

OTAY WATER DISTRICT

BOARD OF DIRECTORS MEETING  
DISTRICT BOARDROOM

2554 SWEETWATER SPRINGS BOULEVARD  
SPRING VALLEY, CALIFORNIA

**WEDNESDAY**  
**February 5, 2014**  
**3:30 P.M.**

**AGENDA**

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. APPROVE THE MINUTES OF THE REGULAR MEETINGS OF NOVEMBER 6, 2013 AND JANUARY 7, 2014
5. PRESENTATION ON THE OTAY WATER DISTRICT RECEIVING THE DISTRICT OF DISTINCTION ACCREDITATION AND DISTRICT TRANSPARENCY CERTIFICATE OF EXCELLENCE FROM THE SPECIAL DISTRICT LEADERSHIP ASSOCIATION (DIRECTOR GONZALEZ)
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

**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) APPROVE A MESSAGE ON ALL PROPOSITION 218 NOTICES DIRECTING CUSTOMERS TO CONTACT THE DISTRICT'S CUSTOMER SERVICE DEPARTMENT FOR AN EXPLANATION IN SPANISH OF THE CONTENTS OF THE 218 NOTICE
  - b) REAFFIRM RESOLUTION NOs. 4219 AND 4220 INITIATING THE PROCESS FOR THE EXCLUSION OF PARCELS WITHIN IMPROVEMENT

DISTRICTS (IDs) 19 AND 25 AND ALSO AMEND THESE RESOLUTIONS TO REVISE THE DATE OF THE PUBLIC HEARING TO MARCH 5, 2014; CONCURRENT WITH THIS ACTION, THAT THE BOARD ALSO REAFFIRM THE RESOLUTIONS OF INTENTION, NOS. 4221 AND 4222, THAT ARE NECESSARY TO INITIATE THE PROCESS FOR THE ANNEXATION OF THE EXCLUDED PARCELS IN IDs 19 AND 25 INTO IDs 22 AND 20, RESPECTIVELY

- c) APPROVE A PROFESSIONAL AS-NEEDED SERVICES CONSULTING SERVICES CONTRACT WITH DR. MICHAEL WELCH IN AN AMOUNT NOT-TO-EXCEED \$100,000 FOR FISCAL YEARS 2014 THROUGH 2019
- d) APPROVE CHANGE ORDER NO. 1 TO THE EXISTING CONTRACT WITH ADVANCED INDUSTRIAL SERVICES, INC. FOR A CREDIT IN THE AMOUNT OF <\$73,338.63> FOR THE 803-3 AND 832-2 RESERVOIRS INTERIOR/EXTERIOR COATINGS AND UPGRADES PROJECT
- e) APPROVE A RENEWAL TO THE “AGREEMENT FOR THE TEMPORARY EMERGENCY DELIVERY OF A PORTION OF THE MEXICAN TREATY WATERS”

#### ACTION ITEMS

##### 8. BOARD

- a) DISCUSSION OF THE 2014 BOARD MEETING CALENDAR

#### REPORTS

##### 9. GENERAL MANAGER’S REPORT

- a) SAN DIEGO COUNTY WATER AUTHORITY UPDATE

##### 10. DIRECTORS' REPORTS/REQUESTS

##### 11. PRESIDENT’S REPORT/REQUESTS

#### RECESS TO CLOSED SESSION

##### 12. CLOSED SESSION

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

1 CASE

##### 13. RETURN TO OPEN SESSION

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

15. ADJOURNMENT

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

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

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

#### Certification of Posting

I certify that on January 31, 2014, 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 January 31, 2014.

/s/ Susan Cruz, District Secretary

# AGENDA ITEM 4

## MINUTES OF THE BOARD OF DIRECTORS MEETING OF THE OTAY WATER DISTRICT November 6, 2013

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

2. ROLL CALL

Directors Present: Gonzalez, Lopez, Robak, and Thompson

Directors Absent: Director Croucher (due to out-of-town work related training)

Staff Present: General Manager Mark Watton, General Counsel Daniel Shinoff, Asst. GM German Alvarez, Chief of Engineering Rod Posada, Chief Financial Officer Joe Beachem, Chief of Information Technology Geoff Stevens, Chief of Administration Rom Sarno, Chief of Operations Pedro Porras and District Secretary Susan Cruz and others per attached list.

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

Upon a motion by Director Thompson, seconded by Director Gonzalez and carried with the following vote:

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

to approve the agenda.

5. APPROVE THE MINUTES OF THE REGULAR MEETING OF OCTOBER 2, 2013

Upon a motion by Director Thompson, seconded by Director Robak and carried with the following vote:

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

to approve the minutes of the regular meeting of October 2, 2013.

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

No one wished to be heard.

7. 2013 LEGISLATIVE UPDATE

Mss. Chris Frahm and Rosanna Carvacho of Brownstein Hyatt Farber and Schreck LLP attended the District's meeting to provide an update on bills of specific interest to the District and the activities that have occurred in Sacramento. Ms. Frahm indicated that much of the discussion in Sacramento has been on the water bond and whether there will be monies to fund it. Many agree that the proposed size of the bond is too big and in the last couple of years much of the work has been on trying to build consensus on a water bond, the timing, how it fits with everything else that is occurring within the State, including the Bay Delta Conservation Plan (BDCP) issues.

She indicated that new members of the Assembly formed a working group whose focus is on the water bond. They are discussing what the bond should include and have also been reaching out to stakeholders and the public to hear what they envision the water bond to include. She stated, as the board is aware, that the Otay WD submitted a letter to chair of the working group, Assemblymember Rendon, providing the District's comments and input. She stated that it is important that legislators hear the District's perspective as they continue to discuss the issue. Her firm will continue to monitor this issue into the coming year.

Ms. Frahm indicated that the BDCP is another major focus of the State and there is ongoing discussion on how it will be paid for. The State recently released its water plan and her firm will be recommending that the Otay WD provide comments on the water plan. She stated that next year will be a very active year and her firm will continue to monitor all the bills that are introduced by the Senate and Assembly.

Ms. Carvacho indicated this is the first round of legislators serving twelve (12) year terms. She stated that the legislators are taking a different approach to legislating than their predecessors, likely due to their longer service terms. The new legislators really want to understand and get engaged in the issues and for this reason, there were less bills introduced this past year. They have made it clear that they want the water bond negotiations different from 2009 where there were backroom deals that formed the water bond. They are holding many public hearings for this purpose. She stated that this is a change that we will see over

the next few years as these new legislators become more senior members and the older legislators begin terming out.

She indicated that the water bond was supposed to be on the 2012 ballot, however, the Governor wished it pushed back because he had Proposition 30 on the ballot. In 2014, the Governor will be on the ballot for re-election. There is a lot of speculation that he wants the bond pushed back again. This is currently unclear as he has not stated publicly what he wishes to do with the bond.

Some of the Governor's priorities include reducing the State's debt to \$5 million by 2016 or 2017 as this is when the temporary taxes from Proposition 30, passed last year, will start to expire, increasing the minimum wage, changing school funding formulas, immigration issues and prison overcrowding.

Ms. Carvacho indicated that one of the bills her firm has been tracking for the District is AB 145 by Assemblymember Perea which proposes transferring the drinking water program from the Department of Public Health (DPH) to the State Water Resources Control Board (SWRCB). This bill received a lot of opposition and did not move forward. However, the Governor's Administration has stated that they are in support of moving the program and the process will occur administratively. She indicated that in the first week of October, a task force was formed that included Ms. Diana Dooley, Secretary of Health and Human Services, and Mr. Matt Rodriguez, Secretary of the Environmental Protection Agency, to advise the Administration on how to transition the drinking water program to the SWRCB. It is expected that the transition will occur at the beginning of the next fiscal year which starts on July 1, 2014.

She indicated that the impetus for the transition is a group of legislators who represent District's that do not have clean drinking water. They introduced a bill called the *Clean Drinking Water Package*. It was a combination of eight (8) bills, of which, five (5) were passed and signed by the Governor. She noted that Assembly Bill 145 was included in the package and, while it did not pass, it will be implemented administratively.

She stated that Assemblymember Perea has been a leader of the push to acquire money from the *Drinking Water Revolving Fund* and provide it to disadvantaged communities and he was not happy with the DPH in how long it has been taking them to appropriate the funding to these communities. These are very small communities located mainly in the Central Valley area that have poor quality groundwater for drinking water. These communities do not have the funding to produce proper drinking supplies. She stated the Federal Government was also not happy with the DPH and had sent a letter to them indicating that they were out of compliance. The DPH forwarded a response stating what they were doing to address the compliance issue. The Governor's Administration supported the push to transfer the drinking water program and felt it should be

moved to the SWRCB as it would place all of the State's water programs under one entity.

Ms. Carvacho indicated that there were a few other bills that their firm was monitoring and the two bills regarding water recycling were both signed by the Governor. She indicated with regard to SB 322, authored by Senator Hueso, that Governor Brown did sign the bill with the caveat that the SWRCB and the DPH investigate the feasibility of developing uniform water recycling criteria for direct potable reuse and to provide a final report to the Legislature on the findings by December 31, 2016 or sooner if possible. This is a positive sign from the Governor that he supports this bill and it indicates that it will likely happen.

She indicated that there are three (3) water bond bills being proposed. One that will be on the ballot next year and two (2) that are proposed and are currently in the legislature. There is not much happening with regard to the water bonds at this point. There have been two (2) informational hearings this fall since the legislature adjourned, one (1) Senate hearing, one (1) Assembly hearing. The Assembly's Water Parks and Wildlife Committee is planning two (2) additional hearings. The dates and locations have not yet been set and her firm will keep their eye on this. It is expected that by January that there will be some movement as Senator Wolk's Water Bond Bill is still in the Senate. She must move the bill out of the Senate by January 31, 2014 or the bill dies.

Director Robak indicated that the State of California has the highest water rates and felt that whatever can be done to moderate rates would be in the best interest of the District. He also commented with regard to Senator Hueso's bill, that it is in the District's and the City of San Diego's best interest to advocate for re-purified water/direct potable reuse and move the project along as fast as possible. He stated the Governor supports reuse and he felt it was incongruous that the County is not pushing more aggressively. General Manager Watton indicated that the region is pushing as aggressively as advisable and there have been discussions with Senator Hueso regarding direct potable reuse as it pertains to San Diego. He stated that there would be a \$200 million dollar change in the project if San Diego could get direct potable reuse and it is high on the agenda. However, decisions need to be made on the San Diego project and there needs to be some indication that there will be a level of success. Director Robak reiterated that he hopes, as a region, we are pushing as aggressively as possible for things like direct potable reuse which can help moderate our region's rates.

## CONSENT CALENDAR

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

Director Robak pulled item 7d, APPROVE AN AGREEMENT WITH THE LAW FIRM OF STUTZ, ARTIANO, SHINOFF AND HOLTZ, A PROFESSIONAL CORPORATION, FOR A TERM OF TWO (2) YEARS THROUGH DECEMBER 31, 2015 TO PROVIDE GENERAL COUNSEL SERVICES TO THE DISTRICT, for discussion.

Upon a motion by Director Robak, seconded by Director Thompson and carried with the following vote:

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

to approve the following consent calendar items:

- a) ADOPT RESOLUTION NOS. 4219 AND 4220, TO INITIATE THE PROCESS FOR THE EXCLUSION OF PARCELS WITHIN IMPROVEMENT DISTRICTS (IDs) 19 AND 25; AND ADOPT RESOLUTION NOS. 4221 AND 4222 TO INITIATE THE PROCESS FOR THE ANNEXATION OF THE EXCLUDED PARCELS IN IDs 19 AND 25 INTO IDs 22 AND 20 RESPECTIVELY
- b) APPROVE THE ISSUANCE OF A PURCHASE ORDER TO INLAND KENWORTH IN THE AMOUNT OF \$175,876.30 FOR THE PURCHASE OF ONE (1) NEW KENWORTH UTILITY CREW TRUCK AND DECLARE UNIT NO. 111 UTILITY CREW TRUCK SURPLUS
- c) DECLARE A 2.41-ACRE PARCEL LOCATED ON SWEETWATER SPRINGS BOULEVARD (APN: 505-230-51-00) AS SURPLUS AND AUTHORIZE THE DISPOSAL OF THE DECLARED PROPERTY IN ACCORDANCE WITH APPLICABLE STATUTES AND LAWS IN THE BEST INTEREST OF THE DISTRICT
- e) 2015 TO PROVIDE GENERAL COUNSEL SERVICES TO THE DISTRICT
- f) ADOPT RESOLUTION NO. 4223 FIXING TERMS AND CONDITIONS FOR THE ANNEXATION OF CERTAIN REAL PROPERTY OWNED BY ST. GREGORY OF NYSSA GREEK ORTHODOX CHURCH, APNs: 498-320-04-00 AND 498-320-45-00, TO THE OTAY WATER DISTRICT'S IMPROVEMENT DISTRICT NO. 18
- g) APPROVE A PROFESSIONAL ENGINEERING SERVICES CONTRACT WITH HDR ENGINEERING, INC. FOR CORROSION ENGINEERING

SERVICES IN SUPPORT OF THE DISTRICT'S CATHODIC PROTECTION PROGRAM IN AN AMOUNT NOT-TO-EXCEED \$684,750

- h) APPROVE A CONSTRUCTION CONTRACT WITH LAYFIELD ENVIRONMENTAL SYSTEMS CORPORATION FOR THE 927-1 RECYCLED WATER RESERVOIR FLOATING COVER AND LINER REPLACEMENT IN AN AMOUNT NOT-TO-EXCEED \$873,400
- i) APPROVE A SECOND AGREEMENT AND THREE AMENDMENTS TO EXISTING CONTRACTS BETWEEN THE OTAY WATER DISTRICT AND HELIX WATER DISTRICT FOR EMERGENCY INTERCONNECTIONS
- j) ADOPT RESOLUTION NO. 4218 REVISING BOARD OF DIRECTORS POLICY NO. 12, EMPLOYMENT TERMINATION OF EMPLOYMENT OF DISTRICT PERSONNEL POLICY, AND POLICY NO. 24, RECRUITMENT, SELECTION, AND EMPLOYMENT POLICY

President Lopez presented item 7d for discussion:

- d) APPROVE AN AGREEMENT WITH THE LAW FIRM OF STUTZ, ARTIANO, SHINOFF AND HOLTZ (SASH), A PROFESSIONAL CORPORATION, FOR A TERM OF TWO (2) YEARS THROUGH DECEMBER 31, 2015 TO PROVIDE GENERAL COUNSEL SERVICES TO THE DISTRICT

Director Robak indicated that the board hires the General Manager, Auditor and General Counsel and he felt rather than handling this item on the consent calendar, he wished to have some discussion. He inquired if General Counsel Dan Shinoff wished to comment. Mr. Shinoff stated that it has been a tremendous privilege for his firm to work with Otay WD. He indicated he felt that the District has a great team/leadership and staff is prepared, organized and focused. He stated that the District did not seem to run into the traditional problems that exist with other public agencies which his firm has the privilege of working with as well. He stated that the District has good relations with its employees which assists in reducing legal expenses.

General Manager Watton indicated that the District has been receiving a great level of service and, fortunately for the District, it does not have any litigation or complex issues at the moment. He indicated that SASH has the scope to be able to handle a wide variety of matters for the District and the District does try to practice preventive legal work which helps prevent some unfortunate results later. The District's working relationship with SASH seems to be working out well from a staff perspective.

Director Thompson thanked SASH for their work and indicated that he had great confidence in the counsel they provide and that he viewed their advice as one of the most important that he receives as a board member.

President Lopez indicated that he could always count on General Counsel to provide advice in layman terms and that he appreciated the work they do for the District.

Upon a motion by Director Robak, seconded by Director Lopez and carried with the following vote:

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

to approve staffs' recommendation.

## ACTION ITEMS

### 9. FINANCE, ADMINISTRATION AND INFORMATION TECHNOLOGY

- a) APPROVE THE DISTRICT'S AUDITED FINANCIAL STATEMENTS, INCLUDING THE INDEPENDENT AUDITORS' UNQUALIFIED OPINION, FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Finance Manager Kevin Koeppen introduced Messrs. Nintin Patel and David Foreman, representatives from White Nelson Diehl Evens, LLP (WNDE) who will speak on the audit process and the results of the audit. Mr. Koeppen indicated that staff is requesting that the board approve the District's audited financial statements, including the Independent Auditors' unqualified opinion for the fiscal year ended June 30, 2013. Please reference the Committee Action notes (Attachment A) attached to staff's report for the details of Mr. Koeppen's and the auditor's report.

Director Robak inquired if there were any areas of emphasis during this fiscal year's audit. Mr. Patel indicated that he would need to review their risk analysis report and will provide feedback on the inquiry. He noted that it is something that they do in each audit. As this is Mr. Patel's final year serving as Auditor to the District, Director Robak asked if he could sum up his experience with the District over the last five (5) years. Mr. Patel indicated that he felt that the relationship has been very professional and that the District's staff was good to work with. His audit team had very little adjustments and from their viewpoint they have not had any difficulties in performing the audits.

Director Robak also inquired if the recommended number of changes is extraordinary or if it is fairly standard. Mr. Patel indicated that it is extraordinary, because it is getting more complicated. There were five new elements that needed to be included in the audit and in the last 25 years he has only known assets, liabilities and equity. Now new elements are being introduced which makes it more complicated and, thus, the number of recommended changes is extraordinary because the number of pronouncements is extraordinary.

Director Thompson indicated that he felt that the District was very sound financially and in its financial reporting and that both are equally important. He indicated all the work that the District's Finance Department does, in terms of financial planning, provides for the District's strong credit rating which will create the kinds of opportunities that we want our ratepayers to have access to.

General Manager Watton thanked the auditors and their firm for the good audit result and professional relationship. He stated what he enjoyed most about the audits is what the District's staff learns from the auditors as they bring a different perspective. He stated that it is a sad parting between our organizations, but Best Management Practices and the District's policy dictates that a new auditor be selected every five years. He stated that the District was very happy with the services their firm provided in the past five years.

Mr. Patel indicated that they understood the policy and that it was a pleasure working with the District.

Upon a motion by Director Robak, seconded by Director Thompson and carried with the following vote:

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

to approve staffs' recommendation.

#### 10. ENGINEERING AND WATER OPERATIONS

- a) APPROVE THE WATER SUPPLY ASSESSMENT AND VERIFICATION REPORT DATED SEPTEMBER 2013 FOR THE OTAY RANCH VILLAGE 2 SPA AMENDMENT
- b) APPROVE THE WATER SUPPLY ASSESSMENT AND VERIFICATION REPORT DATED SEPTEMBER 2013 FOR THE OTAY RANCH UNIVERSITY VILLAGES PROJECT (3 NORTH AND A PORTION OF 4, 8 EAST, AND 10)

General Manager Watton indicated that staff would like to combine the presentations for both items above, though they are two (2) discreet items. Environmental Specialist Lisa Coburn-Boyd presented on the Water Supply Assessment and Verification Reports (WSVR) for both the Otay Ranch Village 2 Spa amendment and the Otay Ranch University Villages Project. She indicated that the City of Chula Vista submitted requests to the District for WSVR for these two projects pursuant to Senate Bills 610 and 221. Please reference the Committee Action notes (Attachment A) attached to staff's report for the details of Ms. Coburn-Boyd's report.

Director Robak commented that it is uncertain what will happen with the weather and climate change and that the District still needs to continue pushing water conservation programs. He indicated that he will support the WSVR again and stated that there are unknowns, but certainly the water supplies we have projected and the direction that water sales are going, there are adequate supplies.

General Manager Watton indicated that the City of Chula Vista is very aggressive in incorporating conserving features (dishwashers, outdoor landscaping, etc.) in new developments, whether it is for the conservation of energy or water. The City has a very comprehensive plan for conservation.

Director Gonzalez noted that the economist retained by the District had indicated that development would be more mixed use and multi-family residential as opposed to single family homes. He observed that what the economist had anticipated is what is happening now. He stated that it was good to have been provided that information.

Upon a motion by Director Gonzalez, seconded by Director Robak and carried with the following vote:

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

to approve the WSAV Reports dated September 2013 for both the Otay Ranch village 2 Spa Amendment and the Otay Ranch University Villages Project (3 North and a portion of 4, 8 East, and 10.

## BOARD

### a) DISCUSSION OF 2013 BOARD MEETING CALENDAR

District Secretary Cruz noted that the January 2014 board meeting currently falls on a holiday and would need to be rescheduled. General Manager Watton

stated with regard to the December board meeting, as the Board had commented in previous meetings that the December meeting has been traditionally canceled, staff had pushed to bring items required to be completed by the end of the year to the November board meeting. Staff was successful in doing so and if the board wishes to cancel the December meeting as per tradition, staff is prepared if the meeting is canceled.

President Lopez proposed that the January 2014 board meeting be rescheduled to the following Wednesday, January 8, 2014.

Upon a motion by Director Thompson, seconded by Director Gonzalez and carried with the following vote:

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

to approve canceling the December 4, 2013 board meeting and rescheduling the January 1, 2014 board meeting to January 8, 2014.

#### 11. INFORMATIONAL ITEMS

- a) REPORT ON THE FINDINGS OF THE LATEST ACTUARIAL VALUATION PERFORMED AS OF JUNE 30, 2013; AND THE ACTUARIAL EVALUATION DETERMINING THE NET COST OR SAVINGS OF THE OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN ENHANCEMENT VERSUS THE INCREASED EMPLOYEE CONTRIBUTIONS TO PERS

Finance Manager Kevin Koeppen provided a review of the Actuarial Report and net cost of the OPEB enhancement performed by Bartel Associates, LLC. He indicated that every two (2) years the District is required to have an actuarial study performed to determine the cost of the OPEB plan. The latest valuation was performed as of June 30, 2013 and covers fiscal years 2014 and 2015. Please reference the Committee Action notes (Attachment A) attached to staff's report for the details of Mr. Koeppen's report.

Director Thompson indicated that he just wished to note that staff had provided a list indicating the status of the OPEB funds of the local agencies in San Diego at the request of the Finance, Administration and Communications Committee. He indicated that it looks like the District is in pretty decent shape and is one of the top four agencies that are closest to being fully funded which shows the safety and soundness of the District's finances in general. He thanked staff for putting the information together.

b) FIRST QUARTER OF FISCAL YEAR 2014 CAPITAL IMPROVEMENT PROGRAM REPORT

Engineering Manager Dan Martin provided an update on the District's first quarter of FY 2014 Capital Improvement Program. He indicated that the FY 2014 budget is broken into 63 projects totaling \$13.9 million. The overall expenditures for the first quarter are \$1.5 million which is approximately 11% of the FY 2014 budget. Please reference the Committee Action notes (Attachment A) attached to staff's report for the details of Mr. Martin's report.

Director Robak inquired if staff will be updating the District's Water Resources Master Plan (WRMP). Mr. Martin indicated that staff will be updating the District's WRMP and, at this time, staff is currently in the consultant selection process that will assist with the update. The directors will be hearing more about the master plan update at the January 2014 board meeting.

Director Gonzalez commented that he attended an event where the City of San Diego Councilmember Mark Kersey was the guest speaker. Councilmember Kersey indicated during his presentation that the City is proposing putting a bond issue on the ballot for infrastructure maintenance because the City does not have money set aside for the maintenance of sidewalks, sewer piping, etc. Director Gonzalez indicated that one thing he likes about the District is that it has a replacement/maintenance program and, thus, it is prepared for breaks and any other maintenance that may be required of the water or sewer systems.

## REPORTS

### 12. GENERAL MANAGER'S REPORT

#### SAN DIEGO COUNTY WATER AUTHORITY UPDATE

General Manager Watton indicated that the major activity at CWA is focusing back on the Carlsbad Desalination rates. The District's staff continues to participate in a leadership role in the discussion and the board will be provided an update as the discussions progress. He indicated that this issue will likely be the main focus at CWA for the next six (6) months. CWA staff is also monitoring how the Carlsbad desalination project is progressing.

#### GENERAL MANAGER'S REPORT

General Manager Watton indicated that periodically he meets with the General Managers of the neighboring agencies. He indicated that their last meeting happened to be in the Chula Vista across from one of Millenia's projects. The project caught the attention of their group because of all the construction activity occurring at the site. That kind of construction activity has not been seen in

approximately six (6) to seven (7) years and he stated that there is more construction activity to come.

Mr. Watton also reported that today he, Directors Lopez and Thompson, Chief of Engineering Rod Posada, and the District's consultant Pete Silva met with the International Boundary and Water Commission (IBWC) and Comision Internacional de Limites y Aguas (CILA) to discuss the Rosarito desalination project and the possibility of an international desalination project. NSC Agua provided an update on the Rosarito Desalination Project. Mr. Watton indicated that the main purpose of the meeting was to inform both agencies on the progress of the project with the hope that it is the project that is focused on for the international desalination objective. He indicated that he felt that the meeting was positive and was the first time that the two groups met to discuss the possibility of an international desalination project. In follow-up to this meeting, General Manager Watton and the District's consultant Pete Silva, will meet with the Commissioner and Chief Engineer of IBWC in December to request their official support of the Rosarito Desalination Project.

General Manager Watton then presented information from his report that included the Cuyamaca College Drive East Water Main Break, Community Outreach, Contractor Outreach, Holiday Event, and Network Security.

Director Robak inquired about the wooden trestle bridge over the District's pipeline near the treatment plant; if the District had any plans to replace it with a more fire proof material considering the fires that has occurred in the District's service area in the past. Environmental Specialist Coburn-Boyd indicated that the District does have a CIP project which is looking at making the bridge fire resistant or to replace the bridge. The District will also be working with the U.S. Fish and Wildlife Service because they have interest in utilizing the bridge as it is in the middle of their refuge.

### 13. DIRECTORS' REPORTS/REQUESTS

Director Thompson indicated that he wished to share that November is male health awareness month and he wished to encourage employees to get a check-up in recognition of "November."

Director Gonzalez indicated that he attended the monthly Mendez Group's "Abondigas" meeting where the City of San Diego Councilmember, Mark Kersey, spoke. He also stated that he participated in a webcast evaluating potable versus non-potable reuse treatment.

Director Robak commended Director Thompson for announcing that November was "Male Health Awareness Month." He indicated that it is important for everyone to get check-ups to protect their health. He also indicated that the Water Conservation Garden held their Ms. Smarty Plants Halloween event on

October 25. He and his family attended and enjoyed the event. He also shared that the Water Conservation Garden held their Plant Stravaganza event on November 2 which was also a successful event. He lastly indicated that he and Communications Officer, Armando Buelna, participated in the Jamul Festival which was celebrating their 50<sup>th</sup> Anniversary. He indicated that he and his son marched in the parade with the Boy Scouts.

14. PRESIDENT'S REPORT

President Lopez reported on meetings he attended during the month of October 2013 (a list of meetings he attended is attached).

b. CLOSED SESSION

The board recessed to closed session at 5:18 p.m. to discuss the following matter:

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

1 CASE

The board reconvened at 5:48 p.m. and the District's General Counsel, Dan Shinoff, indicated that the board took no reportable actions in closed session.

15. ADJOURNMENT

With no further business to come before the Board, President Lopez adjourned the meeting at 5:48 p.m.

