				960885	03/05/15	SODIUM HYPOCHLORITE	396.28	
2042822	04/15/15	01910	ABCANA INDUSTRIES	961573	03/19/15	SODIUM HYPOCHLORITE	2,040.23	14,861.31
				961786	03/23/15	SODIUM HYPOCHLORITE	2,037.29	
				961937	03/25/15	SODIUM HYPOCHLORITE	1,542.92	
				962140	03/27/15	SODIUM HYPOCHLORITE	1,327.13	
				962233	03/30/15	SODIUM HYPOCHLORITE	1,325.17	
				962143	03/27/15	SODIUM HYPOCHLORITE	1,275.14	
				961611	03/19/15	SODIUM HYPOCHLORITE	1,087.80	
				962042	03/26/15	SODIUM HYPOCHLORITE	919.08	
				962232	03/30/15	SODIUM HYPOCHLORITE	867.10	
				961780	03/23/15	SODIUM HYPOCHLORITE	582.64	
				962041	03/26/15	SODIUM HYPOCHLORITE	537.52	
				961571	03/19/15	SODIUM HYPOCHLORITE	490.44	
				961517	03/18/15	SODIUM HYPOCHLORITE	476.71	
				961610	03/19/15	SODIUM HYPOCHLORITE	352.14	
2042738	04/01/15	08488	ABLEFORCE INC	4857	03/05/15	SHAREPOINT SERVICES (1/26/15-3/4/15)	1,750.00	1,750.00
2042739	04/01/15	03317	ADVANCED CALL PROCESSING INC	20153386	03/13/15	PROMPT LICENSE	1,270.50	1,270.50
2042823	04/15/15	12174	AECOM TECHNICAL SERVICES INC	26	03/23/15	DISINFECTION SYSTEM (ENDING 2/27/15)	59,206.35	59,206.35
2042740	04/01/15	11462	AEGIS ENGINEERING MGMT INC	1319	03/12/15	DEVELOPER PROJECTS (2/7/15-3/6/15)	4,976.73	7,851.73
				1401	03/12/15	DEVELOPER PLAN REVIEW (2/2/15-3/6/15)	2,875.00	
2042824	04/15/15	11803	AEROTEK ENVIRONMENTAL	OE01140600	04/09/15	TEMPORARY EMPLOYMENT (3/23/15-3/27/15)	1,951.95	

CHECK REGISTER

Otay Water District

Date Range: 3/19/2015 - 4/22/2015

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
				OE01138374	04/02/15	TEMPORARY EMPLOYMENT (3/16/15-3/19/15)	1,480.05	3,432.00
2042886	04/22/15	13753	AIRGAS USA LLC	9037632002	03/20/15	AIR BOTTLES	216.78	216.78
2042670	03/25/15	13753	AIRGAS USA LLC	9925515517	02/28/15	AIR BOTTLES	46.35	46.35
2042887	04/22/15	15024	AIRX UTILITY SURVEYORS INC	17	03/02/15	LAND SURVEYING (2/1/15-2/28/15)	13,025.00	13,025.00
2042741	04/01/15	16212	ALAMERI INC	0513032615	03/26/15	W/O REFUND D0513-010142	2,524.10	2,524.10
2042742	04/01/15	16111	ALTIUS INFORMATION TECH INC	3027	03/12/15	NETWORK AUDIT	12,000.00	12,000.00
2042743	04/01/15	14462	ALYSON CONSULTING	CM201511	03/03/15	MGMT/INSP (2/1/15-2/28/15)	2,700.00	
				CM201512	03/03/15	MGMT/INSP (2/1/15-2/28/15)	2,550.00	
				CM201513	03/03/15	MGMT/INSP (2/1/15-2/28/15)	2,550.00	
				CM201514	03/03/15	MGMT/INSP (2/1/15-2/28/15)	1,190.00	
				CM201516	03/03/15	MGMT/INSP (2/1/15-2/28/15)	900.00	
				CM201515	03/03/15	MGMT/INSP (2/1/15-2/28/15)	740.00	10,630.00
2042888	04/22/15	16275	AMANDA RICE	Ref002441560	04/20/15	UB Refund Cst #0000213330	34.06	34.06
2042785	04/08/15	06166	AMERICAN MESSAGING	L1109570PD	04/01/15	PAGERS (MAR 2015)	106.12	106.12
2042889	04/22/15	16259	ANITA MILLER	Ref002441542	04/20/15	UB Refund Cst #0000065385	139.39	139.39
2042671	03/25/15	16203	ANN HUBBARD	Ref002440015	03/23/15	UB Refund Cst #0000214638	27.95	27.95
2042672	03/25/15	00002	ANSWER INC	11396	03/22/15	ANSWERING SERVICES (MONTHLY)	1,110.00	1,110.00
2042786	04/08/15	08967	ANTHEM BLUE CROSS EAP	41296	03/25/15	EMPLOYEE ASSISTANCE PROGRAM (APR 2015)	309.97	309.97
2042744	04/01/15	03492	AQUA-METRIC SALES COMPANY	0055633IN	03/10/15	INVENTORY	4,294.14	4,294.14
2042825	04/15/15	13171	ARCADIS US INC	0644221	03/30/15	AS-NEEDED DESIGN (ENDING 2/22/15)	47,140.95	
				0708121	03/26/15	AS-NEEDED DESIGN (ENDING 2/22/15)	13,212.00	60,352.95
2042745	04/01/15	13171	ARCADIS US INC	0642670	03/03/15	AS-NEEDED DESIGN (ENDING 1/25/15)	6,923.90	6,923.90
2042673	03/25/15	16200	ASATA SMITH	Ref002440012	03/23/15	UB Refund Cst #0000207940	40.86	40.86
2042787	04/08/15	03143	ASIAN BUSINESS ASSN, SAN DIEGO	M1515	02/15/15	ANNUAL MEMBERSHIP RENEWAL	300.00	300.00
2042826	04/15/15	07785	AT&T	000006431668	04/01/15	TELEPHONE SERVICES (MAR 2015)	1,229.08	1,229.08
2042890	04/22/15	07785	AT&T	000006433858	04/02/15	TELEPHONE SERVICES (3/2/15-4/1/15)	5,996.80	5,996.80
2042674	03/25/15	07785	AT&T	000006321906	03/02/15	TELEPHONE SERVICES (2/2/15-3/1/15)	5,828.08	