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President

ATTEST:

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District Secretary

**President's Report  
November 6, 2013 Board Meeting**

**A) Meetings attended during the Month of October 2013:**

- 1) **October 2: Attended the District's Regular Board Meeting**
- 2) **October 3: Attended a meeting of the Metro Commission:**
  - a. The Commission took action on the Joint Resolution Supporting Development of a Long-Range Regional Water Reuse Plan and Secondary Equivalency for Point Loma Wastewater Treatment Plant and discussed its FY 2014 Strategic Plan (see attached copy of agenda).
- 3) **October 18: Committee Agenda Briefing.** Met with General Manager Watton to review items that will be presented at the October Committee meetings.
- 4) **October 22: Attended the District's Finance, Administration and Communications Committee.** Reviewed, discussed, and made recommendation on items that will be presented at the November board meeting.
- 5) **October 23: Attended the District's Engineering, Operations and Water Resources Committee on Director Croucher's behalf.** Reviewed, discussed, and made recommendation on items that will be presented at the November board meeting
- 6) **October 31: Board Agenda Briefing.** Met with General Manager Watton and General Counsel Dan Shinoff to review items that will be presented at the November Board Meeting.
- 7) **November 1: Attended the Swear-In Ceremony for the Governor of Baja, California, in Mexicali.** Attendees: General Manager Mark Watton, Chief of Engineering Rod Posada, and the District's Bi-national Consultant Hector Mares.

# AGENDA ITEM 4

## MINUTES OF THE BOARD OF DIRECTORS MEETING OF THE OTAY WATER DISTRICT and OTAY SERVICE CORPORATION January 7, 2014

1. The meeting was called to order by President Lopez at 3:38 p.m.

2. ROLL CALL

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

Staff Present: General Manager Mark Watton, Asst. General Manager German Alvarez, General Counsel Dan Shinoff, Chief Financial Officer Joe Beachem, Chief of Engineering Rod Posada, Chief of Administration Rom Sarno, Chief of Water Operations Pedro Porras and District Secretary Susan Cruz and others per attached list.

3. PLEDGE OF ALLEGIANCE

4. PRESENTATION OF RECOGNITION PLAQUE TO BOARD PRESIDENT

Vice President Thompson presented a recognition plaque on behalf of the Board of Directors and staff to Board President Lopez to thank him for his leadership and dedicated service to the District during the past year. Director Croucher stated that it is a pleasure to serve on the board with President Lopez and thanked him for his knowledge and help over the years. President Lopez indicated he has been with the District thirteen (13) years and his goal for this year is for the District to stay on task and continue to improve and be a highly recognized agency not only in the County, but the State.

5. ELECTION OF BOARD PRESIDENT

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

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

to re-elect Director Lopez as President.

6. ELECTION OF VICE PRESIDENT

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

Ayes: Directors Croucher, Lopez, Robak, and Thompson

Noes: None  
Abstain: Director Gonzalez  
Absent: None

to elect Director Gonzalez as Vice President.

7. ELECTION OF BOARD TREASURER

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

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

to elect Director Thompson as Treasurer.

8. APPROVAL OF AGENDA

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

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

to approve the agenda.

9. 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

Mr. Ben Kalasho, President of the San Diego East County Caldean American Chamber of Commerce, indicated that he wished to share with the District information about the Chamber and request that the District consider a membership with the Chamber. He stated that in the month and half that they have officially opened, they have signed 120 members to the Chamber which included various organizations, local dignitaries, community leaders, etc. He stated that approximately 80,000 Caldean Americans live in San Diego County with approximately 25,000 living in Rancho San Diego which is served by the Otay WD. He shared that a board member of Helix WD, Mr. Joel Scalzitti, has also joined the Chamber's board and that Chamber's board is made up of fifteen (15) members, with six (6) being Caldean.. He stated that they wished their organization to be inclusive and not exclusive to Caldeans to create a bridge between communities and various ethnicities. He indicated that it would be an honor for their Chamber to work with the District.

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

The Otay Water District board meeting was recessed at 3:53 p.m. and a meeting of the Otay Service Corporation board was convened.

11. ROLL CALL

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

12. ELECTION OF OFFICERS: PRESIDENT, VICE-PRESIDENT, TREASURER, EXECUTIVE DIRECTOR, CHIEF FINANCIAL OFFICER AND SECRETARY

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

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

to elect Director Lopez as President, Director Thompson as Vice President, Director Gonzalez as Treasurer, General Manager Watton as Executive Director, Joe Beachem as Chief Financial Officer and District Secretary Susan Cruz as Secretary.

13. ADJOURN OTAY SERVICE CORPORATION BOARD MEETING AND CONVENE THE OTAY WATER DISTRICT FINANCING AUTHORITY BOARD MEETING

President Lopez adjourned the Otay Service Corporation board meeting at 3:55p.m. and convened the Otay Water District Financing Authority board meeting.

14. ROLL CALL

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

15. RE-AFFIRM OFFICERS OF THE OTAY WATER DISTRICT FINANCING AUTHORITY

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

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

to elect Director Lopez as President, Director Thompson as Vice-President, General Manager Watton as Executive Director, Chief Financial Officer Joe Beachem as Treasurer/Auditor, and District Secretary Susan Cruz as Secretary.

16. ADJOURN OTAY DISTRICT FINANCING AUTHORITY BOARD MEETING AND CONVENE THE OTAY WATER DISTRICT BOARD MEETING

President Lopez adjourned the Otay District Financing Authority board meeting at 3:56p.m. and reconvened the Otay Water District board meeting.

CONSENT CALENDAR

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

Director Robak pulled item 20a, APPROVE A PROFESSIONAL SERVICES CONTRACT WITH ATKINS NORTH AMERICA, INC. FOR THE 2015 WATER FACILITIES MASTER PLAN AND PROGRAM ENVIRONMENTAL IMPACT REPORT UPDATES IN AN AMOUNT NOT-TO-EXCEED \$434,731; 20e, ADOPT THE 2014 OTAY WATER DISTRICT LEGISLATIVE PROGRAM GUIDELINES; and 20h, APPROVE A THREE (3) YEAR AGREEMENT WITH AZTECA SYSTEMS, INC. IN AN AMOUNT NOT-TO-EXCEED \$230,000 FOR A LICENSING AGREEMENT FOR CITY WORKS SOFTWARE; AND AN AGREEMENT WITH THE TIMMONS GROUP IN AN AMOUNT NOT-TO-EXCEED \$370,000 FOR IMPLEMENTATION SERVICES FOR THE REPLACEMENT OF THE DISTRICT'S WORK MANAGEMENT SYSTEM, for discussion. Director Thompson pulled item 20b, APPROVE A CONSTRUCTION CONTRACT WITH ADVANCED INDUSTRIAL SERVICES, INC. FOR THE 624-2 RESERVOIR INTERIOR/EXTERIOR COATING AND UPGRADES PROJECT IN AN AMOUNT NOT-TO-EXCEED \$1,199,000, for discussion.

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

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

to approve the following remaining consent calendar items:

- c) APPROVE A CONSTRUCTION CONTRACT WITH COFFMAN SPECIALTIES, INC. FOR THE POTABLE WATER UTILITY RELOCATIONS ASSOCIATED WITH THE CALTRANS SR-11-SEQUENCE 1 PROJECT IN AN AMOUNT NOT-TO-EXCEED \$992,380
- d) APPROVE AN AGREEMENT BETWEEN THE SAN DIEGO COUNTY SANITATION DISTRICT (COUNTY) AND THE DISTRICT FOR

REIMBURSEMENT TO THE COUNTY FOR THE DESIGN AND CONSTRUCTION COSTS ASSOCIATED WITH THE RANCHO SAN DIEGO PUMP STATION REHABILITATION PROJECT; AND APPROVE AN INCREASE IN CIP BUDGET S2027 IN THE AMOUNT OF \$600,000, INCREASING THE OVERALL CIP BUDGET FROM \$2,900,000 TO \$3,500,000

- f) ADOPT ORDINANCE NO. 540 TO AMEND THE DISTRICT'S CODE OF ORDINANCES SECTION 3.06 (C), WITHDRAWAL OF FUNDS, TO ALLOW FOR DELEGATES APPROVAL OF THE RELEASE OF PAYMENTS THAT WILL INCREASE THE EFFICIENCY AND PRACTICALITY OF THE DISTRICT'S OPERATION
- g) APPROVE A PURCHASE ORDER TO NEXUS, INC. IN THE AMOUNT OF \$204,850.50 FOR THE PURCHASE OF INFORMATION TECHNOLOGY NETWORK EQUIPMENT AND SERVICES

President Lopez presented Item 20a for discussion:

- a) APPROVE A PROFESSIONAL SERVICES CONTRACT WITH ATKINS NORTH AMERICA, INC. FOR THE 2015 WATER FACILITIES MASTER PLAN AND PROGRAM ENVIRONMENTAL IMPACT REPORT UPDATES IN AN AMOUNT NOT-TO-EXCEED \$434,731

Engineering Manager Bob Kennedy indicated that staff is requesting that the board authorize a contract with Atkins North America, Inc. (Atkins) to assist the District in updating its Water Facilities Master Plan for 2015 and Program Environmental Impact Report. Please reference the Committee Action notes (Attachment A) attached to staff's report for the details of Mr. Kennedy's report.

Director Robak inquired what staff thought was unique about Atkins in that they felt they had the best approach and would provide the best overall value to the District. Mr. Kennedy indicated that Atkins had prepared the District's last update five years ago and, thus, they have extensive knowledge of the District. When the panel interviewed Atkins, it was very apparent that they were well ahead of the other firms in terms of their knowledge as they already knew what potential CIP's they would need to review. Also, Atkins has extensive knowledge on the development side because they do work for many of the developers that the District works with which exposes them these developers long range plans. Because of this, staff felt that they would be able to complete a comprehensive update more quickly than the other firms.

In response to another inquiry from Director Robak, Mr. Kennedy indicated that when there were substantial increases in the densities of developer projects, the District requested that the Developers pay for a consultant to update the District's Master Plan to reflect the new increased project densities. This occurred twice, once for the City of San Diego with regard to the Otay Mesa area and the second instance was when the densities in the several of the Otay Ranch planning areas were intensely increased. The Developer selected the consultant they wished to

handle the update and provided the revised documents to the District. It just happened in both occasions that Atkins was selected to handle the update.

General Manager Watton indicated that the Master Plan is foundational to the Environmental Impact Report and in showing the nexus between the cost of infrastructure and developer fees.

Mr. Kennedy indicated in response to a question from Director Thompson that due to Atkins knowledge, there would be savings in staff time. One of the items that staff looked for in the interviews is the strength of the people that are proposing on the project, the project manager and support staff. It was felt that HDR had a strong project manager; however, her support staff was very inexperienced and did not contribute in the interview portion of the selection process. Because of this observation, staff felt that HDR may not be able to complete the document satisfactorily.

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

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

to approve staffs' recommendation.

President Lopez presented Item 20b for discussion:

- b) APPROVE A CONSTRUCTION CONTRACT WITH ADVANCED INDUSTRIAL SERVICES, INC. FOR THE 624-2 RESERVOIR INTERIOR/EXTERIOR COATING AND UPGRADES PROJECT IN AN AMOUNT NOT-TO-EXCEED \$1,199,000

Director Thompson inquired, with regard to the solicitation for bids, if the District could indicate in the RFP that if the delivery of bid materials is late due to a delivery service (UPS, Fed-X, etc.), that the deadline would automatically be extended or possibly the District could push back the time to open bids to later in the afternoon. He indicated that he would like to avoid rebidding projects due to delivery services being late. Assistant Civil Engineer II Kevin Cameron responded that the deadline was moved from 2:00 p.m. to 3:00 p.m. on the bid opening day. He stated that bidders wish to know the outcome of the bid on the same afternoon of the bid opening, so moving the time to 5:00 p.m. would not allow staff to get the information out on the same day. He indicated that bids must be opened at a specific time and the time must be indicated in the bid documents. Director Thompson requested that staff review this issue to avoid having to rebid projects in the future due to a delivery issue.

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

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

to approve staffs' recommendation with the understanding that staff will review the issue concerning delivery services to minimize their impact on the bid process.

President Lopez presented Item 20e for discussion:

e) ADOPT THE 2014 OTAY WATER DISTRICT LEGISLATIVE PROGRAM GUIDELINES

Director Robak indicated that he wished to just comment that he would like to see more regular legislative updates, possibly quarterly, to keep the board updated on legislative issues. General Manager Watton indicated that once the Legislative session starts, staff will provide an update for the board on legislative matters.

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

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

to approve staffs' recommendation.

President Lopez presented Item 20h for discussion:

h) APPROVE A THREE (3) YEAR AGREEMENT WITH AZTECA SYSTEMS, INC. IN AN AMOUNT NOT-TO-EXCEED \$230,000 FOR A LICENSING AGREEMENT FOR CITY WORKS SOFTWARE; AND AN AGREEMENT WITH THE TIMMONS GROUP IN AN AMOUNT NOT-TO-EXCEED \$370,000 FOR IMPLEMENTATION SERVICES FOR THE REPLACEMENT OF THE DISTRICT'S WORK MANAGEMENT SYSTEM

Information Technology Manager Adolfo Segura indicated that this item is a request that the Board approve the replacement of the work order system. He indicated that the original work order system, GBA Work Order System, was implemented in 2006. The implementation of this software moved the District from paper based work orders in the field and other operational work to a computerized maintenance management system. The GBA Work Order System worked well, however, the District is moving toward integrating work order lifecycle elements with inspections and capital planning. To continue to utilize the GBA Work Order System, the District would need to build or buy

middleware/bridge pieces to integrate the systems. Staff is proposing an agreement with Azteca Systems which will provide the District the benefit to leverage its GIS investment and integration with the District's financial systems. Staff has been working on this solution for about two (2) years now. Please reference the Committee Action notes (Attachment A) attached to staff's report for further details of Mr. Segura's report.

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

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

to approve staffs' recommendation.

## ACTION ITEMS

### 18. BOARD

Director Thompson requested that the Board consider discussing item 20b next as a representative of the proposed audit firm is in attendance of the District's meeting.

- b) AWARD A CONTRACT TO AN ACCOUNTING FIRM TO SERVE AS THE DISTRICT'S AUDITORS FOR THE FISCAL YEAR ENDING JUNE 30, 2014; THE CONTRACT WILL BE FOR ONE (1) YEAR WITH FOUR (4) ONE-YEAR OPTIONS SUBJECT TO THE BOARD REVIEW AND APPROVAL

Finance Manager Kevin Koeppen indicated that staff is requesting that the board award a contract to an accounting firm to serve as the District's auditors for the fiscal year ending June 30, 2014. Mr. Koeppen introduced Mr. Richard Teaman, Teaman, Ramirez & Smith, who gave a brief background on his firm. Please reference the Committee Action notes (Attachment A) attached to staff's report for further details of Mr. Koeppen's report and Mr. Teaman's presentation.

Director Thompson indicated that the District's Finance, Administration and Communications Committee felt that Teaman, Ramirez & Smith was very qualified. The District was very fortunate that their firm wished to increase its presence in San Diego County as it provided for the District to receive a very competitive price for their services.

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

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

Absent: None

to appoint the firm of Teaman, Ramirez & Smith as the District's auditor for Fiscal Year 2014.

- a) APPROVE AN AGREEMENT WITH TECHNOVISION, INC. FOR A THREE (3) YEAR LICENSING AGREEMENT FOR GE iFIX SCADA SYSTEM AND IMPLEMENTATION SERVICES FOR THE REPLACEMENT OF THE DISTRICT'S SCADA SYSTEM IN AN AMOUNT NOT-TO-EXCEED \$415,000

IT Manager Segura indicated that staff is requesting the board's authorization to replace the District's SCADA system. The SCADA System provides critical services that includes remote data collection, system monitoring and operational control function of water distribution assets. Please reference the Committee Action notes (Attachment A) attached to staff's report for further details of Mr. Segura's report.

Director Croucher inquired if the District has reached out to any of the surrounding agencies to form partnerships so our systems are compatible to allow the agencies' systems to "talk" together, which would allow for the sharing of information, or if it was felt that it was not important to do so. Mr. Segura indicated that the GE iFIX SCADA system is utilized internationally. It is deployed in over 80 countries around the world and is used by major companies like General Electric. He stated that there are 20 to 30 vendors in Southern California who could support this system. Mr. Segura indicated that there is no standard among the agencies and systems can be very simple to much more complex (a \$200,000 system versus a \$2 million system). Staff noted that the District's SCADA System is separate and is not connected to any of the District's systems or internet for security purposes. Also, each agency has its own architecture for the design and operation of their system and in an emergency it would be difficult for agencies to decipher one another's system or even to merge the systems.

In response to an inquiry from Director Robak, Mr. Segura indicated that the SCADA Replacement Project is under budget. The project involves the replacement of the software and a request for professional services for the implementation of the new system. The District will also purchase new servers that will run the new system. Staff indicated that there are actually four (4) different SCADA related project budgets that are combined for this project: 1) \$600,000 was budgeted for the SCADA System replacement; 2) \$160,000 for the Firetide Radio installation; 3) \$165,000 for the three-day battery back-up; and 4) \$70,000 for sensors for the generator fuel levels which allows staff to monitor when generators require fuel. The PLC field devices (with useful life) will remain in production to communicate with the new SCADA software. Staff also indicated that the main concern with the existing software is it is no longer supported. The new software will also provide additional capability. With the implementation of the software, the project will be completed. As with other systems, it will require maintenance, updates, patches, etc.

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

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

to approve staffs' recommendation.

c) DISCUSSION OF 2014 BOARD MEETING CALENDAR

There were no changes to the board meeting calendar.

INFORMATIONAL ITEMS

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

a) REPORT ON DIRECTOR'S EXPENSES FOR THE 1<sup>st</sup> QUARTER OF FISCAL YEAR 2013

The board waived presentation and recommended that the report be received and filed.

REPORTS

20. GENERAL MANAGER'S REPORT

General Manager Watton presented his report which included the status of the District's fire suppressions system, Strategic Plan, 2010 A&B Bonds Arbitrage Rebate Calculation, Rosarito Beach Desalination Project, CWA's request for electrical services, and Mexico's request for water flows and renewal of the agreement for water delivery.

SAN DIEGO COUNTY WATER AUTHORITY UPDATE:

General Manager Watton indicated that the MWD versus CWA lawsuit was heard in December and the court has not yet made a decision. He indicated that it is a very complex litigation that has been ongoing for approximately three (3) years. There will be post hearing filings in the next week while the judge's ruling is waited upon. It was noted that whatever the judge rules, the decision will be appealed. Mr. Watton indicated that Director Robak had asked about the total cost CWA has spent on the lawsuit. He stated the District is not yet aware of the exact cost, but will receive the information from CWA soon, possibly the end of January or the first part of February. He stated that MWD has probably spent \$16 million in total expenses and CWA has spent approximately \$8 million. He

lastly shared that the desalination rate will become the focus at CWA over the next six (6) months.

Director Croucher also reported with regard to CWA that he attended the Colorado River Users Conference last month. He stated that the conference presented information on the importance of relationship building and working together. He indicated that it was chaired by one of the Tribal Nations and the ten Tribes presented quite a bit of documentation and video showing how they are working together in and around the basin States which benefits the communities, the Tribes, water issues and the economy. He stated that the conference was very worthwhile. He stated that CWA is also focusing on the cost of service study for desalination, fiscal sustainability and what could be done to encourage all the agencies to develop local water resources. The same discussions are happening between MWD and CWA with regard to being able to show independence with regard to water resource availability

He also shared that he and General Manager Watton had met with CWA's General Manager, Ms. Maureen Stapleton, and discussed the issues concerning the Colorado River. There was a positive discussion regarding the agencies working together on the desalination program and she asked what CWA can do, in terms in its resources, to help the Otay WD. He stated that it was an encouraging meeting.

21. DIRECTORS' REPORTS/REQUESTS

There were no Directors' reports.

22. PRESIDENT'S REPORT

President Lopez reported on meetings he attended during the month of November and December 2013 (a list of meetings he attended is attached).

RECESS TO CLOSED SESSION

23. CLOSED SESSION

The board recessed to closed session at 5:08 p.m. to discuss the following matters:

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

2 CASES

RETURN TO OPEN SESSION

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

The board reconvened at 5:50 p.m. and General Counsel Shinoff indicated that no reportable actions were taken in closed session.

25. ADJOURNMENT

With no further business to come before the Board, President Lopez adjourned the meeting at 5:50 p.m.

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President

ATTEST:

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District Secretary

**President's Report**  
**January 7, 2014 Board Meeting**

**A) Meetings attended during the Month of November 2013:**

- 1) **November 1: Attended the Swear-In Ceremony for the Governor of Baja, California, in Mexicali.** Attendees: General Manager Watton, Chief of Engineering Rod Posada and the District's Bi-national Consultant Hector Mares
- 2) **November 6:**
  - a) **Met with CILA and IBWC regarding the Rosarito Desalination Project.** Attendees: Director Thompson, General Manager Watton, Chief of Engineering Posada and District consultant Pete Silva
  - b) **Attended the District Regular Board meeting.**
- 3) **November 15: Attended the Water Conservation Garden Donor Appreciation Event.**
- 4) **November 21:** Attended the CSDA Quarterly Dinner. Mr. Dan McAllister, SD County Treasurer/Tax Collector, provided a LAFCO and Sacramento legislature update. Attendees: Communications Officer Buelna

**B) Meetings attended during the Month of December 2013:**

- 1) **December 5: Attended a meeting of the Metro Commission:**
  - a) The Commission discussed and took action on the Joint Resolution Supporting Development of a Long-Range Regional Water Reuse Plan and Secondary Equivalency for Point Loma Wastewater Treatment Plant and discussed its FY 2014 Strategic Plan (see attached copy of agenda).
- 2) **December 6: Committee Agenda Briefing.** Met with General Manager Watton to review items that will be presented at the December Committee meetings.
- 3) **December 10: Attended a meeting of the Finance, Administration and Communications Committee.** Reviewed, discussed, and made recommendation on items that will be presented at the January 2014 board meeting.
- 4) **December 11: Attended the Water Conservation Garden Board Meeting.** (copy of agenda attached).

- 5) **December 17: Met with Mr. John Bolthouse, Executive Director of the Water Conservation Garden, to discuss a pilot program for the Garden.** Attendee: Director Thompson and General Manager Watton
  
- 6) **December 20: Board Agenda Briefing.** Met with General Manager Watton and General Counsel Dan Shinoff to review items that will be presented at the January Board Meeting.

# AGENDA ITEM 7a



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	February 5, 2014
		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:	Proposition 218 Notices for Spanish Speaking Customers		

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

That the Board instruct staff to include a brief, but prominent, message on all Proposition 218 notices directing customers to contact Customer Service for an explanation in Spanish. In addition, staff will place the same or similar message on the District website where the notices are posted.

### **COMMITTEE ACTION:**

See Attachment A.

### **PURPOSE:**

To address the Board's concerns regarding Proposition 218 notices in Spanish and to better meet the needs of our customers.

### **ANALYSIS:**

Staff understands the need to communicate the Proposition 218 notices to all our customers and also recognizes that not all customers have a convenient means to comprehend the information in these notices. The Proposition 218 notices are important notices which should be understood by our customers. The notices are legally required and highly sensitive as they must precisely convey the water and sewer rate changes and communicate the protest process. The Board discussed this issue during the recent Proposition 218 hearing highlighting that with the large number of Spanish speaking

customers; there should be some means to address the needs of the Spanish speaking community.

In Otay's latest customer survey in 2012, the question of "preferred language" was asked. The results were that 2% of those surveyed expressed a desire, but not a need, for Spanish. Using that percentage of our 50,000 customers, 1,000 customers would prefer notices in Spanish. Based on this data, we expect the percentage of those who need information communicated in Spanish would be well below 2%. To meet this need staff has considered the following three options.

1. Fully translate the Proposition 218 notices into Spanish. Staff has researched the cost of translating and mailing the notices in Spanish. While it would be costly, this is not the main concern. The issue of translation is not as simple as finding a translation service and translating the notices. The legal sensitivity of these notices is extremely high; therefore, the typical translation service is not in a position to understand the nuances of the notices. The District must be precise and convey a message that will not be misunderstood by a careful reader. The ability of the District to implement rate changes depends on the language being able to withstand legal challenges. This finely crafted language is very difficult to execute in English and can only be well executed by someone who is intimately involved with our rates, highly expert in English, and understands the legal sensitivities of the Proposition 218 law.

The District sends seven different notices. Each of these notices is particular to a specific customer class. Each notice has input from at least 10 staff members and the District's legal counsel. These notices go through as many as 15 iterations as they are thoroughly and repeatedly reviewed and proofed. In addition to the risk of translation error is the limited time frame in which the District has to produce and distribute these notices in time to have the public hearing and implement the rates. This difficult process becomes much more risky and costly with the full translation and mailing of the notices. For these reasons staff recommends one of the other alternatives.

2. Place a message on all Proposition 218 notices. Place a brief, but prominent, message on all Proposition 218 notices directing customers to call Customer Service for an explanation in Spanish. Staff is fully confident in the Spanish speaking Customer Service Representatives' ability to explain the rate changes and protest process to any Spanish speaking customer who calls. Therefore, explaining the notices would be accurate but would not have the legal sensitivity of a formal Spanish notice. This meets the needs of the Spanish speaking community, uses existing resources,

and does not add risk to this highly sensitive and time restricted process. Staff would also place a brief, but prominent, Spanish message on the website where the notices are posted.

3. Informational piece in Spanish. Prepare and have available an informational piece in Spanish that would be offered to those who call for assistance. This informational piece would explain the rate changes and the protest process. Staff recommends that the effort to translate an informational piece only be spent on the residential customer class notices. It is expected that the other classes of service would have resources available to translate documents from English to other languages, as needed, in their business environment. However, all notices would have a prominent message in Spanish explaining how assistance can be obtained through our customer service department where staff would be available to assist all customer classes.

**FISCAL IMPACT:**

Joe Beachem, Chief Financial Officer

Option 1 would incur significant costs. Bids would need to be obtained to determine the exact costs if this option is chosen. Options 2 and 3 would be done by internal staff and no additional costs would be incurred.

**STRATEGIC GOAL:**

1.1.1.2 Maximize our customer satisfaction by expanding and improving our communications.

**LEGAL IMPACT:**

None.

Attachments:

Attachment A - Committee Action



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Proposition 218 Notices for Spanish Speaking Customers
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### COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting held on January 22, 2014 and the following comments were made:

- Staff indicated that this item is presented to receive the Board's direction on future Proposition 218 notices. The Board had commented during the last Proposition 218 Hearing held in September 2013, how the District can assist its Spanish speaking customers to understand the Proposition 218 notice and how they can protest any changes proposed by the notices.
- The Proposition 218 notices are legally required and must precisely convey the water and sewer rate changes and the protest process.
- To better understand the number of Spanish speaking customers in the District, staff referenced the last customer service survey completed in 2012. The survey had asked its respondents their language preference. The results of this information was utilized to extrapolate how many customers may wish help understanding the Proposition 218 notices in Spanish. Staff determined that about 1000 of the District's customers would prefer assistance understanding the notices in Spanish. Note that these customers would prefer assistance in Spanish, but do not necessarily need assistance in Spanish.
- Staff proposed three options to meet the needs of these customers. Please reference page two (2) and three (3) of the staff report for a review of these options.
- Staff indicated that the Proposition 218 notices contain very intricate language as prescribed by State law and to exactly translate the notices would be very difficult. Staff is concerned that the notices could be challenged if they are believed to be improper or to have conflicting language. The Federal agencies of IBWC and CILA have agreements which are in

both English and Spanish and it was indicated that these agencies spend months negotiating contracts to assure they indicate the same information in both languages. Exact translations in two languages is really difficult and it is more of a negotiations process between the two contracting parties for an agreement. In the District's case there is no negotiations, customers just receive the notice.