CHECK REGISTER

Otay Water District

Date Range: 3/19/2015 - 4/22/2015

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
				000006316001	03/01/15	TELEPHONE SERVICES (2/1/15-2/28/15))	1,229.08	7,057.16
2042827	04/15/15	12810	ATKINS	1809998	03/24/15	DESIGN SERVICES	1,860.00	1,860.00
2042788	04/08/15	12810	ATKINS	1808918	03/11/15	2015 WFMP UPDATE (12/29/14-2/1/15)	16,513.12	16,513.12
2042675	03/25/15	16197	BALDWIN & SONS LLC	Ref002440009	03/23/15	UB Refund Cst #0000197488	1,558.54	1,558.54
2042891	04/22/15	15932	BART JARVIS	Ref002441546	04/20/15	UB Refund Cst #0000121291	95.00	95.00
2042828	04/15/15	16226	BELINDA OTAOLA &	2316040915	04/10/15	CUSTOMER REFUND	62.46	62.46
2042676	03/25/15	16181	BERT RANDETT	Ref002439990	03/23/15	UB Refund Cst #0000043372	96.29	96.29
2042677	03/25/15	16176	BRENDA BOYD	Ref002439985	03/23/15	UB Refund Cst #0000018111	67.98	67.98
2042892	04/22/15	16281	BRIANA BARTHOLOMEW	Ref002441566	04/20/15	UB Refund Cst #0000215506	38.91	38.91
2042746	04/01/15	08156	BROWNSTEIN HYATT FARBER	594820	03/11/15	LEGISLATIVE ADVOCACY (THRU 2/28/15)	3,268.00	3,268.00
2042893	04/22/15	16287	BUFFALO CONSTRUCTION INC	0918041615	04/16/15	W/O REFUND D0918-060117	4,998.99	4,998.99
2042829	04/15/15	03503	CAMERON, KEVIN	83269041315	04/13/15	LICENSE RENEWAL REIMBURSEMENT	115.00	115.00
2042678	03/25/15	04071	CAPITOL WEBWORKS LLC	26893	01/31/15	OUTSIDE SERVICES	45.00	45.00
2042679	03/25/15	16102	CARLY SELIGA	Ref002440001	03/23/15	UB Refund Cst #0000158846	118.69	118.69
2042894	04/22/15	16268	CAROLINA SANDOVAL	Ref002441553	04/20/15	UB Refund Cst #0000197777	27.09	27.09
2042789	04/08/15	16221	CHERRYLYN SAAVEDRA	Ref002440527	04/03/15	UB Refund Cst #0000204814	15.76	15.76
2042680	03/25/15	16193	CHULA VISTA ELEMENTARY SCHOOL	Ref002440005	03/23/15	UB Refund Cst #0000188089	306.25	306.25
2042895	04/22/15	15256	CIGNA GROUP INSURANCE / LINA	9267041015	04/10/15	AD&D & SUPP LIFE INS (APR 2015)	4,346.40	4,346.40
2042681	03/25/15	15256	CIGNA GROUP INSURANCE / LINA	926703031015	03/10/15	AD&D & SUPP LIFE INS (MAR 2015)	4,391.39	4,391.39
2042790	04/08/15	15616	COGENT COMMUNICATIONS INC	0001040115	04/01/15	INTERNET CIRCUITS (APR 2015)	3,047.00	3,047.00
2042747	04/01/15	08160	COMPLETE OFFICE	16984430	03/16/15	OUTREACH SUPPLIES	4,897.80	
				17022770	03/04/15	TONER	2,007.12	
				17023790	03/06/15	TONER	427.66	
				17043930	03/10/15	CHAIR	424.44	
				17003670	03/03/15	OFFICE SUPPLIES	154.40	
				17003671	03/06/15	OFFICE SUPPLIES	51.83	7,963.25
2042830	04/15/15	08160	COMPLETE OFFICE	17022771	03/17/15	TONER	221.98	221.98

CHECK REGISTER

Otay Water District

Date Range: 3/19/2015 - 4/22/2015

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2042682	03/25/15	16182	CONNIE BRAVO	Ref002439991	03/23/15	UB Refund Cst #0000046161	150.00	150.00
2042791	04/08/15	12334	CORODATA MEDIA STORAGE INC	DS1267297	03/31/15	TAPE STORAGE (MAR 2015)	440.21	440.21
2042683	03/25/15	12334	CORODATA MEDIA STORAGE INC	DS1266880	02/28/15	TAPE STORAGE (FEB 2015)	439.99	439.99
2042792	04/08/15	00099	COUNTY OF SAN DIEGO	DPWAROTAYMW	03/12/15	EXCAVATION PERMITS (FEB 2015)	871.50	871.50
2042831	04/15/15	00184	COUNTY OF SAN DIEGO	2003193E6082903	04/13/15	SHUT DOWN TEST (3/16/2015)	639.00	
				2003193E6023203	04/13/15	SHUT DOWN TEST (3/03/2015)	355.00	
				2003193E6023603	04/13/15	SHUT DOWN TEST (3/26/2015)	213.00	
				2003193E6021203	04/13/15	SHUT DOWN TEST (3/26/2015)	142.00	
				2003193E6021403	04/13/15	SHUT DOWN TEST (3/26/2015)	142.00	
				2003193E6022003	04/13/15	SHUT DOWN TEST (3/26/2015)	142.00	
				2003193E6022403	04/13/15	SHUT DOWN TEST (3/26/2015)	142.00	
				2003193E6122603	04/13/15	SHUT DOWN TEST (3/4/2015)	142.00	
				2003193E6123603	04/13/15	SHUT DOWN TEST (3/24/2015)	142.00	2,059.00
2042684	03/25/15	00184	COUNTY OF SAN DIEGO	2818031915	03/19/15	HAZMAT PERMIT (4/30/15-4/30/16)	446.00	446.00
2042685	03/25/15	00184	COUNTY OF SAN DIEGO	2003193E6116402	03/04/15	SHUT DOWN TEST (2/6/15)	142.00	142.00
2042896	04/22/15	08479	COUNTY OF SAN DIEGO	CA719620315	04/15/15	O & M CAPITAL REPLACEMENT (FY 2013-2014)	330,746.00	330,746.00
2042748	04/01/15	16209	CROWN CASTLE GT COMPANY LLC	Ref002440090	03/25/15	Refund receipt #: 150790210029	32,000.00	32,000.00
2042749	04/01/15	16213	CVHI LLC	0633032615	03/26/15	W/O REFUND D0633-010295	2,335.11	2,335.11
2042686	03/25/15	16194	CWC REGIONAL HOUSING FUND 3	Ref002440006	03/23/15	UB Refund Cst #0000194871	107.85	107.85
2042750	04/01/15	14905	DART CONTAINER	0846032615	03/26/15	W/O REFUND D0846-060090	8,356.66	8,356.66
2042688	03/25/15	16192	DAVID BRUNETTE	Ref002440004	03/23/15	UB Refund Cst #0000185607	14.46	14.46
2042897	04/22/15	16192	DAVID BRUNETTE	Ref002441551	04/20/15	UB Refund Cst #0000185607	104.00	104.00
2042689	03/25/15	16183	DAVID ROCHESTER	Ref002439992	03/23/15	UB Refund Cst #0000051279	63.80	63.80
2042687	03/25/15	16205	DEBBIE FUNDERBURK	Ref002440017	03/23/15	UB Refund Cst #0000215471	38.25	38.25
2042832	04/15/15	16205	DEBBIE FUNDERBURK	Ref002440017	03/23/15	UB Refund Cst #0000215471	38.25	38.25
2042690	03/25/15	16201	DEBBIE WHITSON	Ref002440013	03/23/15	UB Refund Cst #0000213922	23.06	23.06
2042691	03/25/15	16199	DEBRA BRADDY	Ref002440011	03/23/15	UB Refund Cst #0000207531	12.25	12.25