- Staff indicated that phone conversations or an informational piece in Spanish is not under legal obligation, thus, the translations don't require the exact preciseness that the Proposition 218 notices require.
- The committee requested that staff include a prominent message on all Proposition 218 notices directing customers to contact the District's customer service department for an explanation in Spanish of the contents of the 218 Notice. The committee also requested that staff have available an informational piece, for residential customers, highlighting the impact of the rate changes and the protest process for customers who request assistance.
- The committee asked that staff keep a log of the feedback received from customers concerning the Proposition 218 notices and include a comment in the annual budget presentation with regard to the additional outreach the District is providing for its Spanish speaking customers with regard to the Proposition 218 notices.

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

# AGENDA ITEM 7b



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	February 5, 2014
		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:	Adopt Amendments to Resolution Nos. 4219 and 4220 to Consolidate Improvement District (ID) 19 into ID 22 and ID 25 into ID 20 and Authorize Advertising of these Resolutions as Required by the Water Code and Government Code		

### GENERAL MANAGER'S RECOMMENDATION:

That the Board reaffirm the attached Resolutions of Intention, Nos. 4219 and 4220, initiating the process for the exclusion of parcels within Improvement Districts (IDs) 19 and 25 and also amend these resolutions to revise the date of the public hearing to March 5, 2014 to receive public comments regarding the District's intention to annex the excluded parcels in IDs 19 and 25 into IDs 22 and 20, respectfully. The Board had previously approved the District's intention to exclude parcels in IDs 19 and 25 and annex those parcels into IDs 22 and 20, respectively, at a meeting held on November 6, 2013, but is now simply setting a new date for the public hearing.

Concurrent with said action, that the Board also reaffirm the attached Resolutions of Intention, Nos. 4221 and 4222 that are necessary to initiate the process for the annexation of the excluded parcels in IDs 19 and 25 into IDs 22 and 20, respectively.

### PURPOSE:

That the Board authorize and initiate the process for the exclusion of parcels within Improvement Districts (IDs) 19 and 25 to be annexed into IDs 22 and 20, respectively.

Authorize staff to advertise, per Government Code Section 6066, the attached Resolutions of Intention 4219, 4220, 4221, and 4222 for a

period of two weeks. Once this requirement has been complied with, a second set of resolutions will be presented to confirm the exclusions and annexations. Direct staff to submit the appropriate forms and fees required to complete the Board action with the State Board of Equalization and the County of San Diego that would exclude parcels within IDs 19 and 25 to be annexed into IDs 22 and 20, respectively. A subsequent action will request that IDs 19 and 25 be dissolved effective July 1, 2014.

**ANALYSIS:**

On May 14, 2013, the Board directed staff to move forward with the consolidation process. This action is the first of two necessary steps to complete this consolidation. Once the exclusion and annexation are initiated by the Board, staff will publish the resolutions as required by statute and then the Board will have the ability to confirm the exclusion and annexation at a subsequent meeting. The exclusion will then become effective on the 31st day after completion of the publication and posting of the resolutions to exclude. The annexations become effective after the date of the adoption of the resolutions approving the annexation.

The availability charges and water rates and charges are identical between IDs 19 and 22 and IDs 25 and 20, and staff has determined that 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, in compliance with the Proposition 218 requirements notices were sent to all customers within these IDs to inform them of their option to protest rate changes. The required public hearing took place at the September 4, 2013 Board Meeting where the Board determined there were no protests regarding this action.

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

None.

**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) Resolution No. 4219
  - Exhibit A - Legal Description ID 19
  - Exhibit B - Map ID 19
- C) Resolution No. 4220
  - Exhibit A - Legal Description ID 25
  - Exhibit B - Map ID 25
- D) Resolution No. 4221
  - Exhibit A - Legal Description ID 19
  - Exhibit B - Map ID 19
- E) Resolution No. 4222
  - Exhibit A - Legal Description ID 25
  - Exhibit B - Map ID 25



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Adopt Amendments to Resolution Nos. 4219 and 4220 to Consolidate Improvement District (ID) 19 into ID 22 and ID 25 into ID 20 and Authorize Advertising of these Resolutions as Required by the Water Code and Government Code
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### **COMMITTEE ACTION:**

The Finance, Administration and Communications Committee reviewed this item at a meeting held on January 22, 2014 and the following comments were made:

- Staff indicated that this item has been presented several times to the board; once prior to the Budget Workshop, at the Budget Workshop to receive the Board's direction and at the October 2013 board meeting to comply with the Proposition 218 process.
- Following staffs' presentation at the October 2013 board meeting, this item was to be agendized for the November 2013 board meeting for board action to complete the exclusion and annexation of parcels in IDs 19 and 25 into IDs 22 and 20, respectively. However, because the November agenda was quite full, it was requested that staff hold this item for presentation at a later meeting.
- As this item was held for a future meeting, a new date must be set for a Public Hearing to receive public comments with regard to the District's intention to annex the excluded parcels in IDs 19 and 25 into IDs 22 and 20, respectively. Staff is requesting that the board reaffirm the Resolutions of intention to consolidate the Improvement Districts (IDs) and approve the amendment to the Resolutions setting the date of the Public Hearing from November 6, 2013 to March 5, 2014.
- The Resolutions will be posted and published two (2) weeks prior to the March 5, 2014 board meeting, where the board will adopt the final Resolutions to complete the consolidation of the IDs.

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

RESOLUTION NO. 4219

RESOLUTION OF THE BOARD OF DIRECTORS OF  
OTAY WATER DISTRICT DECLARING ITS  
INTENTION TO EXCLUDE PARCELS FROM  
IMPROVEMENT DISTRICT 19

WHEREAS, on April 19<sup>th</sup>, 1971 by Resolution No. 866, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 19 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on July 3<sup>rd</sup>, 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 charges and water rates and charges are identical between IDs 19 and 22; and

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

WHEREAS, by initiating proceedings to consolidate ID 19 into ID 22 it would streamline the accounting and tracking of these parcels; and

WHEREAS, the Board hereby declares, by its own motion, its intention to exclude parcels in ID 19 pursuant to Water Code Sections 72080, *et seq.*, with an eye towards annexing the excluded parcels into ID 22; and

WHEREAS, in compliance with Proposition 218, the Otay Water District held the required public hearing on the new fees and charges for the parcels excluded from ID 19 and annexed into ID 22, which were approved at its September 4, 2013 Board meeting, where the Board determined that there were no protests regarding this action;

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, on its own motion, does hereby declare its intention to exclude parcels within ID 19, as identified in Exhibits A & B to this resolution.

2. That the taxes for carrying out the purposes of ID 19 will not be levied upon taxable property in the excluded territory following such exclusion.

3. That there is no bond debt on ID 19 and, therefore, taxes for the payment of principal and interest on any outstanding bonds of ID 19 will not be levied upon taxable property in the excluded territory following such exclusion.

4. That, following such exclusion, the taxable property in the territory remaining in ID 19, if any, shall continue to be levied upon and taxed to provide funds for the purposes of ID 19.

5. That a map showing the exterior boundaries of the proposed territory to be excluded, with relation to the territory remaining in ID 19, 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 proposed exclusion.

6. That notice is hereby given that a hearing shall be held by the Board on Wednesday, March 5, 2014 at 3:30 p.m. on the questions of the proposed exclusion and the effect of such exclusion upon the Otay Water District, ID 19 and the territory to be excluded. At such time and place, any person interested, including all persons owning property in the Otay Water District or in ID 19, will be heard.

BE IT FURTHER RESOLVED that the Board directs staff to provide notice of the proposed exclusion and publish a copy of this Resolution of Intention to Exclude pursuant to and consistent with Government Code section 6066 and Water Code section 72084.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 5<sup>th</sup> day of February, 2014.

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President

ATTEST:

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Secretary

## EXHIBIT "A"

### GEOGRAPHIC DESCRIPTION IMPROVEMENT DISTRICT 19

ALL THOSE PORTIONS OF FRACTIONAL SECTIONS 16, 20 AND 21 IN TOWNSHIP 17 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN IN SAN DIEGO COUNTY, STATE OF CALIFORNIA ACCORDING TO THE UNITED STATES GOVERNMENT SURVEY THEREOF AND A PORTION OF SAN MIGUEL CITY ACCORDING TO THE MAP THEREOF NO. 335 AND A PORTION OF M.S. ROOTS VILLAGE SITES ACCORDING TO THE MAP THEREOF NO. 586, BOTH MAPS ON FILE IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**BEGINNING** AT THE SOUTHEAST CORNER FRACTIONAL SECTION 16, TOWNSHIP 21 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, ACCORDING TO SAID UNITED STATES GOVERNMENT SURVEY;

THENCE (1) NORTH 89°49'14" WEST, A DISTANCE OF 1,338.86 FEET ALONG THE SOUTH LINE OF SAID FRACTIONAL SECTION 16, TOWNSHIP 17 SOUTH, RANGE 1 WEST, ACCORDING TO SAID UNITED STATES GOVERNEMENT SURVEY TO THE CENTERLINE OF B STREET, AS SHOWN ON M. S. ROOT'S VILLA SITES, ACCORDING TO MAP NO. 586;

THENCE (2) SOUTH 00°04'39" WEST, A DISTANCE OF 1,318.72 FEET ALONG THE CENTERLINE OF B STREET, AS SHOWN ON SAID MAP NO. 586, TO THE SOUTHERLY LINE OF OLIVE AVENUE, AS SHOWN ON SAID MAP NO. 586;

THENCE (3) NORTH 89°51'51" WEST, A DISTANCE OF 1,307.38 FEET ALONG SOUTHERLY LINE OF OLIVE AVENUE TO NORTH-SOUTH CENTERLINE OF FRACTIONAL SECTION 21, TOWNSHIP 17 SOUTH, RANGE 1 WEST, ACCORDING TO SAID UNITED STATES GOVERNEMENT SURVEY;

THENCE (4) SOUTH 00°08'11" WEST, A DISTANCE OF 2,636.91 FEET TO THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 21;

THENCE (5) NORTH 89°48'46" WEST, A DISTANCE OF 2,650.02 FEET TO THE WEST LINE OF SAID SECTION 21;

THENCE (6) SOUTH 00°09'43" WEST, A DISTANCE OF 23.32 FEET ALONG THE WEST LINE OF SAID SECTION 21 TO THE NORTHERLY LINE OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF FRACTIONAL SECTION 20, TOWNSHIP 17 SOUTH, RANGE 1 WEST;

THENCE (7) NORTH 89°42'09" WEST, A DISTANCE OF 221.52 FEET ALONG SAID NORTHERLY LINE TO THE EASTERLY LINE OF QUARTER SECTION 5 OF RANCHO DE LA NACION, ACCORDING TO MAP NO. 166, SAID POINT ALSO BEING ON THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE (8) NORTH 17°51'58" WEST, A DISTANCE OF 1,564.70 FEET ALONG THE EASTERLY LINE OF SAID QUARTER SECTION 5;

THENCE (9) NORTH 70°43'41" EAST, A DISTANCE OF 749.46 FEET TO A POINT ON THE WESTERLY LINE OF SECTION 21;

THENCE (10) NORTH 00°14'14" EAST, A DISTANCE OF 959.66 FEET ALONG THE WESTERLY LINE OF SAID SECTION 21;

THENCE (11) SOUTH 89°52'49" EAST, A DISTANCE OF 270.21 FEET;

THENCE (12) NORTH 00°15'07" EAST, A DISTANCE OF 594.18 FEET;

THENCE (13) SOUTH 70°14'36" EAST, A DISTANCE OF 1,116.85 FEET;

THENCE (14) SOUTH 00°12'13" WEST, A DISTANCE OF 93.66 FEET;

THENCE (15) SOUTH 89°31'44" EAST, A DISTANCE OF 976.92 FEET;

THENCE (16) NORTH, A DISTANCE OF 1,154.68 FEET TO THE SOUTH LINE OF SECTION 16;

THENCE (17) SOUTH 89°55'04" EAST, A DISTANCE OF 25.32 FEET ALONG THE SOUTH LINE OF SECTION 16;

THENCE (18) NORTH 00°11'02" EAST, A DISTANCE OF 586.34 FEET;

THENCE (19) SOUTH 89°42'44" EAST, A DISTANCE OF 573.93 FEET;

THENCE (20) NORTH, A DISTANCE OF 588.73 FEET;

THENCE (21) EAST, A DISTANCE OF 568.19 FEET;

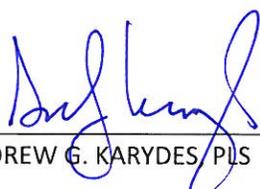
THENCE (22) NORTH, A DISTANCE OF 267.62 FEET;

THENCE (23) SOUTH 89°43'30" EAST, A DISTANCE OF 1,729.62 FEET TO THE EASTERLY LINE OF SECTION 16;

THENCE (24) SOUTH 03°47'26" EAST, A DISTANCE OF 1,438.09 FEET ALONG THE EASTERLY LINE OF SAID SECTION 16 TO THE POINT OF BEGINNING.

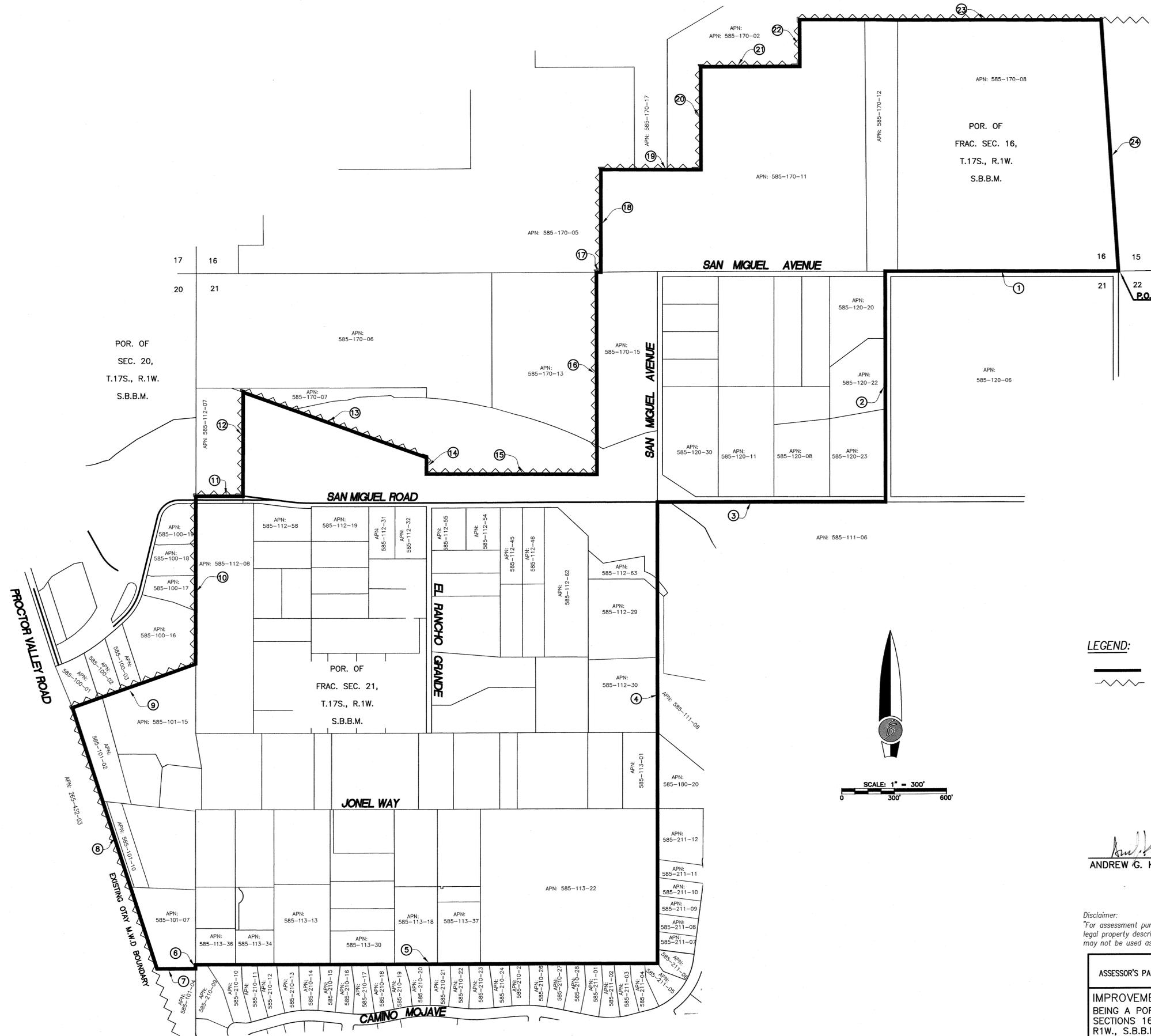
CONTAINING 324.395 ACRES, MORE OR LESS.

*For assessment purposes only. This 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.*

  
ANDREW G. KARYDES, PLS  
1/02/14  
DATE



# EXHIBIT "B"

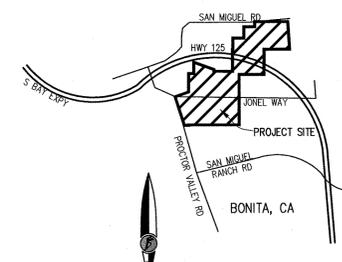
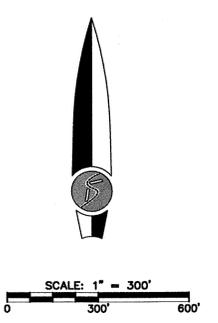


**COURSES:**

1	N89°49'14"W	1338.86'
2	S0°04'39"W	1318.72'
3	N89°51'51"W	1307.38'
4	S0°08'11"W	2636.91'
5	N89°48'46"W	2650.02'
6	S0°09'43"W	23.32'
7	N89°42'09"W	221.52'
8	N17°51'58"W	1564.70'
9	N70°43'41"E	749.46'
10	N0°14'14"E	959.66'
11	S89°52'49"E	270.21'
12	N0°15'07"E	594.18'
13	S70°14'36"E	1116.85'
14	S0°12'13"W	93.66'
15	S89°31'44"E	976.92'
16	N0°00'00"E	1154.68'
17	S89°55'04"E	25.32'
18	N0°11'02"E	586.34'
19	S89°42'44"E	573.93'
20	N0°00'00"E	588.73'
21	N90°00'00"E	568.19'
22	N0°00'00"E	267.62'
23	S89°43'30"E	1729.62'
24	S3°47'26"E	1438.09'

**324.39 ACRES**

**LEGEND:**  
 IMPROVEMENT DISTRICT 19  
 EXISTING OWD BOUNDARY



*Andrew G. Karydes*  
 ANDREW G. KARYDES, PLS      01/02/14      DATE



Disclaimer:  
 "For assessment purposes only, this 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 the sale of land described."

ASSESSOR'S PARCEL NUMBER(S):	SEE MAP	ACREAGE	DATE	SCALE
		324.39	01/02/14	1" = 300'
IMPROVEMENT DISTRICT NO. 19 BEING A PORTION OF FRACTIONAL SECTIONS 16, 20, AND 21 T.17S., R1W., S.B.B.M. SAN DIEGO COUNTY		SAN DIEGUITO ENGINEERING, INC. 4407 MANCHESTER, SUITE 105 ENCINITAS, CA. 92024 PHONE: (760) 753-5525 CIVIL ENGINEERING • PLANNING LAND SURVEYING		

## RESOLUTION NO. 4220

RESOLUTION OF THE BOARD OF DIRECTORS OF  
OTAY WATER DISTRICT DECLARING ITS  
INTENTION TO EXCLUDE PARCELS FROM  
IMPROVEMENT DISTRICT 25

WHEREAS, on May 1<sup>st</sup>, 1978 by Resolution No. 1498, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 25 for the purpose of incurring bonded indebtedness for the construction of a water transmission and distribution system; and

WHEREAS, on May 17<sup>th</sup>, 1971 by Resolution No. 880, the Board formed ID 20 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability charges and water rates and charges are identical between IDs 25 and 20; and

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

WHEREAS, by initiating proceedings to consolidate ID 25 into ID 20 it would streamline the accounting and tracking of these parcels; and

WHEREAS, the Board hereby declares, by its own motion, its intention to exclude parcels in ID 25 pursuant to Water Code Sections 72080, *et seq.*, with an eye towards annexing the excluded parcels into ID 20; and

WHEREAS, in compliance with Proposition 218, the Otay Water District held the required public hearing on the new fees and charges for the parcels excluded from ID 25 and annexed into ID 20, which were approved at its September 4, 2013 Board meeting, where the Board determined that there were no protests regarding this action;

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, on its own motion, does hereby declare its intention to exclude parcels within ID 25, as identified in Exhibits A & B to this resolution.

2. That the taxes for carrying out the purposes of ID 25 will not be levied upon taxable property in the excluded territory following such exclusion.

3. That there is no bond debt on ID 25 and, therefore, taxes for the payment of principal and interest on any outstanding bonds of ID 25 will not be levied upon taxable property in the excluded territory following such exclusion.

4. That, following such exclusion, the taxable property in the territory remaining in ID 25, if any, shall continue to be levied upon and taxed to provide funds for the purposes of ID 25.

5. That a map showing the exterior boundaries of the proposed territory to be excluded, with relation to the territory remaining in ID 25, 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 proposed exclusion.

6. That notice is hereby given that a hearing shall be held by the Board on Wednesday, March 5, 2014, at 3:30 p.m. on the questions of the proposed exclusion and the effect of such exclusion upon the Otay Water District, ID 25 and the territory to be excluded. At such time and place, any person interested, including all persons owning property in the Otay Water District or in ID 25, will be heard.

BE IT FURTHER RESOLVED that the Board directs staff to provide notice of the proposed exclusion and publish a copy of this Resolution of Intention to Exclude pursuant to and consistent with Government Code section 6066 and Water Code section 72084.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 5<sup>th</sup> day of February, 2014.

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President

ATTEST:

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Secretary

## EXHIBIT "A"

### GEOGRAPHIC DESCRIPTION IMPROVEMENT DISTRICT 25

ALL THAT PORTION OF EAST SAN DIEGO VILLA HEIGHTS ACCORDING TO THE MAP THEREOF NO. 1317 FILED IN THE OFFICE OF THE RECORDER OF SAN DIEGO COUNTY, STATE OF CALIFORNIA, BEING A PORTION OF SECTION 4, TOWNSHIP 17 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN ACCORDING TO THE UNITED STATES GOVERNMENT SURVEY THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SECTION 4, TOWNSHIP 17 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN OF SAID UNITED STATES GOVERNMENT SURVEY;

THENCE (1) NORTH 89°40'36" EAST, A DISTANCE OF 631.20 FEET ALONG THE NORTHERLY LINE OF SAID SECTION 4 TO A POINT OF INTERSECTION WITH THE CENTERLINE OF RAMONA AVENUE, AS SHOWN ON SAID MAP NO. 1317, AND THE **TRUE POINT OF BEGINNING**, SAID POINT ALSO BEING ON THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE (2) NORTH 89°40'36" EAST, A DISTANCE OF 909.25 FEET ALONG SAID NORTHERLY LINE OF SAID SECTION TO A POINT OF INTERSECTION WITH THE CENTERLINE OF LA PRESA AVENUE, AS SHOWN ON SAID MAP NO. 1317;

THENCE (3) SOUTH 01°09'20" WEST, A DISTANCE OF 395.86 FEET ALONG THE CENTERLINE OF SAID LA PRESA AVENUE TO A POINT OF INTERSECTION OF THE WESTERLY PROLONGATION OF THE SOUTHERLY LINE OF LOTS 9 AND 22, BLOCK 99, OF SAID MAP NO. 1317;

THENCE (4) SOUTH 88°44'07" EAST, A DISTANCE OF 303.13 FEET ALONG SAID SOUTHERLY LINE TO A POINT OF INTERSECTION WITH THE CENTERLINE OF SAN MIGUEL AVENUE, AS SHOWN ON SAID MAP NO. 1317;

THENCE (5) NORTH 01°07'59" EAST, A DISTANCE OF 404.26 FEET ALONG SAID CENTERLINE OF SAN MIGUEL AVENUE TO THE NORTHERLY LINE OF SAID SECTION 4 AND THE NORTHERLY LINE OF IVY STREET, AS SHOWN ON SAID MAP NO. 1317, SAID POINT ALSO BEING ON THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE (6) NORTH 89°40'36" EAST, A DISTANCE OF 813.94 FEET ALONG SAID NORTHERLY LINE OF SAID SECTION;

THENCE (7) SOUTH 89°09'48" EAST, A DISTANCE OF 176.13 FEET CONTINUING ALONG SAID NORTHERLY LINE OF SAID SECTION;

THENCE (8) SOUTH 00°50'12" WEST, A DISTANCE OF 46.00 FEET TO THE SOUTHERLY LINE OF IVY STREET, AS SHOWN ON SAID MAP NO. 1317;

THENCE (9) NORTH 89°09'48" WEST, A DISTANCE OF 175.66 FEET ALONG SAID SOUTHERLY LINE OF IVY STREET, AS SHOWN ON SAID MAP NO. 1317;

THENCE (10) SOUTH 89°40'36" WEST, A DISTANCE OF 182.24 FEET CONTINUING ALONG SAID SOUTHERLY LINE OF IVY STREET TO THE EASTERLY LINE OF PORTOLA AVENUE, AS SHOWN ON SAID MAP NO. 1317;

THENCE (11) SOUTH 01°10'35" WEST, A DISTANCE OF 119.26 FEET ALONG THE EASTERLY LINE OF PORTOLA AVENUE TO THE NORTHWEST CORNER OF LOT 13, BLOCK 96, OF SAID MAP NO. 1317;

THENCE (12) SOUTH 88°22'01" EAST, A DISTANCE OF 303.18 FEET ALONG THE NORTHERLY LINE OF SAID LOT 13, LOT 18, AND THE EASTERLY PROLONGATION THEREOF, TO THE EASTERLY LINE OF CORONADO AVENUE, AS SHOWN ON SAID MAP NO. 1317;

THENCE (13) SOUTH 01°09'50" WEST, A DISTANCE OF 685.65 FEET ALONG THE EASTERLY LINE OF SAID CORONADO AVENUE TO A POINT OF INTERSECTION WITH THE CENTERLINE OF HEMLOCK STREET, AS SHOWN ON SAID MAP NO. 1317;

THENCE (14) SOUTH 88°22'29" EAST, A DISTANCE OF 1,209.33 FEET ALONG THE CENTERLINE OF SAID HEMLOCK STREET TO THE CENTERLINE OF SANGAMON STREET, AS SHOWN ON SAID MAP NO. 1317;

THENCE (15) SOUTH 01°27'48" WEST, A DISTANCE OF 1,815.88 FEET ALONG THE CENTERLINE OF SANGAMON STREET TO THE EASTERLY PROLONGATION OF THE SOUTHERLY LINE OF LOTS 3 AND 22 OF BLOCKS 53 THROUGH 65 OF SAID MAP NO. 1317;

THENCE (16) NORTH 88°24'52" WEST, A DISTANCE OF 3,957.69 FEET ALONG SAID SOUTHERLY LINE OF SAID LOTS 3 AND 22 OF SAID BLOCKS 53 THROUGH 65, TO THE CENTERLINE OF GRAND AVENUE, AS SHOWN ON SAID MAP NO. 1317, SAID POINT ALSO BEING ON THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE (17) NORTH 01°15'51" EAST, A DISTANCE OF 1,170.94 FEET ALONG THE CENTERLINE OF SAID GRAND AVENUE TO A POINT OF INTERSECTION WITH GRAPE STREET, AS SHOWN ON SAID MAP NO. 1317;

THENCE (18) SOUTH 88°23'18" EAST, A DISTANCE OF 303.53 FEET ALONG THE CENTERLINE OF GRAPE STREET, TO A POINT OF INTERSECTION WITH THE CENTERLINE OF PARAISO AVENUE, AS SHOWN ON SAID MAP NO. 1317;

THENCE (19) NORTH 01°14'31" EAST, A DISTANCE OF 274.20 FEET ALONG THE CENTERLINE OF PARAISO AVENUE, TO A POINT WHICH BEARS SOUTH 88°45'29" EAST, A DISTANCE OF 25.00 FEET FROM THE NORTHEAST CORNER OF LOT 20, BLOCK 79, OF SAID MAP NO. 1317;

THENCE (20) NORTH 88°45'29" WEST, A DISTANCE OF 25.00 FEET TO THE NORTHEAST CORNER OF SAID LOT 20;

THENCE (21) NORTH 88°22'48" WEST, A DISTANCE OF 253.42 FEET ALONG THE NORTH LINE OF LOT 20, BLOCK 79, OF MAP NO. 1317, TO THE NORTHWEST CORNER OF SAID LOT 20;

THENCE (22) NORTH 88°44'09" WEST, A DISTANCE OF 25.00 FEET TO THE CENTERLINE OF GRAND AVENUE, AS SHOWN ON SAID MAP NO. 1317, SAID POINT ALSO BEING ON THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE (23) NORTH 01°15'51" EAST, A DISTANCE OF 373.86 FEET ALONG SAID CENTERLINE OF GRAND AVENUE, TO A POINT OF INTERSECTION WITH THE CENTERLINE OF HEMLOCK STREET, AS SHOWN ON SAID MAP NO. 1317;

THENCE (24) SOUTH 88°22'25" EAST, A DISTANCE OF 606.57 FEET ALONG THE CENTERLINE OF HEMLOCK STREET, TO A POINT OF INTERSECTION WITH THE CENTERLINE OF RAMONA AVENUE, AS SHOWN ON SAID MAP NO. 1317;

THENCE (25) NORTH 01°13'13" EAST, A DISTANCE OF 788.18 FEET ALONG THE CENTERLINE OF RAMONA AVENUE TO THE NORTHERLY LINE OF SAID SECTION 4 AND THE TRUE POINT OF BEGINNING;

CONTAINING 200.403 ACRES, MORE OR LESS.

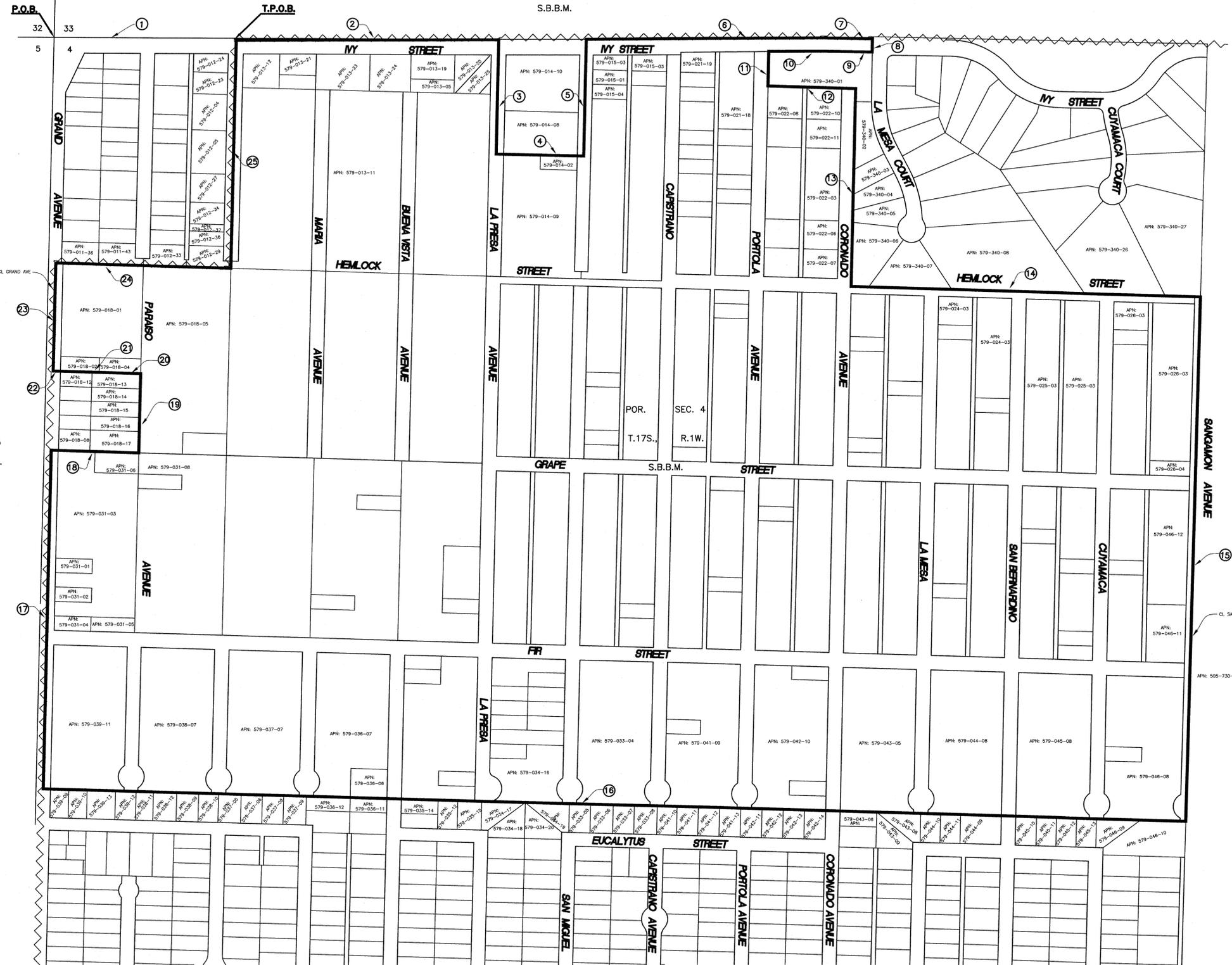
*For assessment purposes only. This description of land is not a legal property description as defined in the Subdivision Map Act and may not be used as the basis for an offer for sale of the land described.*

  
\_\_\_\_\_  
ANDREW G. KARYDES, PLS                      1/02/14  
DATE



# EXHIBIT "B"

SEC. 33  
T.16S., R.1W.  
S.B.B.M.

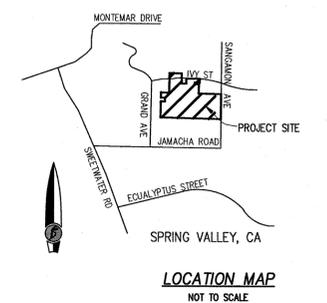
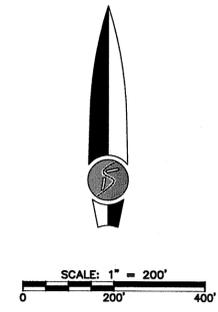


**COURSES:**

- 1 N89°40'36"E 631.20'
- 2 N89°40'36"E 908.25'
- 3 S1°09'20"W 395.86'
- 4 S88°44'07"E 303.13'
- 5 N1°07'59"E 404.26'
- 6 N89°40'36"E 813.94'
- 7 S89°09'48"E 176.13'
- 8 S0°50'12"W 46.00'
- 9 N89°09'48"W 175.66'
- 10 S89°40'36"W 182.24'
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- 13 S1°09'50"W 685.65'
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- 15 S1°27'48"W 1815.88'
- 16 N88°24'52"W 3957.69'
- 17 N1°15'51"E 1170.94'
- 18 S88°23'18"E 303.53'
- 19 N1°14'31"E 274.20'
- 20 N88°45'29"W 25.00'
- 21 N88°22'48"W 253.42'
- 22 N88°44'09"W 25.00'
- 23 N1°15'51"E 373.86'
- 24 S88°22'25"E 606.57'
- 25 N1°13'13"E 788.18'

200.40 ACRES

POR. SEC. 5  
T.17S., R.1W.  
S.B.B.M.



**LEGEND:**  
 IMPROVEMENT DISTRICT 25  
 EXISTING OMD BOUNDARY

*Andrew G. Karydes*  
 ANDREW G. KARYDES, PLS DATE 01/02/14



Disclaimer:  
 "For assessment purposes only, this 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 the sale of land described."

ASSESSOR'S PARCEL NUMBER(S):	SEE MAP	ACREAGE	200.40	DATE	01/02/14	SCALE	1" = 200'
IMPROVEMENT DISTRICT NO. 25 BEING A PORTION OF SECTION 4, T.17S., R.1W., S.B.B.M. SAN DIEGO COUNTY				SAN DIEGO ENGINEERING, INC. 4407 MANCHESTER, SUITE 105 ENCINITAS, CA. 92024 PHONE: (760) 753-5525 CIVIL ENGINEERING • PLANNING LAND SURVEYING			

## RESOLUTION NO. 4221

A RESOLUTION OF THE BOARD OF DIRECTORS OF  
OTAY WATER DISTRICT DECLARING ITS INTENTION TO  
ANNEX PARCELS EXCLUDED FROM IMPROVEMENT  
DISTRICT 19 INTO IMPROVEMENT DISTRICT 22

WHEREAS, on April 19<sup>th</sup>, 1971 by Resolution No. 866, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 19 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction and completion of water improvements and works; and

WHEREAS, on July 3<sup>rd</sup>, 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 charges and water rates and charges are identical between IDs 19 and 22; and

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

WHEREAS, by initiating proceedings to consolidate ID 19 into ID 22 it would streamline the accounting and tracking of these parcels; and

WHEREAS, the Board hereby declares its intention to annex parcels excluded from ID 19, if approved, into ID 22, pursuant to Water Code sections 72700, *et seq.*; and

WHEREAS, in compliance with Proposition 218, the Otay Water District held the required public hearing on the new fees and changes for the parcels excluded from ID 19 and annexed into ID 22, if approved, at its September 4, 2013 Board meeting, where the Board determined that there were no protests regarding this action;

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, pursuant to Water Code sections 72700, *et seq.*, does hereby declare its intention to annex the parcels excluded from ID 19, if approved, into ID 22, as described in Exhibit A:

2. That the purpose of the proposed annexation, in conjunction with the exclusion of parcels from ID 19, is to streamline the accounting and tracking of parcels in IDs with the same availability charges and water rates and charges, thereby increasing efficiencies for the Otay Water District without resulting in any changes to the fees or charges imposed on property owners.

3. A depiction of the area proposed to be annexed, and the boundaries of IDs 19 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 proposed to be annexed.

4. That the annexation of said parcels is subject to the owners complying with the following terms and conditions:

- (a) Payment of 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.
- (c) 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.
- (d) Payment of all other applicable local or state agency fees or charges.

5. That the holders of title to any of the parcels to be annexed may file written protests with the Secretary of the District regarding the annexation or the annexation upon the terms and conditions identified above, to the following address:

District Secretary  
Otay Water District  
2554 Sweetwater Springs Boulevard  
Spring Valley, CA 91978

4. That notice is hereby given that a hearing shall be held by the Board on Wednesday, November 6, 2013, at 3:30 p.m. at which the Board will receive written protests theretofore filed with the Secretary of the District, receive additional written protests, and hear from any and all persons interested in the annexation.

BE IT FURTHER RESOLVED that the Board directs staff to provide notice of the proposed annexation and publish and post a copy of this Resolution of Intention to Annex pursuant to and consistent with Government Code section 6066 and Water Code sections 72702 and 72703.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6<sup>th</sup> day of November, 2013.

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President

ATTEST:

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District Secretary

## EXHIBIT "A"

### GEOGRAPHIC DESCRIPTION IMPROVEMENT DISTRICT 19

ALL THOSE PORTIONS OF FRACTIONAL SECTIONS 16, 20 AND 21 IN TOWNSHIP 17 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN IN SAN DIEGO COUNTY, STATE OF CALIFORNIA ACCORDING TO THE UNITED STATES GOVERNMENT SURVEY THEREOF AND A PORTION OF SAN MIGUEL CITY ACCORDING TO THE MAP THEREOF NO. 335 AND A PORTION OF M.S. ROOTS VILLAGE SITES ACCORDING TO THE MAP THEREOF NO. 586, BOTH MAPS ON FILE IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**BEGINNING** AT THE SOUTHEAST CORNER FRACTIONAL SECTION 16, TOWNSHIP 21 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, ACCORDING TO SAID UNITED STATES GOVERNMENT SURVEY;

THENCE (1) NORTH 89°49'14" WEST, A DISTANCE OF 1,338.86 FEET ALONG THE SOUTH LINE OF SAID FRACTIONAL SECTION 16, TOWNSHIP 17 SOUTH, RANGE 1 WEST, ACCORDING TO SAID UNITED STATES GOVERNEMENT SURVEY TO THE CENTERLINE OF B STREET, AS SHOWN ON M. S. ROOT'S VILLA SITES, ACCORDING TO MAP NO. 586;

THENCE (2) SOUTH 00°04'39" WEST, A DISTANCE OF 1,318.72 FEET ALONG THE CENTERLINE OF B STREET, AS SHOWN ON SAID MAP NO. 586, TO THE SOUTHERLY LINE OF OLIVE AVENUE, AS SHOWN ON SAID MAP NO. 586;

THENCE (3) NORTH 89°51'51" WEST, A DISTANCE OF 1,307.38 FEET ALONG SOUTHERLY LINE OF OLIVE AVENUE TO NORTH-SOUTH CENTERLINE OF FRACTIONAL SECTION 21, TOWNSHIP 17 SOUTH, RANGE 1 WEST, ACCORDING TO SAID UNITED STATES GOVERNEMENT SURVEY;

THENCE (4) SOUTH 00°08'11" WEST, A DISTANCE OF 2,636.91 FEET TO THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 21;

THENCE (5) NORTH 89°48'46" WEST, A DISTANCE OF 2,650.02 FEET TO THE WEST LINE OF SAID SECTION 21;

THENCE (6) SOUTH 00°09'43" WEST, A DISTANCE OF 23.32 FEET ALONG THE WEST LINE OF SAID SECTION 21 TO THE NORTHERLY LINE OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF FRACTIONAL SECTION 20, TOWNSHIP 17 SOUTH, RANGE 1 WEST;

THENCE (7) NORTH 89°42'09" WEST, A DISTANCE OF 221.52 FEET ALONG SAID NORTHERLY LINE TO THE EASTERLY LINE OF QUARTER SECTION 5 OF RANCHO DE LA NACION, ACCORDING TO MAP NO. 166, SAID POINT ALSO BEING ON THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE (8) NORTH 17°51'58" WEST, A DISTANCE OF 1,564.70 FEET ALONG THE EASTERLY LINE OF SAID QUARTER SECTION 5;

THENCE (9) NORTH 70°43'41" EAST, A DISTANCE OF 749.46 FEET TO A POINT ON THE WESTERLY LINE OF SECTION 21;

THENCE (10) NORTH 00°14'14" EAST, A DISTANCE OF 959.66 FEET ALONG THE WESTERLY LINE OF SAID SECTION 21;

THENCE (11) SOUTH 89°52'49" EAST, A DISTANCE OF 270.21 FEET;

THENCE (12) NORTH 00°15'07" EAST, A DISTANCE OF 594.18 FEET;

THENCE (13) SOUTH 70°14'36" EAST, A DISTANCE OF 1,116.85 FEET;

THENCE (14) SOUTH 00°12'13" WEST, A DISTANCE OF 93.66 FEET;

THENCE (15) SOUTH 89°31'44" EAST, A DISTANCE OF 976.92 FEET;

THENCE (16) NORTH, A DISTANCE OF 1,154.68 FEET TO THE SOUTH LINE OF SECTION 16;

THENCE (17) SOUTH 89°55'04" EAST, A DISTANCE OF 25.32 FEET ALONG THE SOUTH LINE OF SECTION 16;

THENCE (18) NORTH 00°11'02" EAST, A DISTANCE OF 586.34 FEET;

THENCE (19) SOUTH 89°42'44" EAST, A DISTANCE OF 573.93 FEET;

THENCE (20) NORTH, A DISTANCE OF 588.73 FEET;

THENCE (21) EAST, A DISTANCE OF 568.19 FEET;

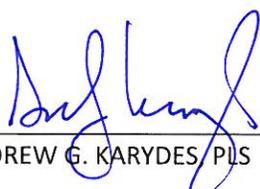
THENCE (22) NORTH, A DISTANCE OF 267.62 FEET;

THENCE (23) SOUTH 89°43'30" EAST, A DISTANCE OF 1,729.62 FEET TO THE EASTERLY LINE OF SECTION 16;

THENCE (24) SOUTH 03°47'26" EAST, A DISTANCE OF 1,438.09 FEET ALONG THE EASTERLY LINE OF SAID SECTION 16 TO THE POINT OF BEGINNING.

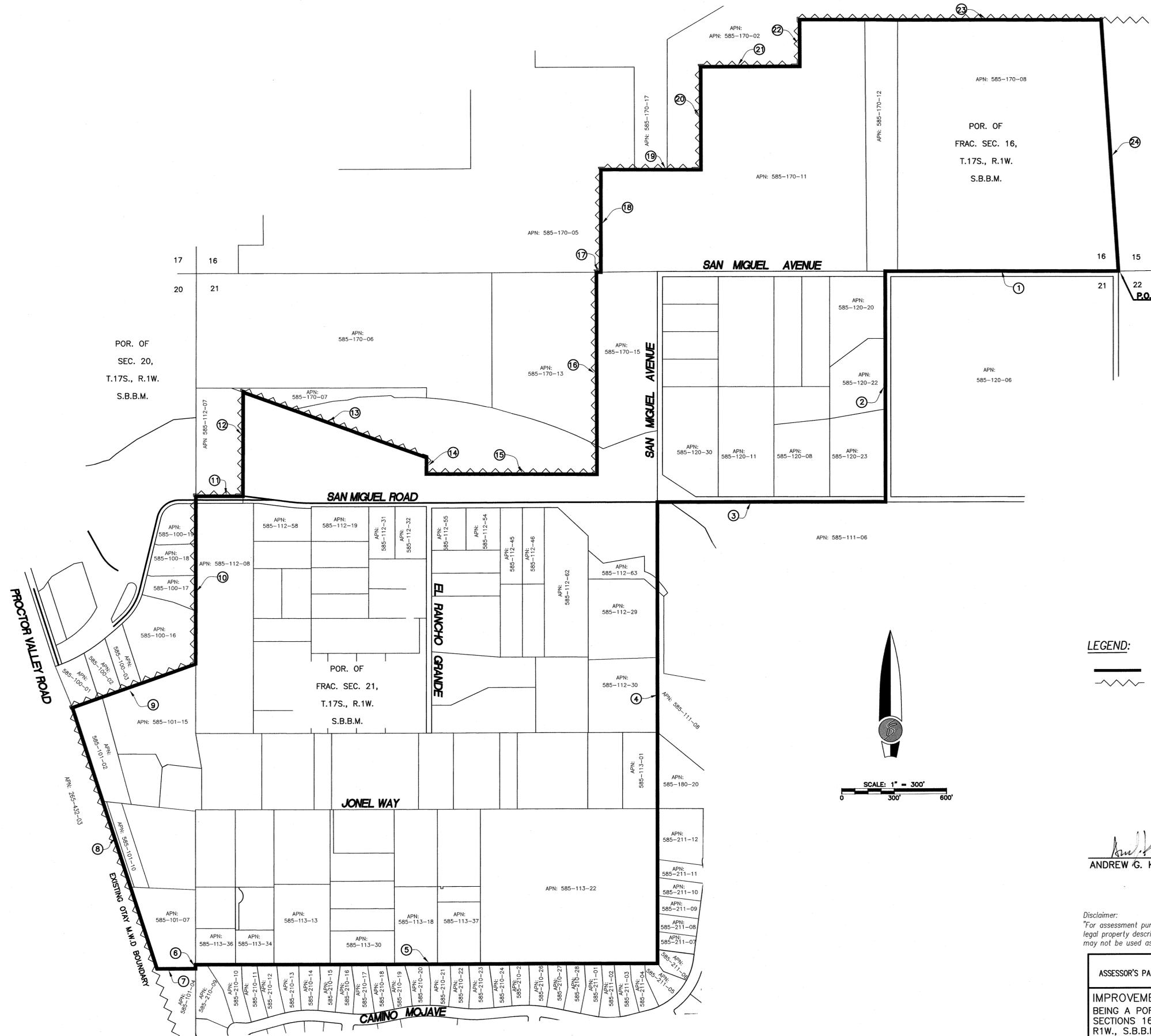
CONTAINING 324.395 ACRES, MORE OR LESS.

*For assessment purposes only. This 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.*

  
\_\_\_\_\_  
ANDREW G. KARYDES, PLS                      1/02/14  
DATE



# EXHIBIT "B"

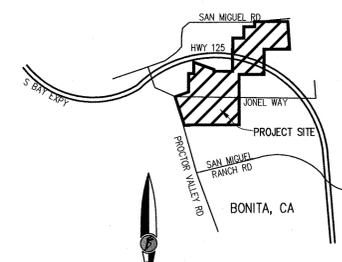
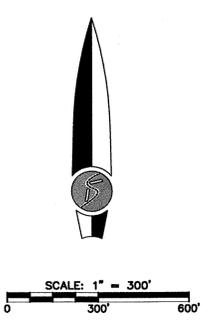


**COURSES:**

1	N89°49'14"W	1338.86'
2	S0°04'39"W	1318.72'
3	N89°51'51"W	1307.38'
4	S0°08'11"W	2636.91'
5	N89°48'46"W	2650.02'
6	S0°09'43"W	23.32'
7	N89°42'09"W	221.52'
8	N17°51'58"W	1564.70'
9	N70°43'41"E	749.46'
10	N0°14'14"E	959.66'
11	S89°52'49"E	270.21'
12	N0°15'07"E	594.18'
13	S70°14'36"E	1116.85'
14	S0°12'13"W	93.66'
15	S89°31'44"E	976.92'
16	N0°00'00"E	1154.68'
17	S89°55'04"E	25.32'
18	N0°11'02"E	586.34'
19	S89°42'44"E	573.93'
20	N0°00'00"E	588.73'
21	N90°00'00"E	568.19'
22	N0°00'00"E	267.62'
23	S89°43'30"E	1729.62'
24	S3°47'26"E	1438.09'

**324.39 ACRES**

**LEGEND:**  
 IMPROVEMENT DISTRICT 19  
 EXISTING OWD BOUNDARY



*Andrew G. Karydes*  
 ANDREW G. KARYDES, PLS      01/02/14      DATE



Disclaimer:  
 "For assessment purposes only, this 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 the sale of land described."

ASSESSOR'S PARCEL NUMBER(S):	SEE MAP	ACREAGE	DATE	SCALE
		324.39	01/02/14	1" = 300'
IMPROVEMENT DISTRICT NO. 19 BEING A PORTION OF FRACTIONAL SECTIONS 16, 20, AND 21 T.17S., R1W., S.B.B.M. SAN DIEGO COUNTY		SAN DIEGUITO ENGINEERING, INC. 4407 MANCHESTER, SUITE 105 ENCINITAS, CA. 92024 PHONE: (760) 753-5525 CIVIL ENGINEERING • PLANNING LAND SURVEYING		

RESOLUTION NO. 4222

A RESOLUTION OF THE BOARD OF DIRECTORS OF  
OTAY WATER DISTRICT DECLARING ITS INTENTION TO  
ANNEX PARCELS EXCLUDED FROM IMPROVEMENT  
DISTRICT 25 INTO IMPROVEMENT DISTRICT 20

WHEREAS, on May 1<sup>st</sup>, 1978 by Resolution No. 1498, the Otay Water District Board of Directors (“Board”) formed Improvement District (“ID”) 25 for the purpose of incurring bonded indebtedness for the construction of a water transmission and distribution system; and

WHEREAS, on May 17<sup>th</sup>, 1971 by Resolution No. 880, the Board formed ID 20 for the purpose of incurring necessary bonded indebtedness for the acquisition, construction, and completion of water improvements and works; and

WHEREAS, the availability charges and water rates and charges are identical between IDs 25 and 20; and

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

WHEREAS, by initiating proceedings to consolidate ID 25 into ID 20 it would streamline the accounting and tracking of these parcels; and

WHEREAS, the Board hereby declares its intention to annex parcels excluded from ID 20, if approved, into ID 25, pursuant to Water Code sections 72700, *et seq.*; and

WHEREAS, in compliance with Proposition 218, the Otay Water District held the required public hearing on the new fees and changes for the parcels excluded from ID 25 and annexed into ID 20, if approved, at its September 4, 2013 Board meeting, where the Board determined that there were no protests regarding this action;

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board of Directors, pursuant to Water Code sections 72700, *et seq.*, does hereby declare its intention to annex the parcels excluded from ID 25, if approved, into ID 20, as described in Exhibit A:

2. That the purpose of the proposed annexation, in conjunction with the exclusion of parcels from ID 25, is to streamline the accounting and tracking of parcels in IDs with the same availability charges and water rates and charges, thereby increasing efficiencies for the Otay Water District without resulting in any changes to the fees or charges imposed on property owners.

3. A depiction of the area proposed to be annexed, and the boundaries of IDs 25 and 20 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.

4. That the annexation of said parcels is subject to the owners complying with the following terms and conditions:

- (a) Payment of 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.
- (c) 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.
- (d) Payment of all other applicable local or state agency fees or charges.

5. That the holders of title to any of the parcels to be annexed may file written protests with the Secretary of the District regarding the annexation or the annexation upon the terms and conditions identified above, to the following address:

District Secretary  
Otay Water District  
2554 Sweetwater Springs Boulevard  
Spring Valley, CA 91978

4. That notice is hereby given that a hearing shall be held by the Board on Wednesday, November 6, 2013, at 3:30 p.m. at which the Board will receive written protests theretofore filed with the Secretary of the District, receive additional written protests, and hear from any and all persons interested in the annexation.

BE IT FURTHER RESOLVED that the Board directs staff to provide notice of the proposed annexation and publish and post a copy of this Resolution of Intention to Annex pursuant to and consistent with Government Code section 6066 and Water Code sections 72702 and 72703.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 6<sup>th</sup> day of November, 2013.