CHECK REGISTER

Otay Water District

Date Range: 3/19/2015 - 4/22/2015

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2042898	04/22/15	16264	DONALD LINDGREN	Ref002441548	04/20/15	UB Refund Cst #0000163058	63.14	63.14
2042899	04/22/15	16265	DORY LAKE	Ref002441549	04/20/15	UB Refund Cst #0000175056	41.83	41.83
2042692	03/25/15	16180	DR KENNETH P GONZALEZ	Ref002439989	03/23/15	UB Refund Cst #000040536	21.12	21.12
2042833	04/15/15	16037	DRUCK INCORPORATED	161092	03/16/15	PRESSURE TRANSDUCER	598.02	598.02
2042693	03/25/15	02447	EDCO DISPOSAL CORPORATION	5458022815	02/28/15	RECYCLING SERVICES (FEB 2015)	95.00	95.00
2042834	04/15/15	02447	EDCO DISPOSAL CORPORATION	5458033115	03/31/15	RECYCLING SERVICES (MAR 2015)	95.00	95.00
2042751	04/01/15	15752	ELECTRONIC CONTROL SYSTEMS INC	120813	03/10/15	FACP UPGRADE	27,260.00	27,260.00
2042793	04/08/15	08023	EMPLOYEE BENEFIT SPECIALISTS	0068572IN	02/28/15	EMPLOYEE BENEFITS (FEB 2015)	805.00	805.00
2042752	04/01/15	03227	ENVIROMATRIX ANALYTICAL INC	5030724	03/16/15	LAB ANALYSIS (2/28/15-3/5/15)	505.00	
				5030548	03/09/15	LAB ANALYSIS (2/20/15-2/27/15)	490.00	995.00
2042835	04/15/15	03227	ENVIROMATRIX ANALYTICAL INC	5030911	03/23/15	LAB ANALYSIS (3/6/15-3/13/15)	490.00	
				5031064	03/30/15	LAB ANALYSIS (3/14/15-3/19/15)	400.00	
				5010835	01/19/15	LAB ANALYSIS (1/12/15)	45.00	935.00
2042900	04/22/15	16267	ERIC BUSH	Ref002441552	04/20/15	UB Refund Cst #0000196745	5.06	5.06
2042753	04/01/15	14320	EUROFINS EATON ANALYTICAL INC	L0205975	03/03/15	OUTSIDE LAB SERVICES (2/1/15-2/2/15)	235.00	235.00
2042754	04/01/15	16110	FALCON ELECTRIC INC	24537	03/10/15	INDUSTRIAL UPS	3,123.46	3,123.46
2042836	04/15/15	03546	FERGUSON WATERWORKS # 1083	0500386	03/26/15	14" BFV	2,835.00	
				0507794	03/25/15	VALVE CAN	637.20	
				0508002	03/25/15	INVENTORY	623.55	
				05077941	03/27/15	VALVE CAN	311.04	4,406.79
2042837	04/15/15	04066	FIRST CHOICE SERVICES - SD	036328	03/17/15	COFFEE SUPPLIES	386.88	
				036906	03/30/15	COFFEE SUPPLIES	351.35	738.23
2042838	04/15/15	00035	FISHER SCIENTIFIC	3570733	03/30/15	LABORATORY SUPPLIES	1,333.20	1,333.20
2042839	04/15/15	11962	FLEETWASH INC	x451258	03/20/15	VEHICLE WASHING	245.64	
				X455553	03/27/15	VEHICLE WASHING	185.75	
				x445486	03/13/15	VEHICLE WASHING	85.50	516.89
2042755	04/01/15	11962	FLEETWASH INC	x439934	03/06/15	VEHICLE WASHING	97.65	97.65
2042840	04/15/15	03703	FORCE FLOW	27578	03/20/15	FORCE FLOW	1,735.42	1,735.42

CHECK REGISTER

Otay Water District

Date Range: 3/19/2015 - 4/22/2015

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2042901	04/22/15	01612	FRANCHISE TAX BOARD	Ben2441627	04/23/15	BI-WEEKLY PAYROLL DEDUCTION	919.73	919.73
2042694	03/25/15	01612	FRANCHISE TAX BOARD	Ben2440068	03/26/15	BI-WEEKLY PAYROLL DEDUCTION	390.00	390.00
2042794	04/08/15	01612	FRANCHISE TAX BOARD	Ben2440623	04/09/15	BI-WEEKLY PAYROLL DEDUCTION	919.73	919.73
2042902	04/22/15	02344	FRANCHISE TAX BOARD	Ben2441631	04/23/15	BI-WEEKLY PAYROLL DEDUCTION	81.00	81.00
2042795	04/08/15	02344	FRANCHISE TAX BOARD	Ben2440627	04/09/15	BI-WEEKLY PAYROLL DEDUCTION	81.00	81.00
2042695	03/25/15	02344	FRANCHISE TAX BOARD	Ben2440070	03/26/15	BI-WEEKLY PAYROLL DEDUCTION	81.00	81.00
2042903	04/22/15	13563	FRIENDS OF THE WATER	243	03/30/15	GARDEN TOURS (3/5/15-3/11/15)	1,860.00	1,860.00
2042696	03/25/15	13563	FRIENDS OF THE WATER	226	12/22/14	GARDEN TOURS (DEC 2015)	620.00	620.00
2042697	03/25/15	16202	GERRY MIRANDA	Ref002440014	03/23/15	UB Refund Cst #0000214556	80.03	80.03
2042904	04/22/15	16266	GLADYS SWIFT	Ref002441550	04/20/15	UB Refund Cst #0000184897	117.77	117.77
2042698	03/25/15	16191	GLORIA PENA	Ref002440003	03/23/15	UB Refund Cst #0000177785	26.40	26.40
2042841	04/15/15	12907	GREENRIDGE LANDSCAPE INC	12922	03/30/15	LANDSCAPING SERVICES (MAR 2015)	8,909.50	8,909.50
2042842	04/15/15	09715	GUTIERREZ, JUAN	041315	04/13/15	SAFETY BOOT REIMBURSEMENT	150.00	150.00
2042699	03/25/15	16184	GUY VALDERRAMA	Ref002439993	03/23/15	UB Refund Cst #0000075019	54.99	54.99
2042843	04/15/15	00174	HACH COMPANY	9296956	03/23/15	LABORATORY SUPPLIES	3,062.85	
				9300841	03/25/15	LABORATORY SUPPLIES	370.40	
				9304870	03/27/15	LABORATORY SUPPLIES	42.76	3,476.01
2042700	03/25/15	16175	HARRIETT CROCKETT	Ref002439984	03/23/15	UB Refund Cst #0000001180	93.45	93.45
2042796	04/08/15	16217	HARRY BANKS	Ref002440523	04/03/15	UB Refund Cst #0000008622	161.98	161.98
2042905	04/22/15	16274	HAZARD CONSTRUCTION CO	Ref002441559	04/20/15	UB Refund Cst #0000213021	1,783.25	1,783.25
2042906	04/22/15	16282	HAZEL KAHRE	Ref002441567	04/20/15	UB Refund Cst #0000215575	15.15	15.15
2042844	04/15/15	10973	HDR ENGINEERING INC	14	03/19/15	CORROSION SERVICES (1/25/15-2/21/15)	50,938.40	
				12	03/26/15	CORROSION SERVICES(11/30/14-12/27/14)	22,625.75	73,564.15
2042907	04/22/15	00062	HELIX WATER DISTRICT	4001040915	04/09/15	WATER USAGE (2/6/15-4/7/15)	47.50	
				3986040915	04/09/15	WATER USAGE (2/6/15-4/7/15)	43.36	90.86
2042908	04/22/15	16283	HUD	Ref002441568	04/20/15	UB Refund Cst #0000215710	39.08	39.08