---

President

ATTEST:

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District Secretary

## EXHIBIT "A"

### GEOGRAPHIC DESCRIPTION IMPROVEMENT DISTRICT 25

ALL THAT PORTION OF EAST SAN DIEGO VILLA HEIGHTS ACCORDING TO THE MAP THEREOF NO. 1317 FILED IN THE OFFICE OF THE RECORDER OF SAN DIEGO COUNTY, STATE OF CALIFORNIA, BEING A PORTION OF SECTION 4, TOWNSHIP 17 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN ACCORDING TO THE UNITED STATES GOVERNMENT SURVEY THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SECTION 4, TOWNSHIP 17 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN OF SAID UNITED STATES GOVERNMENT SURVEY;

THENCE (1) NORTH 89°40'36" EAST, A DISTANCE OF 631.20 FEET ALONG THE NORTHERLY LINE OF SAID SECTION 4 TO A POINT OF INTERSECTION WITH THE CENTERLINE OF RAMONA AVENUE, AS SHOWN ON SAID MAP NO. 1317, AND THE **TRUE POINT OF BEGINNING**, SAID POINT ALSO BEING ON THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE (2) NORTH 89°40'36" EAST, A DISTANCE OF 909.25 FEET ALONG SAID NORTHERLY LINE OF SAID SECTION TO A POINT OF INTERSECTION WITH THE CENTERLINE OF LA PRESA AVENUE, AS SHOWN ON SAID MAP NO. 1317;

THENCE (3) SOUTH 01°09'20" WEST, A DISTANCE OF 395.86 FEET ALONG THE CENTERLINE OF SAID LA PRESA AVENUE TO A POINT OF INTERSECTION OF THE WESTERLY PROLONGATION OF THE SOUTHERLY LINE OF LOTS 9 AND 22, BLOCK 99, OF SAID MAP NO. 1317;

THENCE (4) SOUTH 88°44'07" EAST, A DISTANCE OF 303.13 FEET ALONG SAID SOUTHERLY LINE TO A POINT OF INTERSECTION WITH THE CENTERLINE OF SAN MIGUEL AVENUE, AS SHOWN ON SAID MAP NO. 1317;

THENCE (5) NORTH 01°07'59" EAST, A DISTANCE OF 404.26 FEET ALONG SAID CENTERLINE OF SAN MIGUEL AVENUE TO THE NORTHERLY LINE OF SAID SECTION 4 AND THE NORTHERLY LINE OF IVY STREET, AS SHOWN ON SAID MAP NO. 1317, SAID POINT ALSO BEING ON THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE (6) NORTH 89°40'36" EAST, A DISTANCE OF 813.94 FEET ALONG SAID NORTHERLY LINE OF SAID SECTION;

THENCE (7) SOUTH 89°09'48" EAST, A DISTANCE OF 176.13 FEET CONTINUING ALONG SAID NORTHERLY LINE OF SAID SECTION;

THENCE (8) SOUTH 00°50'12" WEST, A DISTANCE OF 46.00 FEET TO THE SOUTHERLY LINE OF IVY STREET, AS SHOWN ON SAID MAP NO. 1317;

THENCE (9) NORTH 89°09'48" WEST, A DISTANCE OF 175.66 FEET ALONG SAID SOUTHERLY LINE OF IVY STREET, AS SHOWN ON SAID MAP NO. 1317;

THENCE (10) SOUTH 89°40'36" WEST, A DISTANCE OF 182.24 FEET CONTINUING ALONG SAID SOUTHERLY LINE OF IVY STREET TO THE EASTERLY LINE OF PORTOLA AVENUE, AS SHOWN ON SAID MAP NO. 1317;

THENCE (11) SOUTH 01°10'35" WEST, A DISTANCE OF 119.26 FEET ALONG THE EASTERLY LINE OF PORTOLA AVENUE TO THE NORTHWEST CORNER OF LOT 13, BLOCK 96, OF SAID MAP NO. 1317;

THENCE (12) SOUTH 88°22'01" EAST, A DISTANCE OF 303.18 FEET ALONG THE NORTHERLY LINE OF SAID LOT 13, LOT 18, AND THE EASTERLY PROLONGATION THEREOF, TO THE EASTERLY LINE OF CORONADO AVENUE, AS SHOWN ON SAID MAP NO. 1317;

THENCE (13) SOUTH 01°09'50" WEST, A DISTANCE OF 685.65 FEET ALONG THE EASTERLY LINE OF SAID CORONADO AVENUE TO A POINT OF INTERSECTION WITH THE CENTERLINE OF HEMLOCK STREET, AS SHOWN ON SAID MAP NO. 1317;

THENCE (14) SOUTH 88°22'29" EAST, A DISTANCE OF 1,209.33 FEET ALONG THE CENTERLINE OF SAID HEMLOCK STREET TO THE CENTERLINE OF SANGAMON STREET, AS SHOWN ON SAID MAP NO. 1317;

THENCE (15) SOUTH 01°27'48" WEST, A DISTANCE OF 1,815.88 FEET ALONG THE CENTERLINE OF SANGAMON STREET TO THE EASTERLY PROLONGATION OF THE SOUTHERLY LINE OF LOTS 3 AND 22 OF BLOCKS 53 THROUGH 65 OF SAID MAP NO. 1317;

THENCE (16) NORTH 88°24'52" WEST, A DISTANCE OF 3,957.69 FEET ALONG SAID SOUTHERLY LINE OF SAID LOTS 3 AND 22 OF SAID BLOCKS 53 THROUGH 65, TO THE CENTERLINE OF GRAND AVENUE, AS SHOWN ON SAID MAP NO. 1317, SAID POINT ALSO BEING ON THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE (17) NORTH 01°15'51" EAST, A DISTANCE OF 1,170.94 FEET ALONG THE CENTERLINE OF SAID GRAND AVENUE TO A POINT OF INTERSECTION WITH GRAPE STREET, AS SHOWN ON SAID MAP NO. 1317;

THENCE (18) SOUTH 88°23'18" EAST, A DISTANCE OF 303.53 FEET ALONG THE CENTERLINE OF GRAPE STREET, TO A POINT OF INTERSECTION WITH THE CENTERLINE OF PARAISO AVENUE, AS SHOWN ON SAID MAP NO. 1317;

THENCE (19) NORTH 01°14'31" EAST, A DISTANCE OF 274.20 FEET ALONG THE CENTERLINE OF PARAISO AVENUE, TO A POINT WHICH BEARS SOUTH 88°45'29" EAST, A DISTANCE OF 25.00 FEET FROM THE NORTHEAST CORNER OF LOT 20, BLOCK 79, OF SAID MAP NO. 1317;

THENCE (20) NORTH 88°45'29" WEST, A DISTANCE OF 25.00 FEET TO THE NORTHEAST CORNER OF SAID LOT 20;

THENCE (21) NORTH 88°22'48" WEST, A DISTANCE OF 253.42 FEET ALONG THE NORTH LINE OF LOT 20, BLOCK 79, OF MAP NO. 1317, TO THE NORTHWEST CORNER OF SAID LOT 20;

THENCE (22) NORTH 88°44'09" WEST, A DISTANCE OF 25.00 FEET TO THE CENTERLINE OF GRAND AVENUE, AS SHOWN ON SAID MAP NO. 1317, SAID POINT ALSO BEING ON THE EXISTING OTAY WATER DISTRICT BOUNDARY;

THENCE (23) NORTH 01°15'51" EAST, A DISTANCE OF 373.86 FEET ALONG SAID CENTERLINE OF GRAND AVENUE, TO A POINT OF INTERSECTION WITH THE CENTERLINE OF HEMLOCK STREET, AS SHOWN ON SAID MAP NO. 1317;

THENCE (24) SOUTH 88°22'25" EAST, A DISTANCE OF 606.57 FEET ALONG THE CENTERLINE OF HEMLOCK STREET, TO A POINT OF INTERSECTION WITH THE CENTERLINE OF RAMONA AVENUE, AS SHOWN ON SAID MAP NO. 1317;

THENCE (25) NORTH 01°13'13" EAST, A DISTANCE OF 788.18 FEET ALONG THE CENTERLINE OF RAMONA AVENUE TO THE NORTHERLY LINE OF SAID SECTION 4 AND THE TRUE POINT OF BEGINNING;

CONTAINING 200.403 ACRES, MORE OR LESS.

*For assessment purposes only. This 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.*

  
\_\_\_\_\_  
ANDREW G. KARYDES, PLS                      1/02/14  
DATE



# EXHIBIT "B"

SEC. 33  
T.16S., R.1W.  
S.B.B.M.

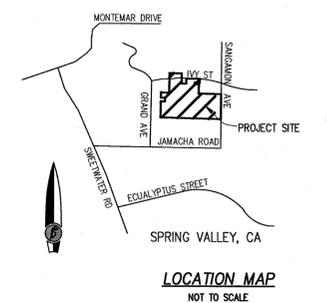
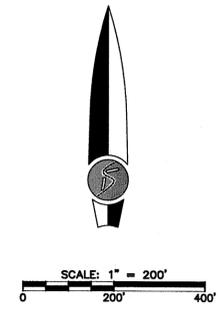


**COURSES:**

- 1 N89°40'36"E 631.20'
- 2 N89°40'36"E 908.25'
- 3 S1°09'20"W 395.86'
- 4 S88°44'07"E 303.13'
- 5 N1°07'59"E 404.26'
- 6 N89°40'36"E 813.94'
- 7 S89°09'48"E 176.13'
- 8 S0°50'12"W 46.00'
- 9 N89°09'48"W 175.66'
- 10 S89°40'36"W 182.24'
- 11 S1°10'35"W 119.26'
- 12 S88°22'01"E 303.18'
- 13 S1°09'50"W 685.65'
- 14 S88°22'29"E 1208.33'
- 15 S1°27'48"W 1815.88'
- 16 N88°24'52"W 3957.69'
- 17 N1°15'51"E 1170.94'
- 18 S88°23'18"E 303.53'
- 19 N1°14'31"E 274.20'
- 20 N88°45'29"W 25.00'
- 21 N88°22'48"W 253.42'
- 22 N88°44'09"W 25.00'
- 23 N1°15'51"E 373.86'
- 24 S88°22'25"E 606.57'
- 25 N1°13'13"E 788.18'

200.40 ACRES

POR. SEC. 5  
T.17S., R.1W.  
S.B.B.M.



**LEGEND:**  
 IMPROVEMENT DISTRICT 25  
 EXISTING OMD BOUNDARY

*Andrew G. Karydes*  
 ANDREW G. KARYDES, PLS      01/02/14      DATE



Disclaimer:  
For assessment purposes only, this 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 the sale of land described.

ASSESSOR'S PARCEL NUMBER(S):	SEE MAP	ACREAGE	200.40	DATE	01/02/14	SCALE	1" = 200'
IMPROVEMENT DISTRICT NO. 25 BEING A PORTION OF SECTION 4, T.17S., R.1W., S.B.B.M. SAN DIEGO COUNTY				SAN DIEGO ENGINEERING, INC. 4407 MANCHESTER, SUITE 105 ENCINITAS, CA. 92024 PHONE: (760) 753-5525 CIVIL ENGINEERING • PLANNING LAND SURVEYING			

# AGENDA ITEM 7c



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	February 5, 2014
SUBMITTED BY:	Bob Kennedy 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 a Professional As-Needed Consulting Services Contract for Fiscal Years 2014 through 2019		

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

That the Otay Water District (District) Board of Directors (Board) authorize the General Manager to execute a Professional As-Needed Consulting Services Agreement with Dr. Michael Welch in an amount not-to-exceed \$100,000 for Fiscal Years 2014 through 2019.

### **COMMITTEE ACTION:**

Please see Attachment A.

### **PURPOSE:**

To obtain Board authorization for the General Manager to enter into a Professional As-Needed Consulting Services Agreement with Dr. Michael Welch in an amount not-to-exceed \$100,000 for Fiscal Years 2014 through 2019 (see Attachment D).

### **ANALYSIS:**

Dr. Welch has more than a 30 year history in assisting the District in groundwater, recycled water, drinking water, and seawater desalination facilities planning and regulatory issues. In the 1980s, he assisted the District in securing original permit approvals for the Ralph W. Chapman Water Recycling Facility and the District's

"purple pipe" recycled water system. He assisted the District in the 1990s and 2000s in recycled water use regulatory compliance and investigating groundwater supply development opportunities. More recently, he assisted the District in complying with Salt and Nutrient Management provisions of the 2009 State Recycled Water Policy. He is currently assisting the District in addressing the California Department of Public Health and other regulatory issues associated with seawater desalination.

Given the many challenges in advancing this desalination project, the District will benefit by retaining the services of a consultant to advise the board and management on matters concerning desalination water quality, requirements of the California Department of Public Health, and the Regional Water Quality Control Board among other subjects related to water resources development opportunities.

Staff is recommending the engagement of Dr. Welch as a sole source consultant based on his experience and knowledge in these matters (see Resume and Business Information, Attachments B and C). Dr. Welch has been engaged as a consultant to the District in a similar capacity under the General Manager's authority since 2009 and his analysis, reporting, and expertise has been of benefit to the District on many different subjects. With Dr. Welch's efforts, the District has established very important contacts and relationships with various regulatory agencies. This has resulted in a better understanding of the various projects and initiatives by local, state, and federal agencies. Dr. Welch's billing rate is \$150/hour.

In addition to the Otay Mesa Conveyance and Disinfection System project, there are other opportunities for Dr. Welch to help the District, including but not limited to, recycled water regulations, groundwater regulations, potable water quality regulations, and water treatment alternatives. Dr. Welch will continue to provide valuable insight and assistance in these efforts.

**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. The District also has the option of terminating this agreement on a ten (10) calendar days' notice.

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 are available as budgeted for these projects.

**STRATEGIC GOAL:**

This supports the District's Mission statement, "To provide high value water and wastewater services to the customers of Otay Water District, in a professional, effective, and efficient manner" and the District's Strategic Goal, "To satisfy current and future water needs for potable, recycled, and wastewater services."

**LEGAL IMPACT:**

None.

BK:RP/jf

P:\WORKING\CIP P2451 Desalination Feasibility Study\Staff Reports\Board 2-5-14 M Welch\BD 02-05-14, Staff Report, Award of Consulting Services Contract to Michael Welch, (BK).docx

Attachments: Attachment A - Committee Action  
Attachment B - Resume  
Attachment C - Business Information  
Attachment D - Agreement



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b> Various	Award of a Professional As-Needed Consulting Services Contract for Fiscal Years 2014 through 2019
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### COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee (Committee) reviewed this item at a meeting held on January 21, 2014, and the following comments were made:

- Staff recommended that the Board authorize the General Manager to execute a Professional As-Needed Consulting Services Agreement with Dr. Michael Welch in an amount not-to-exceed \$100,000 for Fiscal Years 2014 through 2019.
- It was indicated that Dr. Welch has more than a 30-year history in assisting the District in regulatory issues and is well-known throughout the state. In the 1980s, Dr. Welch helped the District secure original permit approvals for the Ralph W. Chapman Water Recycling Facility and the District's "purple pipe" recycled water system. He also helped in the 1990s and 2000s in recycled water use regulatory compliance and investigating groundwater supply development opportunities. Two years ago, Dr. Welch assisted in complying with Salt and Nutrient Management provisions of the State Recycled Water Policy.
- Staff stated that Dr. Welch is currently assisting the District in addressing the California Department of Public Health and other regulatory issues associated with seawater desalination.
- Staff is recommending the engagement of Dr. Welch as a sole source consultant based on his experience and knowledge in these matters (See Attachments B and C, Resume and Business Information).
- It was noted that with Dr. Welch's efforts, the District has established very important contacts and relationships with various regulatory agencies.

- Staff indicated that in addition to the Otay Mesa Conveyance and Disinfection System project, there are other opportunities for Dr. Welch to help the District with water quality regulations and water treatment alternatives.
- In response to a question from the Committee, staff stated that Dr. Welch is very knowledgeable of Regional Water Quality Control Board standards and helped the District with the Rancho Del Rey project.
- In response to a comment from the Committee, staff stated that Dr. Welch's fees are well within the range of other District consultant fees and reasonable considering Dr. Welch's background as a well-known expert throughout the state and that he has approximately 36 years of experience in planning and implementing recycled water, wastewater, groundwater, potable water and desalination projects.

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

# ATTACHMENT B

## **MICHAEL R. WELCH, Ph.D., P.E.** CONSULTING ENGINEER

**REGISTRATION** California, 1979, Civil Engineer, No. 30990

**EDUCATION** Ph.D., 1988, Civil Engineering, University of California,  
Irvine, California  
M.S., 1977, Civil Engineering, Stanford University,  
Stanford, California  
B.S., 1977, Civil Engineering, Stanford University,  
Stanford, California.

**PROFESSIONAL MEMBERSHIPS** American Society of Civil Engineers  
American Water Works Association  
California Water Environment Association  
Water Environment Federation

**HONORARY MEMBERSHIP** Tau Beta Pi

### **EXPERIENCE AND PROFESSIONAL BACKGROUND**

Dr. Welch has over thirty-six years experience in planning and implementing Southern California recycled water, wastewater, groundwater, water, and desalination projects. Dr. Welch has served as an independent consultant since 1994, and specializes in assisting municipalities and public agencies in evaluating regulatory compliance with state and federal water quality regulations, state and federal drinking water regulations, and state public health regulations.

Dr. Welch has more than a 30 year history in assisting the Otay Water District in groundwater, recycled water, drinking water, and seawater desalination facilities planning and regulatory issues. In the 1980s, he assisted the District in securing original permit approvals for the Ralph W. Chapman Water Recycling Facility and the District's "purple pipe" recycled water system. He assisted the District in the 1990s and 2000s in recycled water use regulatory compliance and investigating groundwater supply development opportunities. More recently, he has assisted the District in addressing regulatory issues associated with seawater desalination.

In addition to the Otay Water District, Dr. Welch has assisted a number of other Southern California clients in water, recycled water, and wastewater regulatory compliance, including:

**Seawater Desalination.** Dr. Welch served as a regulatory consultant to Poseidon Resources Corporation's proposed seawater desalination facilities in Carlsbad and Huntington Beach, California. In this capacity, he assisted Poseidon in assessing brine discharge impacts, preparing Environmental Impact Reports, addressing California Department of Public Health issues, addressing Regional Water Quality Control Board issues, and obtaining NPDES permits for the discharge of waste brine to the ocean from Poseidon's Carlsbad and Huntington Beach facilities.

**Reservoir Augmentation.** Dr. Welch serves as a regulatory consultant on the City of San Diego Water Purification Demonstration Project team that obtained in 2012 concept approval from the California Department of Public Health and Regional Water Quality Control Board for the discharge of highly purified recycle water to San Vicente Reservoir. He is also currently assisting the Rancho California Water District and City of Escondido in assessing the feasibility of indirect potable recharge to potable water storage reservoirs.

In the early 1990s, Dr. Welch prepared the original San Diego County Water Authority concept feasibility study assessing the potential for discharging highly purified recycled water to San Vicente Reservoir. Subsequently in the mid-1990s, he served as one of three principal investigators that led the City of San Diego team that refined the reservoir augmentation concept and obtained the first-ever concept approval from the State of California Department of Public Health for the proposed discharge of purified recycled water to a drinking water reservoir.

**Salinity and Brine Management.** In 2006, Dr. Welch prepared a study for the San Diego County Water Authority that assessed salinity impacts and salinity management options for the Region's imported water supplies, local groundwater supplies, and local recycled water supplies.

He is currently assisting the National Water Research Institute in preparing an issues paper that addresses compliance issues and strategies associated with the ocean discharge of waste brine. Additionally, he has assessed brine management and disposal options and assisted clients in obtaining NPDES permits for the:

- City of Escondido discharge from the City's Industrial Brine Collection System (IBCS),
- City of Carlsbad recycled water demineralization facility discharge to the Encina Ocean Outfall,
- discharges of brackish groundwater brine to the South Orange County Wastewater Authority San Juan Creek Ocean Outfall and Aliso Creek Ocean Outfall, and
- City of Oceanside groundwater demineralization discharge to the Oceanside Ocean Outfall.

**Groundwater Evaluations.** Dr. Welch has served as lead investigator in a wide variety of groundwater quality or groundwater management efforts that involve recycled water discharges, including:

- preparing a County-wide groundwater resource development plan for the San Diego County Water Authority that assessed groundwater resources and identified and evaluated potential groundwater projects in each of the County's major watersheds.
- preparing a recycled water recharge/groundwater recovery feasibility study for the Yucaipa Valley Water District.
- for the City of San Diego, assessing groundwater availability and preparing a study that developed concept-level extraction, treatment, and conveyance facilities for a proposed groundwater demineralization facility near Qualcomm Stadium.
- for the City of Oceanside, evaluating groundwater pumping impacts, preparing preliminary facilities studies, and preparing a CEQA Environmental Assessment for the expansion (from 2 mgd to 6.37 mgd) of the City's Mission Basin brackish groundwater desalting facility.
- participating on a team that investigated the potential for recycled water groundwater recharge within the Santee/El Monte basin as part of projects for the Padre Dam Municipal Water District and Helix Water District.
- preparing an environmental impact report/environmental impact statement for the U.S. Marine Corps, Camp Pendleton that assessed effects wastewater percolation operations on groundwater-dependent vegetation.

**Salt and Nutrient Management Plans.** Dr. Welch has served as lead investigator in a variety of efforts directed toward complying with Salt and Nutrient Management Plan (SNMP) provisions of the 2009 State Recycled Water Policy. For the Southern California Salinity Coalition and National Water Research Institute, Dr. Welch coordinated with the Regional Board and Southern California water and recycled water agencies and prepared guidelines for the development of SNMPS. Subsequent to Regional Board adoption of the SNMP guidelines in 2010, Dr. Welch has assisted numerous San Diego Region agencies in preparing SNMP work scopes/scoping plans, coordinating with stakeholders, and preparing/reviewing SNMPS, including efforts for the:

- Padre Dam Municipal Water District,
- Ramona Municipal Water District,

- Rancho California Water District,
- South Orange County Wastewater Authority,
- City of Escondido/Rincon Del Diablo Municipal Water District,
- U.S. Marine Corps Camp Pendleton, and
- City of San Diego.

**Municipal Wastewater Discharges.** Dr. Welch's experience in municipal wastewater discharge regulations includes:

- preparing NPDES permit application documents and assessing impacts of effluent discharges for the following ocean outfalls:
  - City of Oceanside discharge to the Oceanside Ocean Outfall,
  - South Orange County Wastewater Authority discharges to the Aliso Creek and San Juan Ocean Outfalls,
  - U.S. Marine Corps Base Camp Pendleton discharge to the Oceanside Ocean Outfall,
  - Encina Wastewater Authority discharge to the Encina Ocean Outfall,
  - City of Carlsbad discharge to the Encina Ocean Outfall,
  - San Elijo Joint Powers Authority discharge to the San Elijo Ocean Outfall,
  - City of Escondido discharge to the San Elijo Ocean Outfall, and
  - City of San Diego discharge to the South Bay Ocean Outfall.
- serving as lead consultant for the City of San Diego's successful 1995, 2001 and 2007 applications to EPA and the Regional Board for Clean Water Act Section 301(h) modified secondary treatment requirements for the discharge of advanced primary effluent to the Point Loma Ocean Outfall.
- investigating wet weather wastewater disposal/handling alternatives for the City of San Diego North City WRP and City of Escondido Hale Avenue Resource Recovery Facility.
- preparing NPDES permit application documents, assessing Basin Plan surface water quality objectives, and assessing recycled water stream discharge impacts for the following recycled water stream discharge projects: Padre Dam Municipal Water District discharge to the San Diego River, the City of Escondido discharge to Escondido Creek, U.S. Marine Corps Base Camp Pendleton discharge to the Santa Margarita River, and Rancho California Water District discharge to Murrieta Creek.

**Recycled Water Projects.** Dr. Welch's experience with recycled water irrigation projects includes serving as lead author and investigator for preparing waste discharge permit applications, assessing Basin Plan water quality compliance, performing basin salt balances, evaluating recycled water impacts, and securing discharge permits for the following facilities:

- City of Carlsbad WRP,
- City of Escondido Hale Avenue Resource Recovery Facility,
- City of Oceanside San Luis Rey WRP,
- City of San Clemente WRP,
- City of San Diego North City WRP,
- City of San Diego South Bay WRP,
- City of Carlsbad WRP,
- Olivenhain MWD 4S Ranch WRP,
- Padre Dam MWD WRP,
- Rancho California Water District Santa Rosa WRP,
- Rancho Santa Fe Water District Santa Fe Valley WRP,
- San Elijo Joint Powers Authority WRP,
- Valley Center MWD Live Oak Ranch WRP, and
- Valley Center MWD Woods Valley Ranch Water Reclamation Plant (WRP).

Dr. Welch authored salinity management and Basin Plan compliance sections of the U.S. Bureau of Reclamation Southern California Phase I and Phase II Water Reuse Studies. Dr. Welch also served as principal author and investigator for recycled water plans that assessed impacts and Basin Plan compliance issues for the City of San Diego and Rancho California Water District. He also participated on consulting teams that prepared recycled water master plans for the U.S. Marine Corps Base, Camp Pendleton, Encina Wastewater Authority, Padre Dam Municipal Water District, City of Oceanside, and City of Victorville.

**Watershed Protection.** Dr. Welch is currently serving as a regulatory consultant in the effort to update the San Diego Region Integrated Regional Water Resources (IRWM) plan. Dr. Welch's experience in other watershed protection efforts includes:

- serving as lead technical author on the 2007 San Diego Region Integrated Regional Water Management Plan for the San Diego County Water Authority, City of San Diego, and County of San Diego that evaluated water resources and watershed protection needs within the San Diego Region.
- participating on consulting teams that prepared watershed management plans for the San Diego River Watershed and Santa Margarita River Watershed.
- participating on teams that prepared watershed source control/sanitary surveys for the City of San Diego Water Department for watersheds tributary to Sutherland, Hodges, Murray, Jennings, El Capitan, San Vicente, Barrett, Morena, and Otay Reservoirs.
- preparing and updating Sanitary Sewer Overflow Prevention Plans and Sanitary Sewer Overflow Emergency Response Plans for the City of San Clemente, and preparing a Sanitary Sewer Management Plan for the City of San Clemente.
- preparing sanitary survey/vulnerability assessments that evaluated compliance with source water protection regulations for City of San Clemente and City of Oceanside groundwater wells.

**Industrial Pretreatment.** Dr. Welch's industrial pretreatment project experience includes:

- developing industrial waste pretreatment programs for Rancho California Water District and Elsinore Valley Municipal Water District.
- developing recommended local industrial sewer discharge limits for the Elsinore Valley Municipal Water District, Rancho California Water District, and City of San Clemente.
- providing as-needed industrial pretreatment services for the Rancho California Water District, City of Escondido, City of San Clemente, and City of San Diego.

**NBS/Lowry Experience.** Prior to becoming an independent consultant in 1994, Dr. Welch served for 14 years as a vice president and principal engineer with NBS/Lowry Engineers and Planners. His experience with NBS/Lowry (1980-1994) included serving as project manager and/or principal investigator on the following:

- for the City of Oceanside, preparing a comprehensive water management plan that included the original concept and facilities planning for the City of Oceanside Mission Basin Groundwater Desalting Facility.
- preparing a conceptual groundwater management plan for the Otay Water District and Sweetwater Authority that evaluated groundwater treatment, and management alternatives for developing groundwater supply within the Middle Sweetwater River basin.
- assessing the applicability of Basin Plan surface water quality objectives, and preparing applications that resulted in the modification of Regional Board Basin Plan surface water quality objectives for TDS the Ysidora, DeLuz, and Wolf basins within the Santa Margarita River watershed.