CHECK REGISTER

Otay Water District

Date Range: 3/19/2015 - 4/22/2015

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2042797	04/08/15	08969	INFOSEND INC	90176	03/10/15	PRINTING/INSERTS	3,015.30	3,015.30
2042756	04/01/15	08969	INFOSEND INC	89975	03/03/15	BILL PRINTING SERVICES (FEB 2015)	1,939.61	1,939.61
2042757	04/01/15	15368	INTEGRITY MUNICIPAL SYSTEMS	4737	03/06/15	CHLORINE SCRUBBER	408.80	408.80
2042845	04/15/15	02372	INTERIOR PLANT SERVICE INC	12125	03/20/15	PLANT SERVICES (MAR 2015)	226.00	226.00
2042909	04/22/15	13467	INTERNATIONAL IND'L PARK INC	0720041615	04/16/15	W/O REFUND D0720-060051	19,486.10	19,486.10
2042846	04/15/15	15946	IPC (USA) INC	130416	03/18/15	UNLEADED FUEL	11,050.82	
				130425	03/18/15	DIESEL FUEL	5,960.63	17,011.45
2042847	04/15/15	14737	IWATER INC	6966	03/27/15	METER PROJECT (3/23/15-3/26/15)	2,400.00	
				6960	03/19/15	METER PROJECT	1,800.00	4,200.00
2042758	04/01/15	03077	JANI-KING OF CALIFORNIA INC	SDO02150142	02/01/15	JANITORIAL SERVICES (FEB 2015)	1,159.35	1,159.35
2042848	04/15/15	10563	JCI JONES CHEMICALS INC	648982		CREDIT MEMO	-3,000.00	
				648931	03/18/15	CHLORINE TP	4,684.65	1,684.65
2042701	03/25/15	16186	JEFF WAGNER	Ref002439997	03/23/15	UB Refund Cst #0000125734	5.32	5.32
2042849	04/15/15	02269	JENAL ENGINEERING CORP	15747	03/26/15	DUSTO INSPECTIONS (MAR 2015)	100.00	100.00
2042798	04/08/15	16222	JENNIFER ROSSI	Ref002440530	04/03/15	UB Refund Cst #0000208571	6.89	6.89
2042702	03/25/15	16179	JESUS TREJO	Ref002439988	03/23/15	UB Refund Cst #0000040067	110.94	110.94
2042910	04/22/15	16271	JOSHUA SEAMOUNT	Ref002441556	04/20/15	UB Refund Cst #0000208155	47.16	47.16
2042703	03/25/15	14191	JOYCELYN FRONDARINA	Ref002439994	03/23/15	UB Refund Cst #0000081980	15.00	15.00
2042911	04/22/15	16285	KATHERINE GREENE	Ref002441570	04/20/15	UB Refund Cst #0000216422	29.44	29.44
2042850	04/15/15	05840	KIRK PAVING INC	5803	03/19/15	AS NEEDED PAVING SERVICES FY15	19,135.25	
				5806	03/27/15	AS NEEDED PAVING SERVICES FY15	8,366.00	27,501.25
2042799	04/08/15	16223	KRISTIN BARSTOW	Ref002440531	04/03/15	UB Refund Cst #0000214041	75.00	75.00
2042704	03/25/15	16206	KTA CONSTRUCTION	Ref002440018	03/23/15	UB Refund Cst #0000216415	1,460.32	1,460.32
2042705	03/25/15	16177	L STEVEN BLUNDELL	Ref002439986	03/23/15	UB Refund Cst #0000032926	38.74	38.74
2042912	04/22/15	16277	LANCE PASTON	Ref002441562	04/20/15	UB Refund Cst #0000214639	13.14	13.14
2042706	03/25/15	12843	LAWTON GROUP, THE	52026	03/13/15	INTERNSHIP AGREEMENT (3/2/16-3/6/15)	247.50	247.50