- for Fallbrook Public Utility District, preparing a groundwater conjunctive use facilities plan (including filtration and membrane treatment) for complying with state and federal drinking water standards and surface water treatment regulations.
- developing a recycled water master plan for the Rancho California Water District.
- assessing the applicability of Basin Plan water quality objectives, and preparing applications that resulted in the modification of Regional Board Basin Plan groundwater quality objectives for the following basins:
  - Pauba HSA 2.51 (for the Eastern Municipal Water District),
  - Wolf HSA 2.52 (for the Eastern Municipal Water District),
  - DeLuz HA 2.2 (for the Rancho California Water District),
  - Valley Center HSA 3.14 (for the Valley Center Municipal Water District),
  - Mission San Diego HSA 7.11 (for the Padre Dam Municipal Water District),
  - Poway HA 6.2 (for the City of Poway),
  - Salt Creek and Poggi Canyon Portion of Otay HA (for the Otay Water District), and
  - Telegraph Canyon HSA 9.11 (for the Otay Water District).
- performing assimilative capacity analyses that assessed compliance of proposed water reclamation projects with Basin Plan groundwater quality objectives for Rancho California Water District, Padre Dam Municipal Water District, and City of Escondido.
- for the City of San Diego, preparing a groundwater resources feasibility study for the Tijuana basin, and preparing a conceptual strategies report assessing groundwater/reclaimed water regulatory and institutional constraints within the San Pasqual, San Dieguito, Poway, Santee/El Monte, Mission San Diego, Lower Sweetwater, and Lower Tijuana basins.
- developing a recycled water groundwater recharge/recovery plan for the Valley Center Municipal Water District.
- preparing facilities plans and performing environmental analyses (including evaluation of streamflow impacts on downstream groundwater basins) for proposed reclaimed water live stream discharge projects for the Padre Dam Municipal Water District (San Diego River), Fallbrook Sanitary District (Pilgrim Creek), City of San Diego (San Diego River), Eastern Municipal Water District (Santa Margarita River), and Rancho California Water District (Murrieta Creek).
- preparing a wastewater facilities plan for the County of San Diego that assessed the potential for groundwater recharge within the Santee/El Monte basin groundwater basin.
- preparing conceptual groundwater management plans for the lower Santa Margarita River basin (Camp Pendleton, Fallbrook Public Utility District, Eastern Metropolitan Water District, and Rancho California Water District), and the Paula/Temecula aquifers of the upper Santa Margarita River basin (Rancho California Water District).
- assessing for the U.S. Navy groundwater availability and water quality impacts associated with wastewater disposal practices at the Naval Air Station, Lemoore, California, and designing facilities to intercept lateral seepage from percolation ponds at Lemoore Naval Air Station.
- developing permit applications, performing groundwater hydrogeologic investigations of impacts of reclaimed water use on groundwaters, and assessing compliance with Basin Plan, water quality objectives, state water reclamation requirements, and public health regulations for recycled water projects proposed by the following projects and clients: Otay Water District; City of Escondido; Ramona Municipal Water District; Valley Center Municipal Water District; Santa Margarita Water District; Moulton Niguel Water District; Rancho California Water District; and Eastern Municipal Water District.

- developing industrial waste pretreatment programs for the Aliso Water Management Agency and Southeast Regional Reclamation Authority (now South Orange County Wastewater Authority).
- investigating compliance with State of California groundwater recharge guidelines for a recycled water project jointly proposed by Fallbrook Public Utility District, U.S. Marine Corps Base Camp Pendleton, Rancho California Water District, and Eastern Municipal Water District.

**Regional Water Board Experience.** Prior to joining NBS/Lowry in 1980, Dr. Welch served as an associate engineer with the California Regional Water Quality Control Board in San Diego. His duties included assessing Basin Plan water quality objectives and compliance; inspecting and evaluating wastewater facilities; performing special studies assessing the quality of ground and surface waters and water quality impacts resulting from wastewater or recycled water operations; coordinating review and approval of recycled water projects and onsite wastewater treatment systems with the State Department of Public Health and San Diego County Department of Environmental Health; and preparing discharge permits and enforcement orders.

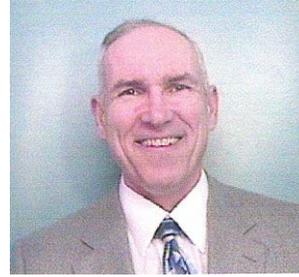
**University Research.** At Stanford University, Dr. Welch's research projects included assessing alternatives for treating wastewater containing high oxygen demand loads. While at Stanford, he was employed as a research assistant by the U.S. Geological Survey and performed laboratory analyses and experiments investigating pollutant transport through saturated soils.

At the University of California, Irvine, Dr. Welch's research evaluated relations among groundwater pumping, the availability of soil water in near surface soils, and transpirative water losses from native vegetation in Owens Valley, California. This research was performed with support from the U.S. Geological Survey, Los Angeles Department of Water and Power, and County of Inyo.

# ATTACHMENT C



**Michael R. Welch, Ph.D., P.E.**  
CONSULTING ENGINEER



## BUSINESS INFORMATION

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**Michael R. Welch, Ph.D., P.E.** is a one-person, sole proprietorship firm dedicated to providing quality, value-priced services to municipalities, water agencies, wastewater agencies, and water resources clients. Dr. Welch specializes in wastewater, recycled water, groundwater, and water supply regulations, and he has over thirty-six years experience in planning, permitting, and implementing Southern California water resources and wastewater projects.

<b>Legal Form of Business:</b>	Sole Proprietorship	
<b>Office Location:</b>	2735 San Clemente Terrace San Diego, CA 92122-4030 Telephone: (858) 625-0167 FAX: (858) 625-0267 email: <a href="mailto:mwelch1@san.rr.com">mwelch1@san.rr.com</a>	
<b>Number of Employees:</b>	One Employee (Michael R. Welch, Ph.D., P.E.)	
<b>Year Business Started:</b>	1994	
<b>Insurance:</b>	Errors & Omission (occurrence)	\$1,000,000
	Errors & Omission (aggregate)	\$1,000,000
	General Liability (occurrence)	\$1,000,000
	General Liability (aggregate)	\$2,000,000
	Commercial Auto	\$1,000,000
<b>Billing Rates:</b>	Professional Services	\$150 per hour
	Travel within Southern California	No Charge <sup>1</sup>
	Printing	No Charge <sup>1</sup>
	Direct Cost Markup	None
	Telephone, FAX, Computers	No Charge <sup>1</sup>

<sup>1</sup> Costs included as part of hourly billing rate overhead.

# ATTACHMENT D

**AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN  
OTAY WATER DISTRICT  
AND  
MICHAEL R. WELCH, Ph.D., P.E.  
FOR  
ENGINEERING SERVICES**

This Professional Services Agreement (“Agreement”) is made and entered into this \_\_\_\_\_ day of February, 2014 by and between the OTAY WATER DISTRICT, a municipal water district formed and existing pursuant to the California Municipal Water District Act of 1911, as amended, hereinafter referred to as “District,” and Michael R. Welch, Ph.D., P.E., a sole proprietor, hereinafter referred to as “Consultant.”

## **RECITALS**

WHEREAS, the District requires the services of a licensed professional engineering consultant to render certain technical and professional services described below; and

WHEREAS, the Consultant has available, and offers to provide, personnel and facilities necessary to accomplish the work within the required time, and has represented that it is qualified by experience and ability to perform the services desired by District.

NOW, THEREFORE, District and Consultant mutually agree as follows:

### **I. Scope of Professional Services**

The Consultant agrees to perform those services described in the Scope of Work set forth in Exhibit “A” attached hereto and incorporated herein by reference.

### **II. Authorization; Term**

Specific authorization to proceed with the work described in Exhibit ‘A’ is hereby granted. Upon receipt of a fully executed Agreement from the District, the Consultant shall proceed with the work described in Exhibit ‘A’; provided that more specific requests for certain services therein listed may be made by the District.

This Agreement shall become effective on the date first above written and expires on June 30, 2019 (the “Term”). This Agreement may be terminated or amended as provided below and may be extended in a writing signed by both parties to the expiration of the Term.

### **III. Compensation**

In return for the Consultant’s satisfactory performance of the services described in Exhibit ‘A’, as hereafter amended (the “Scope of Work”), the District agrees to pay

compensation up to an amount not-to-exceed ONE HUNDRED THOUSAND DOLLARS (\$100,000.00), payable in proportion to the work completed, as further described in the paragraph below. Total compensation for all Professional Services provided under this agreement shall not exceed such amount during the term of this agreement without prior written authorization from the District.

The Consultant shall invoice the District on a monthly schedule in the format shown in Exhibit 'B' and 'C'. To the extent the provisions of Exhibit 'B and 'C' are ambiguous in relation to the provisions of this Agreement, inconsistent with the provisions of this Agreement, or expand upon the provisions of this Agreement, the provisions of this Agreement shall take precedence and the provisions of Exhibit 'B' and 'C' shall not apply. The Consultant shall not invoice the District for work that has not been completed at the time the invoice is prepared. The District shall have forty-five (45) days from the date of receipt of error-free invoices prepared in accordance with Exhibit 'B' and 'C' to make payment without incurring interest and/or penalty charges.

The Consultant will not be allowed to markup any subconsultant's work. A maximum markup of 10% will be allowed on all reimbursable costs. Reimbursable costs are defined as only vehicle mileage, printing costs, and courier services. Reimbursable expenses will be included in the total contract amount.

#### **IV. Standard of Care**

A. The Consultant is employed to render the services specified herein and the Scope of Work only, and any payment made to the Consultant is compensation solely for such services as are satisfactorily rendered. The Consultant's services shall be furnished in good faith, in compliance with best practices for its profession and with the standard of care generally employed by professionals licensed and qualified to perform such services within the State of California.

B. Unless disclosed in writing prior to the date of this Agreement, the Consultant warrants to the District that it is not now, nor has it for the five (5) years preceding, been debarred by a governmental agency or involved in debarment, arbitration or litigation proceedings concerning the Consultant's professional performance or the furnishing of materials or services relating thereto.

#### **V. Documents**

All original drawings, spreadsheets and documents, including digital photographs and files developed for the project, shall, upon payment in full for the services described in this Agreement, be furnished to and become the property of the District, except as otherwise provided in Section VIII: Termination or Abandonment.

The Consultant shall provide final documents on compact disk (CD). Final drawings and details shall be in AutoCAD® 2010 format or more recent. Final Contract Specifications, reports, and spreadsheets shall be in Microsoft® Office 2010 format or more recent. Any other electronic format documents provided to the District must be formatted to the same software version or release as that of the District.

## **VI. Performance and Schedule**

The Consultant agrees to coordinate the Scope of Work to ensure its timely completion in accordance with the agreed upon schedule, and shall promptly notify the District of any anticipated delays, which may affect the work schedule. In the event the time for completing the Scope of Work is exceeded due to circumstances beyond the control of the Consultant, the Consultant shall have an additional amount of time to be agreed upon in writing between the parties in which to complete the work.

## **VII. Change in Scope of Work**

Only additional services approved and requested specifically by District, in writing, shall constitute the basis of a change, addition or modification to the Scope of Work. Consultant is responsible for ensuring that no work or services outside the Scope of Work are performed or invoiced.

If District requests performance of any services not within the Scope of Work, Consultant shall notify District immediately and shall indicate that no such work will be performed until approved by the District in writing. Concurrently with such notice, the Consultant shall provide District a written cost estimate for, and a written description of, each additional task to be performed.

The extent of additional work required, any additional compensation shall be negotiated by the parties and, if an agreement is reached, the parties will execute an amendment to Exhibit 'A' and to any other exhibits and/or this Agreement, to the extent required to reflect such additional work and compensation. If no agreement is reached, District may choose to terminate this Agreement and retain another consultant or may choose to retain another consultant to provide only the additional services.

Consultant shall not be entitled to compensation for any services rendered that are not specifically authorized under this Agreement or its Exhibits, and any amendments thereto. Any and all work performed without proper authorization shall be considered part of this Agreement for no additional compensation.

## **VIII. Termination or Abandonment**

The District may terminate this Agreement or may terminate or abandon all or any portion of the Scope of Work at any time and for any reason by giving written notice to Consultant of such termination and specifying the effective date thereof, at least ten (10) calendar days prior to the effective date. The District is under no obligation to require all the services described under the Scope of Work and shall be able to select only those services needed from time to time, as provided in each work order. If the District abandons or terminates any services of the Scope of Work, the District has the right to take immediate possession and ownership of all original, copies or draft specifications, drawings, and other documents developed for the Scope of Work to the specified date of termination or abandonment. Following delivery of such documents in a form satisfactory to the District under the terms of this Agreement, the District will pay the Consultant for services for any portion of the services rendered prior to termination under the Scope of Work. If said termination occurs prior to full

completion of any task, the portion of the fee to be paid for the portion of work or service performed for such task shall be based on the percent of completion mutually agreed to by the District and the Consultant. The District will not be liable for any costs other than the fees or portions thereof, which are specified herein. If all work is abandoned as herein provided, this Agreement shall automatically terminate on the 10<sup>th</sup> day from the date of notice.

## **IX. Indemnification**

A. CONSULTANT agrees to the following:

1. *Indemnification for Professional Liability.* Where the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend (with attorneys approved by District) and hold harmless District and any and all of its officials, elected board members, employees, volunteers, attorneys and agents ("Indemnified Parties") from and against any and all losses, liabilities, claims, suit, damages, costs and expenses, including attorney's fees and costs, caused in whole or in part by Consultant's negligent, reckless or wrongful act, errors or omissions of Consultant, its officers, agents, employees or sub-consultants (or any entity or individual for which Consultant is legally liable) in the performance of professional services under this Agreement.

2. *Indemnification for Other than Professional Liability.* To the fullest extent permitted by law, Consultant shall indemnify, protect, defend (with attorneys approved by District) and hold harmless the Indemnified Parties from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys fees and costs, court costs, interest, defense costs, and expert witness fees), arising out of or in any way attributable to the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or sub-contractors of Consultant.

3. *General Indemnification Provisions.* Consultant agrees to obtain executed indemnity Agreements with provisions identical to those set forth here in this section from each and every sub-contractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required here, Consultant agrees to be fully responsible according to the terms of this section. Failure of District to monitor compliance with these requirements imposes no additional obligations on District and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend District as set forth here is binding on the successors, assigns or heirs of Consultant and shall survive the termination of this Agreement.

4. *Limitation of Liability.* The provisions of this section do not apply to claims occurring as a result of District's sole negligence or willful acts or omissions.

B. It is expressly understood and agreed that the indemnification provisions of this Section IX will survive termination of this Agreement.

C. The requirements as to the types and limits of insurance coverage to be maintained by Consultant as required by this Agreement and any approval of said insurance by

District, are not intended to and will not in any manner limit or qualify the liabilities and obligations otherwise assumed by Consultant pursuant to this Agreement, including, without limitation, to the provisions concerning indemnification.

## **X. Insurance Requirements**

A. Before commencing performance under this Agreement, and at all other times this Agreement is effective, Consultant will procure and maintain the following types of insurance with coverage limits complying, at a minimum, with the limits set forth below:

<b><u>Type of Insurance</u></b>	<b><u>Limits (combined single)</u></b>
Commercial general liability	\$1,000,000 per occurrence, \$2,000,000 aggregate
Professional liability	\$1,000,000 per occurrence, \$1,000,000 aggregate
Business automobile liability	\$1,000,000 per occurrence
Workers compensation	Statutory requirement
Employer's Liability	\$1,000,000 per occurrence

B. Commercial general liability insurance will meet or exceed the requirements of ISO-CGL Form No. CG 12 10 11 97. The amount of insurance set forth above will be a combined single limit per occurrence for bodily injury, personal injury, and property damage for the policy coverage. Said policies, except for the professional liability and workers' compensation policies, will be endorsed to name District, its officials, and employees as "additional insureds" under said insurance coverage. Further, the policies shall state that such insurance will be deemed primary and non-contributory such that any other insurance that may be carried by District will be excess thereto. Such insurance will be on an "occurrence" basis, except professional liability shall be on a "claims made" basis. For professional liability coverage provided on a "claims made" basis, Consultant shall maintain such insurance coverage for four years after expiration of the term (and any extensions) of this Agreement. In addition, the "retro" date must be on or before the date of this Agreement. Professional liability coverage extends to and includes, but is not limited to, negligent design claims.

C. Automobile coverage will be written on ISO Business Auto Coverage Form CA 00 01 10 01, including symbol 1 (Any Auto).

D. Consultant will furnish to District duly authenticated Certificates of Insurance and Endorsements evidencing maintenance of the insurance required under this Agreement and such other evidence of insurance as may be reasonably required by District from time to time. Insurance must be placed with insurers with a current A.M. Best Company Rating equivalent to at least a Rating of "A:VII." Originals of the duly authenticated Certificates of Insurance and Endorsements shall be included with this Agreement as Exhibit D.

E. Each insurance policy shall state or be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days (10 days for non-payment of premium) prior written notice by U.S. mail has been given to the District. Notwithstanding any commitment on the part of the insurer to provide such notice to the District, failure of the Consultant to provide separate notice of any intent to cancel any policy or change policy

providers, or of any actual or potential cancellation, shall constitute a breach of contract for which District shall be entitled to full indemnification under the Agreement.

F. Maintenance of specified insurance coverage is a material element of this Agreement, and Consultant's failure to maintain or renew coverage or to provide evidence of renewal during the term of this Agreement may be treated as a material breach of contract by District.

## **XI. Successors and Assigns**

This Agreement and all of the terms, conditions, and provisions hereof shall inure to the benefit of and be binding upon the parties hereto, and their respective successors and assigns; provided, however, that no assignment of this Agreement shall be made without written consent of the parties to this Agreement. Any attempt by the Consultant to assign or otherwise transfer any interest in this Agreement without the prior written consent of the District shall be void. Since the primary consideration of the District in entering this agreement is the qualifications of the Consultant, as opposed to a low bid, the District may refuse to consent to assignments at its sole discretion.

## **XII. Project Organization**

The Consultant hereby assigns Michael R. Welch, Ph.D., P.E. as the Consultant Project Manager under this Agreement. The Consultant Project Manager shall not be removed from the project or reassigned without prior written approval of the District, which approval shall not be unreasonably withheld.

The District hereby assigns Bob Kennedy, Engineering Manager as the District Project Manager under this Agreement.

## **XIII. Independent Consultant**

Both parties hereto in the performance of this Agreement will be acting in an independent capacity and not as agents, employees, partners or joint ventures with one another. Neither the Consultant nor the Consultant's employees are employee of the District and are not entitled to any of the rights, benefits, or privileges of the District's employees, including but not limited to retirement, medical, unemployment, or workers' compensation insurance.

Neither the District nor its officers, agents or employees shall have any control over the conduct of the Consultant or any of the Consultant's employees except as herein set forth, and the Consultant expressly agrees not to represent that the Consultant or the Consultant's agents, servants, or employees are in any manner agents, servants or employees of the District, it being understood that the Consultant, its agents, servants, and employees are as to the District wholly independent consultants and that the Consultant's obligations to the District are solely such as are prescribed by this Agreement.

## **XIV. Licenses, Permits, Etc.**

The Consultant represents and covenants that it has all licenses, permits, qualifications, and approvals of whatever nature that are legally required to perform the services under this Agreement. The Consultant represents and covenants that the Consultant shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, or approval which is legally required for the Consultant to perform the services under this Agreement.

## **XV. Confidential Information**

The District may from time to time communicate to the Consultant certain confidential information to enable the Consultant to effectively perform the services to be provided herein. The Consultant shall treat all such information as confidential and shall not disclose any part thereof without the prior written consent of the District. The Consultant shall limit the use and circulation of such information, even within its own organization, to the extent necessary to perform the services to be provided herein. The foregoing obligation of this section, however, shall not apply to any part of the information that (i) has been disclosed in publicly available sources of information; (ii) is, through no fault of the Consultant, hereafter disclosed in publicly available sources of information; (iii) is already in the possession of the Consultant without any obligation of confidentiality; or (iv) has been or is hereafter rightfully disclosed to the Consultant by a third party, but only to the extent that the use or disclosure thereof has been or is rightfully authorized by that third party.

The Consultant shall not disclose any reports, recommendations, conclusions or other results of the services or the existence of the subject matter of this Agreement without the prior written consent of the District. In its performance hereunder, the Consultant shall comply with all legal obligations it may now or hereafter have respecting the information or other property of any other person, firm or corporation.

Consultant shall be liable to District for any damages caused by breach of this condition, pursuant to the provisions of Section IX.

## **XVI. Miscellaneous**

A. **Covenant Against Discrimination.** Consultant covenants that, by and for itself, its heirs, executors, assigns and all related persons or entities, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, ancestry or any other classification prohibited by state or federal law in the performance of this Agreement. Consultant shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry or any other classification protected by state or federal law.

B. **Non-liability of District Officers and Employees.** No officer or employee of District shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by District or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

C. **Conflict of Interest.** No officer or employee of District shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects his financial interest or the financial

interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

D. Notice. Any notice or instrument required by, or contemplated under, this Agreement may be given by depositing the same in any United States Post Office, registered or certified, postage prepaid, addressed to:

**DISTRICT:**

Otay Water District  
2554 Sweetwater Springs Boulevard  
Spring Valley, California 91978-2004  
Attention: Bob Kennedy  
Fax: (619) 670- 2273  
Email: bob.kennedy@otaywater.gov  
Copy to: Mark Watton, General Manager

**CONSULTANT:**

Michael R. Welch, Ph.D., P.E.  
2735 San Clemente Terrace  
San Diego, CA 92122-4030  
Attention: Michael R. Welch  
Fax: (858) 625- 0267  
Email: mwelch1@san.rr.com

Notices mailed to the address above shall be effective upon date of mailing. Notices may also be given via facsimile or electronic communication, and shall be effective on the day so given, provided that evidence of successful transmission or acceptance via return email is attached to the Notice as evidence of the time and date of transmittal.

E. Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

F. Compliance with Laws. Consultant shall comply with all applicable federal, state and local laws, regulations, statutes and ordinances (collectively, the "Laws") in connection with this Agreement and the performance of the work, including California Labor Code section 1720, et seq., relating to payment of prevailing wages for public works projects, if applicable. Consultant shall indemnify and defend the Indemnified Parties from and against any liability incurred due to any failure on the part of Consultant to comply with any applicable Laws.

G. Mediation. If a dispute arises out of or relates to this Agreement, or the breach thereof, the parties agree to try, in good faith, to resolve it as follows: (i) first, the parties agree to engage in good faith negotiations to resolve the matter; (ii) second, if the parties are not able to reach a mutually satisfactory solution, either party may request that the matter be submitted to mediation in San Diego, California, in accordance with the Commercial Mediation Rules of the American Arbitration Association (the "AAA"). Both Consultant and District agree to participate in the mediation in good faith with the intent to settle the dispute. The costs of mediation shall be borne equally by the parties.

H. Applicable Law/Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any action or proceeding brought by any party against any other party arising out of or related to this Agreement shall be brought exclusively in San Diego County.

**XVII. Integration**

This Agreement and the attached Exhibits represent the entire understanding by and between the District and the Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by both parties hereto.

**XVIII. Execution**

This person(s) executing this Agreement and any Exhibits hereto on behalf of the Consultant warrant and represent that Consultant has vested authority on such person(s) to execute and deliver this Agreement and to perform the services contemplated hereunder and that this Agreement is valid and binding on Consultant.

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument.

**Michael R. Welch, Ph.D., P.E.**

**Otay Water District**

\_\_\_\_\_  
Michael R. Welch

\_\_\_\_\_  
Mark Watton, General Manager

(Company seal or certification, if any)

APPROVED AS TO FORM

[Additional approvals, if any]

\_\_\_\_\_  
General Counsel

COPIES:  FILE (Orig.),  CONSULTANT,  BINDER,  ENG SECRETARY

## **EXHIBIT A**

### **SCOPE OF SERVICES**

#### **CONSULTANT FURNISHED SERVICES**

Consultant shall provide as-needed technical support services under the direction of District staff to assist the District in identifying, planning, evaluating, and/or implementing water, groundwater, recycled water, wastewater strategies, projects, facilities, plans, or operations. As-needed assistance requested by the District may include, but not be limited to, the following District projects:

- Rosarito Seawater Desalination Facility
- Otay Mesa Recycled Water System Link
- City of Chula Vista MBR Reclamation Plant

As-needed technical support services provided by the Consultant for these projects may, at the discretion of District staff, include assisting the District in:

- Identifying, reviewing, or assessing proposed water supply facilities, strategies, plans, or concepts.
- Reviewing, assessing, or providing technical input on regulations, technical considerations, environmental issues, economics, or institutional considerations that may affect proposed District groundwater, recycled water, water, wastewater facilities, plans, or operations.
- Reviewing, commenting on, or responding to technical reports, studies, correspondence, or other documents produced by District consultants, regulatory agencies, other government agencies, non-government organizations, or the public.
- Attending and providing input during internal or public meetings or workshops to identify, discuss, or assess District water, groundwater, recycled water, or wastewater facilities, plans, or strategies.
- Developing and/or making presentations to regulating agencies, government agencies, non-government organizations, or the public.

## EXHIBIT B

### CONSULTANT'S FEE PROPOSAL

Employee	Hourly Rate
Michael R. Welch, Ph.D., P.E.	\$150/hour

# EXHIBIT C

Michael R. Welch, Ph.D., P.E.  
Consulting Engineer  
2735 San Clemente Terrace  
San Diego, CA 92122-4030

**INVOICE SUBMITTED TO:**

Engineering Department  
Otay Water District  
2554 Sweetwater Springs Boulevard  
Spring Valley, CA 91978-2004

**DATE OF INVOICE:**

**INVOICE NO.**

**JOB DESCRIPTION:**

Project Name: Title  
OWD Project Manager: Name  
CIP No:

**AUTHORIZATION:**

Purchase Order Number:  
Consultant Project Number:

**DESCRIPTION OF SERVICES RELATED TO INVOICE: 4/1/xx to 5/1/xx**

Perform Construction Management and Inspection services and attend meetings.