CHECK REGISTER

Otay Water District

Date Range: 3/19/2015 - 4/22/2015

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2042759	04/01/15	15615	LAYFIELD USA CORPORATION	E05578	12/31/14	RES FLOATING COVER MAINT (12/8/14-12/31/14)	53,150.00	53,150.00
2042760	04/01/15	03607	LEE & RO INC	LR17000	03/05/15	INTERCONNECTION (1/1/15-2/28/15)	4,574.42	4,574.42
2042913	04/22/15	16276	LENNAR HOMES OF CA INC	Ref002441561	04/20/15	UB Refund Cst #0000214569	2,057.50	2,057.50
2042851	04/15/15	07784	LICON, HECTOR	040815	04/09/15	SAFETY BOOT REIMBURSEMENT	150.00	150.00
2042914	04/22/15	16270	LISA ROEHM-GENSEL	Ref002441555	04/20/15	UB Refund Cst #0000206923	51.53	51.53
2042915	04/22/15	16269	LLC SLF IV MCMILLIN MILLENIA J	Ref002441554	04/20/15	UB Refund Cst #0000204066	1,581.68	1,581.68
2042852	04/15/15	13749	LONDON GROUP REALTY ADVISORS	1049	04/08/15	ECONOMIC OUTLOOK REPORT 2016-2021	5,848.86	5,848.86
2042916	04/22/15	16254	LOURDES ALMARAZ CERVANTES	7901042015	04/20/15	CUSTOMER REFUND	209.94	209.94
2042707	03/25/15	16187	LOYDA YU	Ref002439998	03/23/15	UB Refund Cst #0000127693	39.11	39.11
2042917	04/22/15	16280	LUIS CORRALES	Ref002441565	04/20/15	UB Refund Cst #0000215096	41.03	41.03
2042761	04/01/15	16215	LYONS REALTY W CHULA VISTA LLC	0883032615	03/26/15	W/O REFUND D0883-090132	208.61	208.61
2042853	04/15/15	07591	MA, DONGXING	030715031315	04/07/15	TRAVEL EXPENSE REIMB (3/7/15-3/13/15)	1,100.30	1,100.30
2042854	04/15/15	10512	MAIL MANAGEMENT GROUP INC	OWD9247	03/19/15	PRINTING	2,822.74	2,822.74
2042762	04/01/15	14293	MARCO A GONZALEZ	0878032615	03/26/15	W/O REFUND D0878-090129	2,253.29	2,253.29
2042763	04/01/15	16210	MARIA NAVARRO	0029032315	03/26/15	CUSTOMER REFUND	499.93	499.93
2042708	03/25/15	16190	MARIA ROS	Ref002440002	03/23/15	UB Refund Cst #0000168016	74.47	74.47
2042918	04/22/15	16257	MARTHA SANCHEZ	Ref002441540	04/20/15	UB Refund Cst #0000022797	72.08	72.08
2042919	04/22/15	16258	MARTIN CHAN	Ref002441541	04/20/15	UB Refund Cst #0000035743	3,082.30	3,082.30
2042855	04/15/15	15921	MATCHPOINT INC	SO000109	03/30/15	LEAK DETECTION SURVEY (JAN-MAR 2015)	40,915.00	40,915.00
2042709	03/25/15	16198	MATTHEW BASHAW	Ref002440010	03/23/15	UB Refund Cst #0000207397	19.18	19.18
2042800	04/08/15	16198	MATTHEW BASHAW	Ref002440529	04/03/15	UB Refund Cst #0000207397	40.00	40.00
2042801	04/08/15	02882	MAYER REPROGRAPHICS INC	0092558IN	03/30/15	REPROGRAPHIC SERVICES	402.39	402.39
2042856	04/15/15	01183	MCMASTER-CARR SUPPLY CO	26289938	03/25/15	COMBO LOCK	548.81	548.81
2042802	04/08/15	16219	MICHEAL COFFEY	Ref002440525	04/03/15	UB Refund Cst #0000169029	87.57	87.57
2042803	04/08/15	05222	MIRASOL HOA	9905040615	04/06/15	WATER SMART IRRIGATION UPGRADE PROGRAM	5,000.00	5,000.00

CHECK REGISTER

Otay Water District

Date Range: 3/19/2015 - 4/22/2015

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2042920	04/22/15	15136	MISSION UNIFORM SERVICE	S33508	03/24/15	UNIFORM SERVICES	41.49	41.49
2042857	04/15/15	15136	MISSION UNIFORM SERVICE	340232680	03/17/15	UNIFORM SERVICES	402.74	
				340233781	03/24/15	UNIFORM SERVICES	402.74	
				340232679	03/17/15	UNIFORM SERVICES	122.28	
				340223780	03/24/15	UNIFORM SERVICES	122.28	
				340233543	03/23/15	UNIFORM SERVICES	93.98	
				340234618	03/30/15	UNIFORM SERVICES	93.98	
				S340232639	03/17/15	UNIFORM SERVICES	67.76	
2042764	04/01/15	15136	MISSION UNIFORM SERVICE	340231587	03/10/15	UNIFORM SERVICES	400.17	
				340230492	03/03/15	UNIFORM SERVICES	400.17	
				340230491	03/03/15	UNIFORM SERVICES	122.28	
				340231586	03/10/15	UNIFORM SERVICES	122.28	
				340231355	03/09/15	UNIFORM SERVICES	94.15	
				340232428	03/16/15	UNIFORM SERVICES	94.15	
2042858	04/15/15	15854	MITSUBISHI UFJ SEC (USA) INC	201436		CREDIT MEMO	-5,000.00	
				201436a	10/03/14	REMARKETING AGENT FEE (6/11/14-9/30/14)	2,572.77	
				201512	01/05/15	REMARKETING AGENT FEE (10/1/14-12/31/14)	2,109.21	
				201529	04/06/15	REMARKETING AGENT FEE (1/1/15-3/31/15)	2,062.85	
2042710	03/25/15	16185	MONICA FERNANDEZ	Ref002439996	03/23/15	UB Refund Cst #0000125047	16.96	16.96
2042859	04/15/15	16172	MSDSONLINE INC	118811	03/18/15	MSDS MANAGEMENT SYSTEM	1,759.00	1,759.00
2042804	04/08/15	03523	NATIONAL DEFERRED COMPENSATION	Ben2440613	04/09/15	BI-WEEKLY DEFERRED COMP PLAN	11,223.27	11,223.27
2042711	03/25/15	03523	NATIONAL DEFERRED COMPENSATION	Ben2440056	03/26/15	BI-WEEKLY DEFERRED COMP PLAN	11,153.27	11,153.27
2042921	04/22/15	16255	NATIONWIDE RETIREMENT	Ben2441617	04/23/15	BI-WEEKLY DEFERRED COMP PLAN	11,223.27	11,223.27
2042884	04/20/15	16255	NATIONWIDE RETIREMENT	Ben2440613	04/09/15	BI-WEEKLY DEFERRED COMP PLAN	11,223.27	11,223.27
2042712	03/25/15	09606	NNP-SAN MIGUEL RANCH	7400032315	03/23/15	CUSTOMER REFUND	884.15	884.15
2042922	04/22/15	16253	NORBERT M ACUESA	8239041715	04/16/15	CUSTOMER REFUND	4,085.73	4,085.73
2042713	03/25/15	00510	OFFICE DEPOT INC	743758822001		CREDIT MEMO	-25.88	
				753175205001	02/02/15	OFFICE SUPPLIES	538.86	
				752922884001	02/02/15	OFFICE SUPPLIES	86.38	
2042860	04/15/15	00510	OFFICE DEPOT INC	761507802001	03/20/15	OFFICE SUPPLIES	130.65	