**AUTHORIZED AND INVOICED FEE:**

Original Fee Amount Authorized	\$100,000.00
Change Order No. 1 Amount Authorized	\$ 0.00
Total Fee Amount Authorized	\$100,000.00

<b>Amount of This Invoice</b>	<b>\$ 5,433.00</b>
Amount Previously Invoiced	<u>\$32,456.00</u>
Total Amount Invoiced to Date	\$37,889.00

Amount Previously Paid	\$32,456.00
Authorized Fee Amount Remaining	\$62,111.00
Percent Complete	38%

**CONTRACTED DATE OF PROJECT COMPLETION: June 30, 20xx**

**Invoice has been reviewed and found correct.**

\_\_\_\_\_  
Michael R. Welch Date

FOR OWD USE ONLY		
Amount	Project No.	Project Account No.
	<b>TOTAL</b>	

\_\_\_\_\_  
OWD Project Manager Date Div Mgr Date Chief Date

## EXHIBIT C

### Sample Invoice Format (Task Detail)

**Otay Water District**

**Project Title**

**MM/DD/YY**

**CIP PXXXX-00XXXX**

DESCRIPTION	THIS INVOICE			INVOICED TO DATE	CONTRACT AMOUNT	TOTAL %	
	HRS/ \$'s	RATE	AMOUNT			BILLED	COMPLE TE
<b>PROJECT TOTAL</b>			\$5,763.35	\$20,884.30	\$46,500.00	45%	37%
<b>TASK 1 – Project Management and Administration</b>			\$3,955.25	\$15,420.90	\$20,600.00	75%	88%
Sub-Task 1.1	Data Acquisition		\$951.00	\$2,944.00	\$3,000.00	98%	100%
Project Manager	Smith	16.0 hr	41.00 \$/hr		\$656.00		
Drafter	William	5.0 hr	35.00 \$/hr		\$175.00		
Secretary	Allred	6.0 hr	20.00 \$/hr		\$120.00		
Sub-Task 1.2	Report Preparation		\$931.50	\$8,865.00	\$13,000.00	68%	75%
Principle	James	2.5 hr	95.00 \$/hr		\$237.50		
Project Manager	Smith	4.0 hr	41.00 \$/hr		\$164.00		
Drafter	William	14.0 hr	35.00 \$/hr		\$490.00		
Secretary	Allred	2.0 hr	20.00 \$/hr		\$40.00		
Direct Expenses			\$1,884.50	\$2,431.00	\$3,000.00	81%	81%
Reproduction		\$17.50	10%		\$19.25		
Subconsultant #1	B&K	\$640.50	0%		\$640.50		
Subconsultant #2	CEW	\$1050.00	0%		\$1,050.00		
<b>TASK 2 – Review Existing Documentation &amp; Related Proj. Info.</b>			\$1,808.10	\$5,463.40	\$15,700.00	35%	22%
Sub-Task 2.1			\$951.00	\$2,944.00	\$12,000.00	25%	22%
Project Manager	Smith	16.0 hr	41.00 \$/hr		\$656.00		
Drafter	William	5.0 hr	35.00 \$/hr		\$175.00		
Secretary	Allred	6.0 hr	20.00 \$/hr		\$120.00		
Direct Expenses			\$762.00	\$2,225.00	\$2,500.00	89%	89%
Reproduction		\$120.00	10%		\$132.00		
Subconsultant #2	CEW	\$630.00	0%		\$630.00		

Note: 1) Consultant to edit, update, and add lines as necessary.

2) Rates shown above are to remain in effect throughout the life of the contract



# AGENDA ITEM 7d



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	February 5, 2014
SUBMITTED BY:	Dan Martin Engineering Manager	PROJECTS:	P2518-001103 DIV.NO. 5 P2519-001103
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:	Approve Change Order No. 1 to the Contract with Advanced Industrial Services, Inc. for the 803-3 & 832-2 Reservoirs Interior/Exterior Coatings and Upgrades Project		

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

That the Otay Water District (District) Board of Directors (Board) approve Change Order No. 1 to the existing contract with Advanced Industrial Services, Inc. (AIS) for a credit in the amount of <\$73,338.63> for the 803-3 & 832-2 Reservoirs Interior/Exterior Coatings and Upgrades Project (see Exhibits A-1 & A-2 for Project locations).

### **COMMITTEE ACTION:**

Please see Attachment A.

### **PURPOSE:**

To obtain Board authorization for the General Manager to approve Change Order No. 1 (see Exhibit B) to the existing contract with AIS in the amount of <\$73,338.63> for the 803-3 & 832-2 Reservoirs Interior/Exterior Coatings and Upgrades Project.

### **ANALYSIS:**

At the February 6, 2013 Board Meeting, the Board awarded a construction contract in the amount of \$946,900.00 to AIS for the

803-3 & 832-2 Reservoirs Interior/Exterior Coatings and Upgrades Project. The Project included the following coating and structural upgrades for both reservoirs: replace the twenty (20) year old coating on the interior and exterior surfaces, replace the existing level indicators, install new fall prevention devices on the interior ladders, modify anode access ports, replace all anodes, replace the roof vents, install new lanyard cables, and add miscellaneous tank penetrations for chlorination and sampling. These upgrades ensure compliance with AWWA and Cal-OSHA requirements as well as upgrade antiquated equipment on the tanks to meet operational needs.

Change Order No. 1 which serves as a close out change order for the Project addresses a number of items as follows:

- Items 1 & 2 - Provides credits for unused allowances associated with Bid Item 15, Structural Modification and Bid Item 16, Paving. In total, the credits associated with these items are <\$68,576.20>.
- Items 3 & 4 - Provides for reimbursement of lost water at both the 832-2 and 803-3 reservoirs resulting from failed volatile organic compound (VOC) testing. The reimbursement of the lost water for both reservoirs totals <\$12,526.43>.
- Items 5 & 6 - Compensates the contractor for dewatering support and slope protection at both the 832-2 and 803-3 reservoirs sites to mitigate erosion potential as the reservoirs drained. The costs associated with the dewatering support and slope protection provided by the contractor totals \$12,673.00.
- Items 7 & 8 - Provides a credit for deleted slurry seal at both the 832-2 and 803-3 reservoirs sites. Slurry seal at the sites was the last order of work for the Project. Due to the time required to resolve the VOC issues including dewatering of the reservoirs, the weather window for satisfactory slurry seal installation expired. This deleted work will be incorporated into a future CIP project. The credit associated with the deleted slurry seal for both sites totals <\$4,909.00>.

The following is a table summarizing the credit and cost items in Change Order No. 1. A more detailed description of each item is provided in Exhibit B:

Items	Description	Amount
1 & 2	Unused allowances associated with Bid Items 15 and 16.	<\$68,576.20>
3 & 4	Reimbursement of lost water at both the 832-2 and 803-3 Reservoirs.	<\$12,526.43>
5 & 6	Compensation for dewatering support and slope protection at 832-2 and 803-3 reservoirs.	\$12,673.00
7 & 8	Credit for deleted slurry seal at the 832-2 and 803-3 reservoirs.	<\$4,909.00>
	<b>Total</b>	<b>&lt;\$73,338.63&gt;</b>

Change Order No. 1 also addresses contract time as a result of the items included in the Change Order. The dewatering of the reservoirs was coordinated with the adjacent property owners including but not limited to the Department of Fish and Wildlife. The rate of dewatering at each of the reservoir sites was slowed to minimize the potential of erosion impacts. The slower rate of dewatering, along with efforts to aerate the tanks to release VOC's, resulted in additional time to the contract. In total, one hundred and thirty four (134) days will be added to the contract which will result in a revised total contract duration of two hundred and eighty four (284) calendar days.

In summary, the net change to the Project for Change Order No. 1 is a decrease totaling <\$73,338.63> and the addition of one hundred and thirty four (134) calendar days.

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

The total budget for CIP P2518, as approved in the FY 2014 budget, is \$750,000. Total expenditures, plus outstanding commitments and forecast, are \$605,046.

The total budget for CIP P2519, as approved in the FY 2014 budget, is \$775,000. Total expenditures, plus outstanding commitments and forecast, are \$610,993.

Based on a review of the financial budget, the Project Manager anticipates that both budgets are sufficient to support the Project. See Attachment B-1 for the budget detail for CIP P2518 and Attachment B-2 for the budget detail for CIP P2519.

Finance has determined that 100% of the funding is available from the Replacement Fund for both CIP P2518 and CIP P2519.

**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.

DM/RP:jf

P:\WORKING\CIP P2518 & 2519 - 803-3 & 832-2 Reservoir Interior-Exterior Coating\Staff Reports\BD 02-05-14\_CO1\BD 02-05-14\_803-3 and 832-2 Reservoirs Coatings CO1.docx

Attachments: Attachment A - Committee Action  
Attachment B-1 - Budget Detail for CIP P2518  
Attachment B-2 - Budget Detail for CIP P2519  
Exhibit A-1 - 803-3 Location Map (P2518)  
Exhibit A-2 - 832-2 Location Map (P2519)  
Exhibit B - Change Order No. 1



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b> P2518-001103 P2519-001103	Approve Change Order No. 1 to the Contract with Advanced Industrial Services, Inc. for the 803-3 & 832-2 Reservoirs Interior/Exterior Coatings and Upgrades Project
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### COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee (Committee) reviewed this item at a meeting held on January 21, 2014, and the following comments were made:

- Staff recommended that the Board approve Change Order No. 1 to the existing contract with Advanced Industrial Services, Inc. (AIS) for a credit in the amount of <\$73,338.63> for the 803-3 & 832-2 Reservoirs Interior/Exterior Coatings and Upgrades Project.
- It was indicated that at the February 6, 2013 Board meeting, the Board awarded a construction contract to AIS in the amount of \$946,900.00 for the 803-3 and 832-2 Reservoirs Interior/Exterior Coating and Upgrades Project.
- Staff stated that Change Order No. 1 (See Exhibit B) serves as a close out change order for the Project. See Page 3 of the staff report for a list of Credit Items included in the change order.
- Staff noted that Change Order No. 1 also addresses contract time and adds one hundred and thirty four (134) calendar days due to aeration efforts to release volatile organic compound (VOC) and coordinated dewatering at a slower rate to minimize the potential of erosion impacts.
- The net change to the Project for Change Order No. 1 is a decrease totaling <\$73,338.63> and the addition of 134 calendar days which will result in a revised total contract duration of 284 calendar days.
- It was noted that AIS has completed the contract work and both the 803-3 and 832-2 Reservoirs are in service.

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



## ATTACHMENT B-1

<b>SUBJECT/PROJECT:</b> P2518-001103 P2519-001103	Approve Change Order No. 1 to the Contract with Advanced Industrial Services, Inc. for the 803-3 & 832-2 Reservoirs Interior/Exterior Coatings and Upgrades Project
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Otay Water District					Date Updated: 12/19/2013
p2518-803-3 Reservoir Interior/Exterior Coatin					
<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment &amp; Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor/Comments</i>
<b>750,000</b>					
<b>Planning</b>					
Standard Salaries	1,266	1,266	-	1,266	
<b>Total Planning</b>	1,266	1,266	-	1,266	
<b>Design</b>					
Service Contracts	1,025	1,025	-	1,025	MAYER REPROGRAPHICS INC
	45	45	-	45	SAN DIEGO DAILY TRANSCRIPT
Standard Salaries	33,323	33,323	-	33,323	
<b>Total Design</b>	34,393	34,393	-	34,393	
<b>Construction</b>					
Construction Contracts	475,533	426,025	49,508	475,533	ADVANCED INDUSTRIAL SVCS INC
			(36,414)	(36,414)	CO NO. 1
	3,261	3,261	600	3,861	CLARKSON LAB & SUPPLY INC
Consultant Contracts	21,594	21,594	-	21,594	V & A CONSULTING ENGINEERS
	23,920	13,635	10,285	23,920	ALYSON CONSULTING
Professional Legal Fees	20	20	-	20	STUTZ ARTIANO SHINOFF
Service Contracts	873	873	-	873	KRATOS / HBE
Standard Salaries	80,000	69,722	10,278	80,000	
<b>Total Construction</b>	605,201	535,130	34,257	569,387	
<b>Grand Total</b>	<b>640,860</b>	<b>570,789</b>	<b>34,257</b>	<b>605,046</b>	

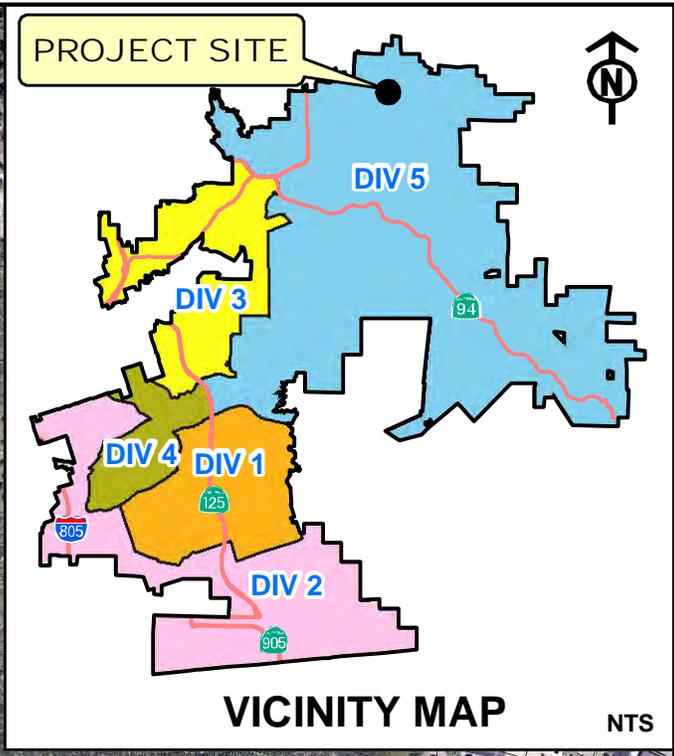


## ATTACHMENT B-2

<b>SUBJECT/PROJECT:</b> P2518-001103 P2519-001103	Approve Change Order No. 1 to the Contract with Advanced Industrial Services, Inc. for the 803-3 & 832-2 Reservoirs Interior/Exterior Coatings and Upgrades Project
---	---

Otay Water District					Date Updated: 12/19/2013
p2519-832-2 Reservoir Interior/Exterior Coatin					
<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment &amp; Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor/Comments</i>
<b>775,000</b>					
<b>Planning</b>					
Standard Salaries	3,570	3,570	-	3,570	
<b>Total Planning</b>	3,570	3,570	-	3,570	
<b>Design</b>					
Service Contracts	1,025	1,025	-	1,025	MAYER REPROGRAPHICS INC
	45	45	-	45	SAN DIEGO DAILY TRANSCRIPT
Standard Salaries	28,330	28,330	-	28,330	
<b>Total Design</b>	29,399	29,399	-	29,399	
<b>Construction</b>					
Construction Contracts	471,367	397,225	74,142	471,367	ADVANCED INDUSTRIAL SVCS INC
			(36,924)	(36,924)	CO NO. 1
Consultant Contracts	19,104	19,104	-	19,104	V & A CONSULTING ENGINEERS
	23,920	13,635	10,285	23,920	ALYSON CONSULTING
	7,324	7,324	300	7,624	CLARKSON LAB & SUPPLY INC
Service Contracts	2,000	2,000	-	2,000	AQUA VIDEO ENGINEERING
	873	873	-	873	KRATOS / HBE
Standard Salaries	90,000	79,364	10,636	90,000	
<b>Total Construction</b>	614,587	519,525	58,439	577,963	
<b>Grand Total</b>	<b>647,557</b>	<b>552,494</b>	<b>58,439</b>	<b>610,933</b>	

P:\WORKING\CIP P2518 & 2519 - 803-3 & 832-2 Reservoir Interior-Exterior Coating\Staff Reports\Exhibit A-1-803-3 Location Map.mxd



**PROJECT SITE**

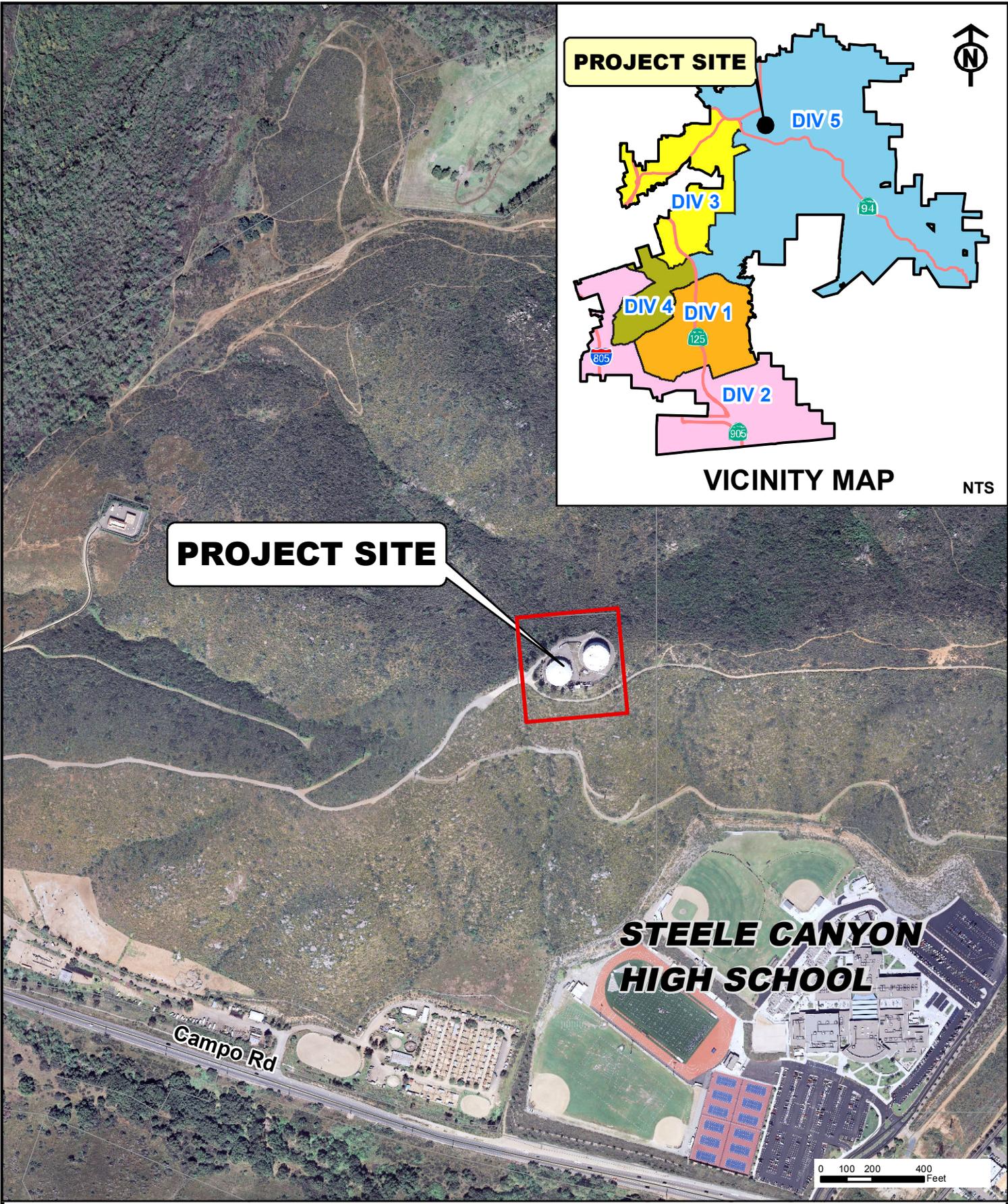


**OTAY WATER DISTRICT**  
 803-3 RESERVOIR INT./EXT. COATING & UPGRADES  
 LOCATION MAP



**CIP P2518**

P:\WORKING\CIP P2518 & 2519 - 805-3 & 832-2 Reservoir Interior-Exterior Coating\Staff Reports\Exhibit A-2-832-2 Location Map.mxd



**OTAY WATER DISTRICT**  
**832-2 RESERVOIR INT./EXT. COATING & UPGRADES**  
**LOCATION MAP**



CIP P2519

OTAY WATER DISTRICT  
2554 SWEETWATER SPRINGS BLVD., SPRING VALLEY, CA. 91978, (619) 670-2222

# CONTRACT/P.O. CHANGE ORDER No. 1

PROJECT/ITEM: 803-3 & 832-2 Reservoir Interior/Exterior Coating & Upgrades  
CONTRACTOR/VENDOR: Advanced Industrial Services REF.CIP No.: P2518 & P2519  
APPROVED BY: Board REF. P.O. No: 717051 DATE: 12/18/13

**DESCRIPTION:**

See attached page 2 of 3 for continuation.

**REASON:**

See attached page 2 of 3 for continuation.

**CHANGE P.O. TO READ:**

Revise Contract to credit \$73,338.63 and add 134 days time for a total Contract amount of \$873,561.37 with a Contract Duration of 284 Calendar Days.

ORIGINAL CONTRACT/P.O. AMOUNT:	\$	946,900.00
ADJUSTED AMOUNT FROM PREVIOUS CHANGE:	\$	0.00
TOTAL COST OF THIS CHANGE ORDER:	\$	(73,338.63)
NEW CONTRACT/P.O. AMOUNT IS:	\$	873,561.37
ORIGINAL CONTRACT COMPLETION DATE:		08/01/13
CONTRACT/P.O. TIME AFFECTED BY THIS CHANGE:		Yes
REVISED CONTRACT COMPLETION DATE:		12/13/13

IT IS UNDERSTOOD WITH THE FOLLOWING APPROVALS, THAT THE CONTRACTOR/VENDOR IS AUTHORIZED AND DIRECTED TO MAKE THE HEREIN DESCRIBED CHANGES. IT IS ALSO AGREED THAT THE TOTAL COST FOR THIS CHANGE ORDER CONSTITUTES FULL AND COMPLETE COMPENSATION FOR OBLIGATIONS REQUIRED BY THE CONTRACT/P.O. ALL OTHER PROVISIONS AND REQUIREMENTS OF THE CONTRACT/P.O. REMAIN IN FULL FORCE AND EFFECT.

**CONTRACTOR/VENDOR:**

SIGNATURE:   
NAME: Brett Johnston  
TITLE: Project Manager DATE: 12/20/13  
COMPANY & ADDRESS: Advanced Industrial Services  
7831 Alondra Blvd  
Paramount CA 90723

**STAFF APPROVALS:**

PROJ. MGR:  DATE: 12/20/13  
DIV. MGR: \_\_\_\_\_ DATE: \_\_\_\_\_  
CHIEF: \_\_\_\_\_ DATE: \_\_\_\_\_  
ASST. GM: \_\_\_\_\_ DATE: \_\_\_\_\_

**DISTRICT APPROVAL:**

GEN. MANAGER: \_\_\_\_\_ DATE: \_\_\_\_\_

COPIES:  FILE (Orig.),  CONTRACTOR/VENDOR,  CHIEF-ENGINEERING,  CHIEF-FINANCE,  ENGR. MGR.  
 ACCTS PAYABLE,  INSPECTION,  PROJ. MGR.,  ENGR. SECRETARY,  PURCHASING,  PROJECT BINDER

**Description of Work**

<u>Description</u>	<u>Increase</u>	<u>Decrease</u>	<u>Time</u>
<u>Item No. 1:</u> This Change Order decreases the amount allocated for Bid Item 15, Structural Modification Allowance by \$58,576.20 to a new authorized amount of \$1,423.80.		\$58,576.20	0
<u>Item No. 2:</u> This Change Order decreases the amount allocated for Bid Item 16, Paving Allowance by \$10,000.00 to a new authorized amount of \$0.00.		\$10,000.00	0
<u>Item No. 3:</u> This Change Order provides for reimbursement of lost water at the 832-2 Reservoir resulting from failed VOC testing (CIP P2519).		\$7,146.17	0
<u>Item No. 4:</u> This Change Order provides for reimbursement of lost water at the 803-3 Reservoir resulting from failed VOC testing (CIP P2518).		\$5,380.26	0
<u>Item No. 5:</u> This Change Order provides for dewatering support and slope protection costs at the 832-2 Reservoir (CIP P2519).	\$7,407.00		87
<u>Item No. 6:</u> This Change Order provides for dewatering support and slope protection costs at the 803-3 Reservoir (CIP P2518).	\$5,266.00		47
<u>Item No. 7:</u> This Change Order provides a credit for deleted slurry seal at the 832-2 Reservoir site (CIP P2519).		\$2,897.00	0
<u>Item No. 8:</u> This Change Order Provides a credit for deleted slurry seal at the 803-3 Reservoir site (CIP P2518).		\$2,012.00	0
<b>Sub Total Amount</b>	<b>\$12,673.00</b>	<b>\$86,011.63</b>	<b>134</b>
<b>Total Net Change Order Amount</b>	<b>(\$73,338.63)</b>		

**Revisions to: BID SCHEDULE**

Item #	Description	Quantity	Unit	Unit Price	Amount
15	Structural Modification Allowance	1	LS	Allowance	\$1,423.80
16	Paving Allowance	1	LS	Allowance	\$0.00

**Reason:**

Item No. 1:

The Contract Bid Item No. 15, Structural Modification Allowance, was utilized to the maximum practical extent in the performance of the contract work and is no longer required.

Item No. 2:

The Contract Bid Item No. 16, Paving Allowance, was utilized to the maximum practical extent in the performance of the contract work and is no longer required.

Item No. 3:

Resulting from failed VOC testing on the 832-2 Reservoir, draining of the reservoir was required. This change is necessary to allow the District to recover the additional expenditures incurred for lost water pursuant to contractual provisions.

Item No. 4:

Resulting from failed VOC testing on the 803-3 Reservoir, draining of the reservoir was required. This change is necessary to allow the District to recover the additional expenditures incurred for lost water pursuant to contractual provisions.

Item No. 5:

Resulting from draining of the 832-2 Reservoir, dewatering support and erosion control issues were identified requiring Contractor assistance. Contractor personnel were used to implement BMP's and slope protection measures to mitigate erosion potential as the reservoir drained. This change is necessary to resolve all costs associated with the additional identified scope.

Item No. 6:

Resulting from draining of the 803-3 Reservoir, dewatering support and erosion control issues were identified requiring Contractor assistance. Contractor personnel were used to implement BMP's and slope protection measures to mitigate erosion potential as the reservoir drained. This change is necessary to resolve all costs associated with the additional identified scope.

Item No. 7:

Resulting from delays due to VOC testing difficulties at the 832-2 Reservoir the weather window for satisfactory slurry seal installation expired. This change is necessary to credit the Contract for the deleted work scope resulting from weather restrictions.

Item No. 7:

Resulting from delays due to VOC testing difficulties at the 803-3 Reservoir the weather window for satisfactory slurry seal installation expired. This change is necessary to credit the Contract for the deleted work scope resulting from weather restrictions.

# CHANGE ORDER LOG

803-3 & 832-2 Reservoir Interior/Exterior Coating & Upgrades

P2518 & P2519

C.O.	AMOUNT	APPROVED		DESCRIPTION	TYPE C.O.
		BY	DATE		
1	(\$73,338.63)	Board		Closeout	
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
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34					
35					
36					
37					
38					
39					
40					

Total C.O.'s To Date: (\$73,338.63) -7.7%

Original Contract Amount: \$946,900.00

Current Contract Amount: \$873,561.37

Change Order Breakdown for the Month:

Month	Net C.O.\$	Limit	Authorization	Absolute C.O.\$	Absolute C.O. %
12/13	\$0.00	\$5,000/5%	PM/Supervisor	\$0.00	0.0%
		\$10,000/10%	Manager	\$0.00	0.0%
		\$15,000/20%	Chief	\$0.00	0.0%
		\$50,000/30%	GM	\$0.00	0.0%

# AGENDA ITEM 7e



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	February 5, 2014
SUBMITTED BY:	Pedro Porras, Chief of Water Operations	PROJECT:	DIV. NO. ALL
APPROVED BY:	<input checked="" type="checkbox"/> Pedro Porras, Chief of Water Operations <input checked="" type="checkbox"/> German Alvarez, Asst. General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Renewal of Mexico Agreement to Transfer Water		

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

That the Board authorize the General Manager to execute the proposed renewal (Attachment B) to the "Agreement for the temporary emergency delivery of a portion of the Mexican Treaty Waters."

### **COMMITTEE ACTION:**

See Attachment A.