CHECK REGISTER

Otay Water District

Date Range: 3/19/2015 - 4/22/2015

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
				761592691002	03/24/15	OFFICE SUPPLIES	97.17	227.82
2042714	03/25/15	15856	OLYMPUS AND ASSOCIATES INC	3	03/11/15	RESERVOIR COATING (ENDING 2/28/15)	49,590.00	49,590.00
2042861	04/15/15	01002	PACIFIC PIPELINE SUPPLY	301946	03/19/15	INVENTORY	5,308.98	
				301879	03/19/15	INVENTORY	1,070.01	6,378.99
2042765	04/01/15	01002	PACIFIC PIPELINE SUPPLY	301788	03/05/15	INVENTORY	4,156.83	4,156.83
2042923	04/22/15	16278	PACIFIC SOTHEBY'S INTERNATIONA	Ref002441563	04/20/15	UB Refund Cst #0000214908	61.35	61.35
2042924	04/22/15	16273	PATRICIA TAPIA	Ref002441558	04/20/15	UB Refund Cst #0000208597	56.15	56.15
2042862	04/15/15	05497	PAYPAL INC	39902673	03/31/15	PHONE PAYMENT SVCS (MAR 2015)	54.10	54.10
2042925	04/22/15	00137	PETTY CASH CUSTODIAN	042115	04/21/15	PETTY CASH REIMBURSEMENT	884.55	884.55
2042715	03/25/15	16207	PHILIP TOLEDO	Ref002440019	03/23/15	UB Refund Cst #0000216567	38.21	38.21
2042716	03/25/15	16204	PICR LP	Ref002440016	03/23/15	UB Refund Cst #0000214909	257.76	257.76
2042717	03/25/15	01715	PORRAS, PEDRO	031515031915A	03/20/15	TRAVEL EXPENSE REIMB (3/15/15-3/19/15)	343.66	343.66
2042766	04/01/15	16208	POSM SOFTWARE LLC	824	01/21/15	POSM SUPPORT	4,500.00	4,500.00
2042926	04/22/15	07161	POULIN, WILLIAM	031615032015	04/06/15	TRAVEL EXPENSE REIMB (3/16/15-3/20/15)	240.00	240.00
2042767	04/01/15	07161	POULIN, WILLIAM	031615031915	03/23/15	TRAVEL EXPENSE REIMB (3/16/15-3/19/15)	177.20	177.20
2042718	03/25/15	16118	PREMIUM ROOF SERVICES INC	7716	03/20/15	REGULATORY ROOFING	4,700.00	4,700.00
2042768	04/01/15	01733	PRICE TRONCONE &	12946	02/17/15	ANTENNA SUBLEASE (APR-JUNE 2015)	4,335.00	4,335.00
2042863	04/15/15	15642	PRINT BUTTON, THE	7877	03/17/15	BUSINESS CARDS	30.08	
				7920	03/17/15	BUSINESS CARDS	30.08	60.16
2042864	04/15/15	03613	PSOMAS	104637	03/18/15	AS-NEEDED DESIGN (ENDING 3/5/15)	3,521.13	3,521.13
2042865	04/15/15	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2440615	04/09/15	BI-WEEKLY PERS CONTRIBUTION	176,141.06	176,141.06
2042769	04/01/15	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2440058	03/26/15	BI-WEEKLY PERS CONTRIBUTION	177,790.37	177,790.37
2042805	04/08/15	10294	QWIKPRINTS	15911833	04/01/15	LIVE SCAN FINGERPRINTING	40.00	40.00
2042866	04/15/15	16133	R J SAFETY SUPPLY CO INC	33300000	02/04/15	HIP PAC RECERTIFICATION	199.38	199.38
2042927	04/22/15	16279	RACHEL ORTIZ	Ref002441564	04/20/15	UB Refund Cst #0000214916	67.05	67.05
2042928	04/22/15	16261	RAUL SALONGA MIGUEL	Ref002441544	04/20/15	UB Refund Cst #0000089778	28.21	28.21

CHECK REGISTER

Otay Water District

Date Range: 3/19/2015 - 4/22/2015

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2042867	04/15/15	15857	REPUBLIC SERVICES INC #509	0509005966298	03/25/15	TRASH SERVICES (APR 2015)	530.33	723.04
				0509005967828	03/25/15	TRASH SERVICES (APR 2015)	192.71	
2042719	03/25/15	10907	RICARDO CHAIRES	Ref002439995	03/23/15	UB Refund Cst #0000087194	348.39	348.39
2042770	04/01/15	08972	RICK ENGINEERING COMPANY	0041670	03/16/15	CAMPO ROAD SUPPORT (1/31/15-2/27/15)	16,869.25	16,869.25
2042720	03/25/15	04542	ROBAK, MARK	011615031515	03/14/15	MILEAGE REIMBURSEMENT (1/16/15-3/15/15)	61.53	61.53
2042721	03/25/15	16188	ROBERT GARDNER	Ref002439999	03/23/15	UB Refund Cst #0000141149	26.36	26.36
2042722	03/25/15	16178	ROBERT KRIEGER	Ref002439987	03/23/15	UB Refund Cst #0000037154	79.26	79.26
2042771	04/01/15	16174	ROCK STRUCTURES CONSTRUCTION	11030	02/20/15	RIPRAP 12" MINUS	146.19	146.19
2042806	04/08/15	16220	ROSA HERRERA	Ref002440526	04/03/15	UB Refund Cst #0000193012	6.41	6.41
2042772	04/01/15	02620	ROTORK CONTROLS INC	CI09800	03/11/15	WBW 1A ACTUATOR	3,687.42	3,687.42
2042868	04/15/15	02620	ROTORK CONTROLS INC	CI09824	03/17/15	WBW 1A ACTUATOR	162.00	226.80
				CI09825	03/17/15	WBW 1A ACTUATOR	64.80	
2042773	04/01/15	09148	S & J SUPPLY COMPANY INC	S100049715001	03/10/15	INVENTORY	4,033.81	4,882.69
				S100049545001	03/04/15	INVENTORY	848.88	
2042774	04/01/15	11596	SAN DIEGO CONSTRUCTION WELDING	9755	03/13/15	WELDING SERVICES	850.00	850.00
2042869	04/15/15	11596	SAN DIEGO CONSTRUCTION WELDING	9733	02/19/15	WELDING SERVICES	3,740.00	5,135.00
				9759	03/17/15	WELDING SERVICES	775.00	
				9761	03/19/15	WELDING SERVICES	620.00	
2042929	04/22/15	02586	SAN DIEGO COUNTY ASSESSOR	201502554	04/13/15	ASSESSOR DATA (MONTHLY)	125.00	125.00
2042930	04/22/15	03752	SAN DIEGO COUNTY SHERIFF	Ben2441629	04/23/15	BI-WEEKLY PAYROLL DEDUCTION	397.29	397.29
2042807	04/08/15	03752	SAN DIEGO COUNTY SHERIFF	Ben2440625	04/09/15	BI-WEEKLY PAYROLL DEDUCTION	397.29	397.29
2042723	03/25/15	03752	SAN DIEGO COUNTY SHERIFF	Ben2440066	03/26/15	BI-WEEKLY PAYROLL DEDUCTION	460.90	460.90
2042775	04/01/15	00003	SAN DIEGO COUNTY WATER AUTH	00000001179	03/05/15	SOCAL WATERSMART	1,350.00	1,350.00
2042808	04/08/15	00121	SAN DIEGO GAS & ELECTRIC	032715	03/27/15	UTILITY EXPENSES (MONTHLY)	63,343.06	113,231.32
				032615	03/26/15	UTILITY EXPENSES (MONTHLY)	28,726.82	
				032015a	03/20/15	UTILITY EXPENSES (MONTHLY)	20,234.62	
				032515	03/25/15	UTILITY EXPENSES (MONTHLY)	926.82	

CHECK REGISTER

Otay Water District

Date Range: 3/19/2015 - 4/22/2015

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2042776	04/01/15	00121	SAN DIEGO GAS & ELECTRIC	032015	03/20/15	UTILITY EXPENSES (MONTHLY)	2,651.32	
				022715	02/27/15	UTILITY EXPENSES (MONTHLY)	445.40	3,096.72
2042870	04/15/15	00121	SAN DIEGO GAS & ELECTRIC	040615	04/06/15	UTILITY EXPENSES (MONTHLY)	78,190.90	
				032515a	03/25/15	UTILITY EXPENSES (MONTHLY)	17,042.43	95,233.33
2042777	04/01/15	16214	SAN DIEGO RURAL FIRE PROT DIST	0669032615	03/26/15	W/O REFUND D0669-090016	8,816.24	8,816.24
2042931	04/22/15	16262	SANDRA HARPER	Ref002441545	04/20/15	UB Refund Cst #0000121230	102.05	102.05
2042724	03/25/15	16196	SARA ALVIZ	Ref002440008	03/23/15	UB Refund Cst #0000196071	5.44	5.44
2042932	04/22/15	16272	SARAH WANGEN	Ref002441557	04/20/15	UB Refund Cst #0000208349	37.63	37.63
2042871	04/15/15	14785	SEW-EURODRIVE INC	242888	03/24/15	FILTER GEARDRIVE	3,995.05	3,995.05
2042725	03/25/15	16189	SHAWN CLEVELAND	Ref002440000	03/23/15	UB Refund Cst #0000158537	21.60	21.60
2042933	04/22/15	16263	SHERI SKIBA	Ref002441547	04/20/15	UB Refund Cst #0000146597	68.42	68.42
2042726	03/25/15	15307	SIERRA ANALYTICAL LABS INC	SC18011	03/18/15	LABORATORY SERVICES (3/11/15)	235.00	235.00
2042778	04/01/15	15307	SIERRA ANALYTICAL LABS INC	5C24013	03/24/15	LABORATORY SERVICES (3/18/15)	235.00	
				4J22004	10/22/14	LABORATORY SERVICES (10/15/14)	205.00	440.00
2042809	04/08/15	15307	SIERRA ANALYTICAL LABS INC	5C31106	03/31/15	LABORATORY SERVICES (3/25/15)	205.00	205.00
2042934	04/22/15	15307	SIERRA ANALYTICAL LABS INC	5D14002	04/14/15	LABORATORY SERVICES (4/6/15)	185.00	185.00
2042872	04/15/15	15307	SIERRA ANALYTICAL LABS INC	5D08002	04/08/15	LABORATORY SERVICES (4/1/15)	185.00	185.00
2042873	04/15/15	13327	SILVA-SILVA INTERNATIONAL	1504	04/01/15	DESAL PROJ CONSULTANT (MAR 2015)	4,000.00	4,000.00
2042874	04/15/15	16229	SMITH, TIMOTHY	032315032415	04/09/15	TRAVEL EXPENSES (3/23/15-3/24/15)	56.40	
				021815033115	04/09/15	MILEAGE REIMBURSEMENT (2/18/15-3/31/15)	9.20	65.60
2042810	04/08/15	03439	SO CAL ALLIANCE OF PUBLICLY	151665	03/01/15	ANNUAL MEMBERSHIP FEE	538.00	538.00
2042779	04/01/15	15176	SOUTHCOAST HEATING &	C55635	03/10/15	AC MAINTENANCE (MONTHLY)	1,068.00	
				C55648	03/10/15	AC MAINTENANCE (MONTHLY)	480.00	
				C55642	03/10/15	AC MAINTENANCE (MONTHLY)	205.00	1,753.00
2042935	04/22/15	15176	SOUTHCOAST HEATING &	C55232	01/15/15	AC MAINTENANCE (MONTHLY)	205.00	205.00
2042727	03/25/15	02594	SOUTHWESTERN COMMUNITY COLLEGE	OWD031915	03/19/15	For project: San Diego Contracting	7,000.00	7,000.00
2042811	04/08/15	04843	SPRING VALLEY KIWANIS	030315	04/01/15	BUSINESS MEETING	500.00	500.00

CHECK REGISTER

Otay Water District

Date Range: 3/19/2015 - 4/22/2015

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2042812	04/08/15	16224	STACY MILLER	Ref002440532	04/03/15	UB Refund Cst #0000215400	23.19	23.19
2042728	03/25/15	13564	STAR-NEWS PUBLISHING CO, THE	1	03/20/15	SUBSCRIPTION RENEWAL	90.00	90.00
2042936	04/22/15	01460	STATE WATER RESOURCES	SW0097794	04/16/15	ANNUAL PERMIT FEE (4/1/2015 - 03/31/2016)	1,632.00	1,632.00
2042875	04/15/15	05755	STATE WATER RESOURCES	6739040915	04/09/15	CERTIFICATION RENEWAL	140.00	140.00
2042729	03/25/15	16195	STEPHANIE MCQUEEN	Ref002440007	03/23/15	UB Refund Cst #0000195317	83.48	83.48
2042937	04/22/15	16260	STEVE BAILEY	Ref002441543	04/20/15	UB Refund Cst #0000069494	41.96	41.96
2042813	04/08/15	07678	STREAMLINE FORMS & GRAPHICS	39868	03/04/15	FORMS	111.86	111.86
2042938	04/22/15	03263	STRUNKS JR, DALE	040915	04/17/15	SAFETY BOOT REIMBURSEMENT	150.00	150.00
2042814	04/08/15	12809	STUTZ ARTIANO SHINOFF	97383	03/09/15	LEGAL SERVICES (JAN 2015)	12,615.81	12,615.81
2042876	04/15/15	12809	STUTZ ARTIANO SHINOFF	97579	03/30/15	LEGAL SERVICES (FEB 2015)	14,950.83	14,950.83
2042939	04/22/15	15974	SUN LIFE FINANCIAL	Ben2441615	04/23/15	MONTHLY CONTRIBUTION TO LTD	4,908.63	4,908.63
2042730	03/25/15	15974	SUN LIFE FINANCIAL	Ben2440054	03/26/15	MONTHLY CONTRIBUTION TO LTD	4,927.66	4,927.66
2042780	04/01/15	16211	SUNWOOD & ASSOCIATES LLC	0872032615	03/26/15	W/O REFUND D0872-090124	405.92	405.92
2042940	04/22/15	16256	SYLVIA DILLON	Ref002441539	04/20/15	UB Refund Cst #0000001621	35.21	35.21
2042815	04/08/15	16218	TAREK KADY	Ref002440524	04/03/15	UB Refund Cst #0000042393	48.75	48.75
2042781	04/01/15	02376	TECHKNOWSION INC	2565	03/05/15	SCADA UPGRADES	24,588.18	24,588.18
2042941	04/22/15	15926	TEXAS CHILD SUPPORT UNIT	Ben2441633	04/23/15	BI-WEEKLY PAYROLL DEDUCTION	184.61	184.61
2042731	03/25/15	15926	TEXAS CHILD SUPPORT UNIT	Ben2440072	03/26/15	BI-WEEKLY PAYROLL DEDUCTION	184.61	184.61
2042816	04/08/15	15926	TEXAS CHILD SUPPORT UNIT	Ben2440629	04/09/15	BI-WEEKLY PAYROLL DEDUCTION	184.61	184.61
2042732	03/25/15	14177	THOMPSON, MITCHELL	030115033115	03/17/15	MILEAGE REIMBURSEMENT (MAR 2015)	173.08	
				031515031715	03/19/15	EXPENSE REIMBURSEMENT (3/15/15-3/17/15)	79.82	252.90
2042942	04/22/15	15398	TIMMONS GROUP INC	167588	03/10/15	CONSULTANT SERVICES (THRU 2/28/15)	19,746.70	19,746.70
2042943	04/22/15	16284	U.S. OLYMPIC TRAINING CENTER	Ref002441569	04/20/15	UB Refund Cst #0000216101	951.45	951.45
2042733	03/25/15	15675	UNITED SITE SERVICES INC	1142766419	03/11/15	PORTABLE TOILET RENTALS (3/6/15-4/2/15)	80.08	
				1142766417	03/11/15	PORTABLE TOILET RENTALS (3/6/15-4/2/15)	79.98	
				1142766418	03/11/15	PORTABLE TOILET RENTALS (3/6/15-4/2/15)	79.98	

CHECK REGISTER

Otay Water District

Date Range: 3/19/2015 - 4/22/2015

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
				1142766416	03/11/15	PORTABLE TOILET RENTALS (3/7/15-4/3/15)	79.98	320.02
2042817	04/08/15	15675	UNITED SITE SERVICES INC	1142793184	03/20/15	PORTABLE TOILET RENTALS (3/18/15-4/14/15)	79.98	79.98
2042877	04/15/15	15675	UNITED SITE SERVICES INC	1142811468	03/30/15	PORTABLE TOILET RENTALS (3/26/15-4/22/15)	98.17	
				1142811845	03/30/15	PORTABLE TOILET RENTALS (3/27/15-4/23/15)	79.98	178.15
2042878	04/15/15	07674	US BANK	CC20150323175	03/23/15	CAL CARD EXPENSES (MONTHLY)	54,490.31	54,490.31
2042879	04/15/15	06829	US SECURITY ASSOCIATES INC	8436	03/31/15	SECURITY SERVICES (MAR 2015)	2,678.15	2,678.15
2042782	04/01/15	11606	USA BLUE BOOK	589755	03/12/15	SUPPLIES & MATERIALS	427.63	427.63
2042818	04/08/15	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2440619	04/09/15	BI-WEEKLY DEFERRED COMP PLAN	13,597.81	13,597.81
2042734	03/25/15	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2440062	03/26/15	BI-WEEKLY DEFERRED COMP PLAN	13,484.88	13,484.88
2042944	04/22/15	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2441623	04/23/15	BI-WEEKLY DEFERRED COMP PLAN	13,569.43	13,569.43
2042819	04/08/15	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2440621	04/09/15	BI-WEEKLY 401A PLAN	4,557.87	4,557.87
2042735	03/25/15	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2440064	03/26/15	BI-WEEKLY 401A PLAN	5,353.92	5,353.92
2042945	04/22/15	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2441625	04/23/15	BI-WEEKLY 401A PLAN	2,990.77	2,990.77
2042820	04/08/15	03329	VERIZON WIRELESS	9742666718	03/21/15	WIRELESS SERVICES (2/22/15-3/21/15)	5,024.43	
				9742666724	03/21/15	WIRELESS SERVICES (2/22/15-3/21/15)	184.56	5,208.99
2042880	04/15/15	03329	VERIZON WIRELESS	9742666722	03/21/15	WIRELESS SERVICES (2/22/15-3/21/15)	1,357.79	
				9742666723	03/21/15	WIRELESS SERVICES (2/22/15-3/21/15)	731.38	2,089.17
2042881	04/15/15	16227	VICTOR M RENTERIA JR	4825041015	04/10/15	CUSTOMER REFUND	220.28	220.28
2042783	04/01/15	15807	WATCHLIGHT CORPORATION, THE	417131		CREDIT MEMO	-30.00	
				416410	03/12/15	FACILITY SECURITY CONVERSIONS	451.00	
				413676	03/09/15	FACILITY SECURITY CONVERSIONS (3/6/15)	211.00	
				413566	03/05/15	FACILITY SECURITY CONVERSIONS	143.00	
				413614	03/06/15	FACILITY SECURITY CONVERSIONS (3/5/15)	143.00	
				413610	03/06/15	FACILITY SECURITY CONVERSIONS (3/5/15)	143.00	
				413611	03/06/15	FACILITY SECURITY CONVERSIONS (3/5/15)	143.00	
				413612	03/06/15	FACILITY SECURITY CONVERSIONS	143.00	
				413567	03/05/15	FACILITY SECURITY CONVERSIONS	143.00	
				416411	03/12/15	MONTHLY SERVICES (3/11/15-3/31/15)	51.00	1,541.00
2042821	04/08/15	15807	WATCHLIGHT CORPORATION, THE	408637	01/15/15	MONTHLY SERVICES (FEB 2015)	24.99	24.99

CHECK REGISTER

Otay Water District

Date Range: 3/19/2015 - 4/22/2015

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2042882	04/15/15	15807	WATCHLIGHT CORPORATION, THE	416731	03/19/15	ALARM EQUIPMENT INSTALLATION	15,345.26	
				405589	01/01/15	ALARM SYSTEMS	6,910.00	22,255.26
2042883	04/15/15	14879	WATER CONSERVATION GARDEN	114	03/17/15	GARDEN COSTS (4TH QTR FY 2014-2015)	24,405.50	24,405.50
2042736	03/25/15	15726	WATER SYSTEMS CONSULTING INC	1317	02/28/15	HYDRAULIC MODELING (ENDING 2/28/15)	3,207.50	3,207.50
							Amount Pd Total:	2,021,954.07
							Check Grand Total:	2,021,954.07