### **PURPOSE:**

The purpose of this report is to request authorization to execute the proposed renewal to the agreement to deliver the Mexican Treaty Waters.

### **ANALYSIS:**

Mexico has again made a formal request to the United States of America, through the International Boundary and Water Commission (IBWC), to provide an emergency water supply in and around the City of Tijuana.

Under a 1972 contract, the Otay Water District (District) built water conveyance facilities, including a 24-inch pipeline and pump station modifications, connecting existing District facilities with Mexican

water facilities at the international boundary. The funding for the construction was provided by Mexico. Also, under the 1972 contract, the United States delivered water from the Colorado River allotted to Mexico in a water treaty between the United States and Mexico signed in Washington, D.C. on February 3, 1944. Treaty water was delivered to Mexico under the 1972 contract and its amendments until the contract was terminated in 1983 due to completion of the Mexican aqueduct built to convey Colorado River water to Tijuana.

After termination of the 1972 contract, the connection between the United States and Mexico was removed. In 1989 and in 1992, emergency delivery of treaty water was provided through a temporary 14-inch above ground pipeline installed by District forces to reconnect the United States and Mexican water systems. These emergency deliveries were pursuant to arrangements coordinated by the IBWC.

In September 2003, and subsequently in November, 2008 the District, IBWC, United States Bureau of Reclamation, Metropolitan Water District (Metropolitan), and San Diego County Water Authority (SDCWA) entered into an Agreement for Temporary Emergency Delivery to the International Boundary in the Vicinity of Tijuana, Baja California, Mexico, and for Operation of Facilities in the United States. Both agreements were set for a five-year period and the last one expired on November 9, 2013. Mexico has fully complied with all terms and conditions of the contract.

Under terms and conditions of the Agreement, Mexico is required to pay in advance for requested deliveries, based on the fees and charges established by the SDCWA, Metropolitan and the District. Deliveries are on a space available basis in the conveyance systems of the three agencies. The Agreement stipulates that maximum monthly and annual delivery volumes, based on capacity of the emergency connection at the border, shall not exceed 1,200 acre-feet and 14,400 acre-feet, respectively.

Mexico has requested the continuation of a standby arrangement for emergency deliveries for Tijuana for an additional five years. In response to Mexico's request, the IBWC, in coordination with the participating water agencies in the United States and Mexico, prepared and plans to adopt a new IBWC Minute to extend emergency deliveries for another five-year term. The Minute serves as the binational agreement between the two countries and framework for the emergency deliveries to Tijuana. The next step is for the Minute to be signed by the Commissioners. Once signed, SDCWA will attach the Minute to the amended agreement and route for signature to the proper agencies.

The District is requesting amendments be made to the contract clarifying the terms of the agreement. Staff is proposing clarifying the terms related to the process of funding non-routine maintenance, which reflect the current practice. In addition, staff is clarifying the District's rights regarding the related facilities in the event the contract is terminated in the future.

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

No fiscal impact is anticipated with the adoption of this wheeling agreement. In October of 2013 the Board approved the new wheeling rate that covers all District expenses. The rate is now \$64.14 per acre foot for Mexico water wheeled to Mexico.

**STRATEGIC GOAL:**

Deliver high quality services to meet customer needs and increase confidence of the customer in the value the District provides.

**LEGAL IMPACT:**

No legal impact is anticipated at this time.

Attachments:    Attachment A - Committee Action  
                  Attachment B - Draft Agreement



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Renewal of Mexico Agreement to Transfer Water
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### COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item on January 21, 2014, and the following comments were made:

- Staff recommended that the Board authorize the General Manager to execute Amendment No. 2 for the renewal to the "Agreement for the temporary emergency delivery of a portion of the Mexican Treaty Waters."
- It was indicated that Attachment B reflects requests made by the District as well as other agencies involved, and is still in a draft form until Mexico reviews and agrees upon it.
- Staff stated that the First Agreement was executed in 1972 for the United States to deliver Treaty water to Mexico. The agreement was terminated in 1983 due to the completion of the Mexican aqueduct built to convey Colorado River water to Tijuana, and connection between the United States and Mexico was removed.
- In 1989 and 1992, pursuant to arrangements coordinated by the IBWC, emergency delivery of treaty water was provided through a temporary 14-inch above ground pipeline installed by the District.
- Staff stated that in September 2003, a new Agreement for Temporary Emergency Delivery to the International Boundary in the Vicinity of Tijuana, Baja California, Mexico, and for Operation of Facilities in the United States was executed; and subsequently in November 2008, Amendment No. 1 was executed, extending the agreement to November 9, 2013. The Agreement and Amendment No. 1 were entered into by the District, IBWC, United States Bureau of Reclamation, Metropolitan Water District (Metropolitan), the San Diego County Water Authority (SDCWA), and Mexican authorities.

- Staff noted three (3) important additions/clarifications in Amendment No. 2:
  - Establish an Emergency Repair Fund for future costs that may be incurred by OWD for emergency purchases, installation, construction, repair or replacement of equipment or facilities related to the connection.
  - Clarify that the materials, equipment, and facilities paid by Mexico for their incremental capacity to effectuate the Agreement and considered by OWD to be the integral to the ongoing operations of OWD shall become the property of OWD in the event the contract is terminated in the future.
  - Clarify that any removal of such non-integral materials, equipment, and facilities and subsequent disposition or delivery to Mexico at the international boundary shall be subject to payment in advance by Mexico.
  
- Staff indicated that the involved agencies have prepared and plan to adopt a new IBWC Minute to extend emergency deliveries for another five-year term. Once the Minute is signed, SDCWA will attach the Minute to the amended agreement and route for signature to involved agencies. Completion of this process is anticipated to be completed by March 2014.
  
- The Committee inquired if Mexico was aware of the changes to the Agreement. Staff stated that in order to maintain the proper protocol, the IBWC (American Agency) is dealing directly with CILA (Mexican Agency) and will be made aware of the changes. If there are any major changes to the draft amendment, Staff will bring them up to Board prior of its execution.

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

ATTACHMENT B

**DRAFT**

IBM No. 03-21  
Amendment No. 2

AMENDMENT NO. 2 TO AGREEMENT FOR TEMPORARY EMERGENCY  
DELIVERY OF A PORTION OF THE MEXICAN TREATY WATERS OF THE  
COLORADO RIVER TO THE INTERNATIONAL BOUNDARY IN THE VICINITY  
OF TIJUANA, BAJA CALIFORNIA, MEXICO, AND FOR THE OPERATION OF  
FACILITIES IN THE UNITED STATES

1. PREAMBLE: This Amendment No. 2 to the Agreement for Temporary Emergency Delivery of a Portion of the Mexican Treaty Waters of the Colorado River to the International Boundary in the Vicinity of Tijuana, Baja California, Mexico, and for the Operation of Facilities in the United States ("Amendment No. 2") is made this 9th day of November, 2013, pursuant to the Act of Congress approved June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto, including but not limited to the Boulder Canyon Project Act enacted December 21, 1928 (45 Stat. 1057), all of which are commonly known and referred to as Federal Reclamation law, by and among the United States of America ("United States"), acting by and through the United States Commissioner, International Boundary and Water Commission, United States and Mexico ("United States Commissioner"), and the Secretary of the Interior, acting by and through the Department of the Interior, Bureau of Reclamation ("Reclamation"); The Metropolitan Water District of Southern California ("Metropolitan"), a public corporation of the State of California; the San Diego County Water Authority ("Authority"), a public corporation of the State of California; and the Otay Water District ("OWD"), a public corporation of the State of California, sometimes collectively called "Parties."

WITNESSETH THAT:

2. EXPLANATORY RECITALS:

2.1 WHEREAS, Metropolitan, the Authority, OWD, and the United States entered into an Agreement for Temporary Emergency Delivery of a Portion of the Mexican Treaty Waters of the Colorado River to the International Boundary in the Vicinity of Tijuana, Baja California, Mexico, and for Operation of Facilities in the United States, IBM No.03-21, dated September 29, 2003 (Emergency Delivery Agreement – Exhibit A attached hereto);

2.2 WHEREAS, the parties to the agreement stated in Article 2.1 hereof extended the delivery period by five years through an amendment to the agreement (Amendment 1) on November 20, 2008 (Exhibit B attached hereto).

2.3 WHEREAS, Mexico has requested the continuation of a standby arrangement for Emergency Deliveries for Tijuana for a further five-year period beyond 2013; ending November 9, 2018.

2.4 WHEREAS, Metropolitan, the Authority, and OWD are willing to arrange for the transportation and delivery of a Portion of the Mexican Treaty Waters through available capacity in their respective distribution system facilities in accordance with the terms and conditions of this Amendment.

2.5 WHEREAS, continuation of a standby arrangement for Emergency Deliveries for Tijuana beyond November 9, 2013 required action by the International Boundary and Water Commission (IBWC);

2.6 WHEREAS, Minute No. xxx of the IBWC, dated November xx, 2013 (Exhibit C attached hereto), authorizes continuation of a standby arrangement for Emergency Deliveries for Tijuana to and including November 9, 2018;

2.7 WHEREAS, the Parties desire to enter into this Amendment No. 2 to conform the term of the Emergency Delivery Agreement to Minute No. xxx;

2.8 WHEREAS, OWD desires to amend subsection 4(d) to require funding in advance into the Authority's Account to pay for planned construction, installation, replacement, improvements and repairs of facilities or equipment used to convey and deliver water to Mexico given that, in practice, such expenditures have not been recovered through water charges but, instead, have been invoiced to Mexico upon project completion.

2.9 WHEREAS, OWD desires to add new subsection 5(b) to require an Emergency Repair Reserve fund in the Authority's Account to pay for emergency construction, installation and repairs of facilities or equipment used to convey and deliver water to Mexico given that, in practice, such expenditures have not been recovered through water charges but, instead, have been invoiced to Mexico upon project completion. Said additions will require current subsections 5(b), 5(c), and 5(d) to

become subsections 5(c), 5(d), and 5(e), respectively;

2.10 WHEREAS, OWD desires to add a new paragraph at the end of section 18 that addresses the status and disposition of facilities constructed for purposes of the Agreement upon termination of the Agreement, given that the Agreement is silent on such disposition;

2.11 WHEREAS, the United States has determined the proposal of extending water deliveries to Tijuana for five more years will not create significant or cumulative impacts and therefore will not be considered a major federal action significantly affecting the quality of the human environment for the purposes of the National Environmental Policy Act. Thus, the extension of water deliveries is categorically excluded under 46FR44083 (100.6a.5), which includes actions specifically required under any treaty or international agreement, or pursuant thereto, to which the United States is a party, or required by the decision of international organizations (including courts), authorities or consultations in which the United States is a member or participant.

2.12 WHEREAS, the Authority has performed an environmental assessment pursuant to the California Environmental Quality Act and determined that this action will not have a significant effect on the environment and is categorically exempt from the requirements for the preparation of environmental documents.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the Parties agree as follows:

3. AMENDMENT TO EMERGENCY DELIVERY AGREEMENT:

3.1 Recital B of the agreement as amended by Amendment NO. 1 is hereby amended to add the following sentence to the end of that paragraph:

"The United States Commissioner and the Mexican Commissioner have signed Minute No. xxx, dated November xx, 2013, of the International Boundary and Water Commission (hereinafter referred to as "IBWC Minute" beginning November 10, 2013), for subsequent Emergency Deliveries for Tijuana for a period ending no later than November 9, 2018 at the same point of delivery.

3.2 Recital P as amended by Amendment No 1 is hereby amended to delete from the first sentence the phrase "extend beyond November 9, 2013" and insert in its place the phrase "extend beyond November 9, 2018".

3.3 Article 4 (d) is hereby amended to read as follows:.

(d) The Authority Account shall be used for the purpose of accounting for, receipt, and disbursement of prepaid funds for payment for the actual cost incurred by OWD for planned purchases, installation, construction, repair or replacement of equipment or facilities used for the purpose of Emergency Deliveries for Tijuana or for planned improvements for the purpose of the security of such facilities (“Planned Projects”). Prior to the commencement of a Planned Project, OWD shall provide a description of the Planned Project and the estimated expenditures to the Authority. The Authority shall submit the description and estimated expenditures to the United States Commissioner. Upon Mexico’s approval of the Planned Project and the associated estimated expenditures, funds equal to the estimated expenditures must be provided by Mexico to the United States Commissioner prior to the commencement of the Planned Project. The United States Commissioner shall make all such funds received from Mexico available by depositing said funds with the Authority. Upon completion of a Planned Project, OWD shall submit a final cost accounting to the Authority and the Authority may draw the prepaid funds equal to the actual costs from the Authority Account to pay for the Planned Project. In the event the actual costs of a Planned Project exceed the estimate for said project, OWD shall submit an invoice to the Authority for such unpaid costs. The Authority will forward the invoice to the United States Commissioner for collection of funds by Mexico.

3.4 Article 5 is hereby amended by adding new Articles 5 (b), as follows, and making existing Articles 5 (b), 5 (c), and 5 (d) new Articles 5 (c), 5 (d), and 5 (e), respectively:

(b) Within the Authority Account, an Emergency Repair Reserve fund shall be established for the purpose of accounting for, receipt, and disbursement of funds for payment for the actual cost incurred by OWD for emergency purchases, installation, construction, repair or replacement of equipment or facilities used for the purpose of Emergency Deliveries for Tijuana or for emergency improvements for the purpose of the

security of such facilities (“Emergency Projects”). The amount of the Emergency Repair Reserve fund for Emergency Projects shall be determined by OWD annually, in consultation with Authority, based on historical data for such Emergency Projects and shall reflect the amount deemed reasonably necessary to cover the costs of Emergency Projects in the next calendar year. The minimum Emergency Repair Reserve shall be no less than seventy thousand dollars (\$70,000 USD) and no greater than two-hundred and fifty thousand dollars (\$250,000 USD). OWD shall submit its determination of the reserve funds necessary for Emergency Projects to Authority for the next calendar year by December 1st of each year in which Emergency Deliveries to Tijuana are to be made. In the event of an emergency, OWD shall notify Mexico of said emergency as soon as practicable following the occurrence of the emergency. Upon OWD receiving Emergency Project authorization from Mexico, the repairs shall be performed by OWD. Upon completion of an Emergency Project, OWD shall submit a final cost accounting to Authority and may draw from the Emergency Repair Reserve within the Authority Account to pay for the project. In the event that an Emergency Project is not authorized by Mexico or the Emergency Repair Reserve is not adequately funded, any Emergency Project shall follow the procedures for planned maintenance set forth in section 4(d) of the Agreement. In the event the Emergency Repair Reserve fund is depleted, reserve funds shall be provided at the time of depletion to replenish the reserves to the amount determined by OWD for that calendar year. In the event the actual costs of an Emergency Project exceeds the reserves, OWD shall submit an invoice to Authority to be paid for out of the Authority Account.

3.5 Article 18 is hereby amended to add the following paragraph after the existing language:

Upon the termination of the period during which this Agreement is in effect, or any subsequent extensions thereto, the materials, equipment, and facilities paid by Mexico for their incremental capacity to effectuate the Agreement and considered by OWD to be integral to the ongoing operations of OWD shall become the property of OWD. The disposition of any non-integral materials, equipment, and facilities not otherwise used for or necessary to service OWD customers, shall occur at no cost to OWD and shall

restore OWD's facilities to the condition which would exist if such materials, equipment, and facilities had not been constructed. Any removal of such non-integral materials, equipment, and facilities and subsequent disposition or delivery to Mexico at the international boundary shall be subject to payment in advance by Mexico of the contract costs for removal and delivery, including the cost of supervision of these works and the estimated cost of restoring OWD's facilities to the condition which would exist if such materials, equipment, and facilities had not been constructed. Notwithstanding the foregoing, subject to approval of the Governments of the United States and Mexico, through the Commission, the local authorities in the two countries would have the authority to agree upon and effect a different arrangement for the disposition of such materials, equipment, and facilities.

3.6 Article 15 is hereby amended to revise the last sentence to the following: "In both the federal and state environmental processes, it was determined that extending the Emergency Water Deliveries for Tijuana till November 9, 2013 will not have an environmental impact."

3.7 Article 18 (a) is hereby deleted in its entirety and is hereby replaced with the following:

"18 (a) Upon the expiration of the extended delivery period up to and including November 9, 2018."

3.8 Exhibit B of the Agreement is superseded by Exhibit B attached hereto.

4. OTHER PROVISIONS UNAFFECTED: Except as expressly modified by this Amendment No. 2, all other terms and provisions of the Emergency Delivery Agreement, as amended by Amendment No. 1, remain in full force and effect.

5. OFFICIALS NOT TO BENEFIT: No Member of or Delegate to the Congress, Resident Commissioner, or official of Metropolitan, the Authority, and OWD shall benefit from this Amendment No. 2 other than as a water user or landowner in the same manner as other water users or landowners.

6. CONTINGENT ON APPROPRIATION OR ALLOTMENT OF FUNDS: The expenditure or advance of any money or the performance of any obligation of the United States under this Amendment No. 2 shall be contingent upon appropriation or allotment

of funds. No liability shall accrue to the United States in case funds are not appropriated or allotted.

IN WITNESS WHEREOF, the Parties hereto, by their officers thereunto duly authorized, have executed this Amendment No. 2, and this Amendment No.2 shall take effect on the day and year first above written.

US SECTION OF THE INTERNATIONAL BOUNDARY & WATER COMMISSION OF AMERICA

By: \_\_\_\_\_

Edward Drusina  
Commissioner  
United States Section  
Int. Boundary & water Commission

Date: -----

BUREAU OF RECLAMATION

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

SAN DIEGO COUNTY WATER AUTHORITY

OTAY WATER DISTRICT



# AGENDA ITEM 8a

## STAFF REPORT

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	February 5, 2014
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 2014 Calendar of Meetings		

**GENERAL MANAGER'S RECOMMENDATION:**

At the request of the Board, the attached Board of Director's meeting calendar for 2014 is being presented for discussion.

**PURPOSE:**

This staff report is being presented to provide the Board the opportunity to review the 2014 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 2014

**Board of Directors, Workshops  
and Committee Meetings  
2014**

**Regular Board Meetings:**

January 7, 2014  
February 5, 2014  
**March 5, 2014**  
April 2, 2014  
May 7, 2014  
June 4, 2014  
July 2, 2014  
August 6, 2014  
September 3, 2014  
October 1, 2014  
November 5, 2014  
December 3, 2014

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

January 21, 2014  
**February 19, 2014**  
March 19, 2014  
April 16, 2014  
May 21, 2014  
June 18, 2014  
July 16, 2014  
August 20, 2014  
September 17, 2014  
October 15, 2014  
November 19, 2014  
December 17, 2014

**SPECIAL BOARD MEETINGS:**

**BOARD WORKSHOPS:**

# AGENDA ITEM 9



## STAFF REPORT

TYPE		MEETING			
MEETING:	Regular Board	DATE:	February 5, 2014		
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:

- **Memberships** - The District has become a member of the San Diego East County Chaldean American Chamber of Commerce. The objective of joining is to further foster relationships with businesses and the community, and serve as a networking and public outreach tool as the District promotes the importance of the services it delivers to the business and residential community. Membership includes invitation to Chamber meetings, mixers, as well as logo placement on the Chamber's website, and the ability to place up to eight articles or announcements in their weekly news update.
- **Staff Retirement and Organizational Updates** - Rom Sarno has announced he is retiring as Chief of Administrative Services on June 28<sup>th</sup> after a successful 15 year career with Otay. Consistent with our strategic plan initiatives of streamlining and consolidating services, I will be merging the departments of Administrative Services and IT. The transition of merging both departments will involve significant effort and cooperation during the next several months. To start, I am pleased to announce the appointment of Adolfo Segura as Assistant Chief of Administrative/IT Services and am tasking him with the responsibility for all existing administrative services programs, except Water Conservation (WC) and Human Resources (HR). The WC program will be reassigned to Finance under Customer Service and HR will be reporting directly to Assistant General Manager, German Alvarez. Adolfo will continue to manage the IT department as the Assistant Chief under Geoff Stevens and we will be recruiting for a new IT Operations Manager to fill his current position. Upon Rom's retirement, the Chief position will not be filled. Additionally, I am reassigning the Meter Shop staff to

Finance, Customer Service, to be integrated with other field services. This should result in more flexibility in sharing and coordinating staff and other resources. I want to also thank Rom for his 15 years of dedicated service and wish him well in his new adventure.

## **ADMINISTRATIVE SERVICES:**

### **Purchasing and Facilities:**

- Administration Fire Sprinkler System - The fire sprinkler system in the Administration building has been inspected and needed maintenance has been performed. The District has been issued a 5-year fire system certification.
- Purchase Orders - There were 58 purchase orders processed in January 2014 for a total of \$3,802,650.

### **Human Resources:**

- Wellness Program - The 2014 program focuses on promoting awareness and motivation for positive behavioral changes. The program continues to provide a Weight Management Program, Smoking Cessation Program, Onsite Yoga Classes (fees paid by employees), Wellness Clubs, and educational workshops. The workshop in the month of January provides instruction on how to use the District's gym equipment properly for an effective workout.
- Recruitments - HR is currently recruiting for Purchasing and Facilities Manager, Utility Maintenance Supervisor, Construction Inspector I/II, and preparing to recruit for Information Technology Manager.
- New Hires - We had one new hire in January: Temporary Senior Civil Engineer.

### **Safety & Security:**

- Safety Program and Procedures Review/Update - Reviews and updates for the Confined Space Program have been completed. The newly updated version is available to all employees under SharePoint.
- NIMS Compliance Incident Command System Training - Staff attended the three-day Water Sector training certification program for ICS-300 at the City of LA Emergency Operations Center.

The review/update of the District's NIMS/ICS/SEMS Emergency Procedures Plan is ongoing. S&S will continue to provide consultative services, support and work with operations,

planning, logistics, and finance and command staff as part of the District's program requirements.

- Water Agency Emergency Coordination Meeting (WAEC) - Attended meeting facilitated by SDCWA. County of San Diego OES, Michael D. Davis, discussed the generator program and how County OES will be responsible for allocating generator resources to needed areas during emergency/disaster conditions. WAEC/WUSMA members are exploring the feasibility of combining WAEC and WUSMA meetings onto two separate sessions on the same day.
- Alarms Unlimited (AU) - Two out of three District facilities under Henry Brothers' monitoring are now converted to AU monitoring (850-2 and 711-2 reservoirs). AU also completed the installation of alarmed tamper light switches at the Regulatory site, and started monitoring the same along with video monitoring surveillance of the Treatment Plant.

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

- ESRI Fall Water/Wastewater Event - Otay hosted the ESRI Fall Water/Wastewater User Group Meeting at the end of 2013. IT staff conducted a presentation titled "GIS at Otay Water District". In attendance were agencies and GIS groups from throughout California to discuss common challenges and how to leverage GIS technology to improve efficiency. Software vendor, iWater also presented information about their IntraMAP Software solution, which included key GIS mobile to office connectivity benefits.
- GPS Insight Deployment (Fleet System) - IT conducted training for leads and supervisor on the new GPS fleet system, GPS Insight. GPS Insight is the fleet system that replaced the Sprint AirTrak solution. The new GPS Insight solution provides web based benefits, enhanced dispatching, fleet activity monitoring and real-time reporting, which allows for overall improved fleet management. Four training sessions were hosted and 19 lead and supervisory staff were trained. Additional training for custom reporting is being scheduled for the month of February.
- Improvement of Meter Reading Edit Check List - IT developed an online Meter Reading Edit Checklist for Customer Service for streamlining the meter reads/edits process. The checklist is hosted on SharePoint. This is a routine, but critical billing process. The checklist includes various integrity checks and automated functions to ensure the integrity and accuracy of each bill mailed to our customers. Customer Service used to depend on specific search queries, but when accounts or meters were changed, staff had to remember to manually update the data in Eden's stored QBE's. Customer Service recognized the need to ensure each read and billing cycle was reviewed consistently

regardless of which staff member completed the tasks. The checklist also includes various review points and automated reports. Key benefits of this improved process are enhanced knowledge via staff cross training, reduction in time spent reviewing reads and bills and greater accuracy.

- The Fiscal Years 2015 - 2018 Strategic Plan revisions are currently underway. Staff is expecting to solicit the Board's comments and direction at the March 2014 board meeting.

#### **FINANCE:**

- Transfer of Departments - Meter Shop and Water Conservation have been reassigned to Customer Service under the Finance Department. This should result in more flexibility in sharing and coordinating staff and other resources.
- CMFOA Innovation Award - Customer Service, under the Finance Department, has applied for the CMFOA Innovation Award. Staff highlighted the District's innovative use and integration of the ERP Financial System (Eden), SharePoint, Report Manager, GIS, and GBA to create process improvements. This is the first year the District has applied for this prestigious award.
- Fitch Ratings Review - Fitch Ratings will be performing a review of Otay Water District's credit rating and has requested a meeting to discuss the District's results and developments. The last review they did of the District was performed on March 21, 2012. During that review, the District's rating was downgraded from AA to AA-; outlook stable. Maintaining a good credit rating is important because it reflects the District's fiscal health and borrowing capabilities.
- FY 2015 Budget Preparation Kickoff - The budget workbook for staff is on SharePoint complete with scheduled dates, forms and instructions. The budget process will be a top priority for staff and will continue through the month of May when it will be presented to the Board at the annual budget workshop.

#### **Water Conservation:**

- Conservation Incentive Programs - The CWA and the District continue to provide an extensive list of water efficient programs and rebates for District customers seeking to lower their water usage. Additional MWD and CWA commercial conservation incentive programs exist. A commercial laundry business in the District is applying for a MWD Water Savings Incentive Program. The business currently uses 50 million gallons of water annually and estimates the water usage will drop to 14 million gallons annually with the installation of the water conserving wastewater-recycling system.

- California Friendly Landscape Contest - In 2014, 13 water agencies are sponsoring a landscape contest to identify the best residential water conserving landscape conversion in their service area. The District has participated in the landscape contest since its inception in 2004. The deadline for contest applications is April 7, 2014.
- Financial Reporting:
  - o For the six months ended December 31, 2013, there are total revenues of \$46,034,270 and total expenses of \$44,386,954. The revenues exceeded expenses by \$1,647,316.
  - o The market value shown in the Portfolio Summary and in the Investment Portfolio Details as of December 31, 2013 total \$83,292,521.29 with an average yield to maturity of 0.36%. The total earnings year-to-date are \$146,516.49.

#### **ENGINEERING AND WATER OPERATIONS:**

##### **Engineering:**

- **30-Inch, 980 Zone, Hunte Parkway - Proctor Valley/Use Area:** This project consists of the installation of approximately 2,240 linear-feet of 30-inch steel pipe and appurtenances on Hunte Parkway at Proctor Valley Road, at the entrance to the Salt Creek Golf Course, in the City of Chula Vista. The contract has been accepted and the Notice of Completion was filed with the County of San Diego on July 1, 2013. The contractor, Sepulveda Construction, has submitted change requests and claims for additional compensation. Staff has evaluated these requests and has provided entitlement decisions indicating "no merit" on these requests based on the information submitted by Sepulveda Construction. Sepulveda requested mediation of the submitted claims. Mediation took place on December 11, 2013 and the decision not to pursue further mediation was made on January 8, 2014. Staff is awaiting Sepulveda's decision on whether they will choose to pursue arbitration. (P2514)
- **SR-11 Potable Water Utility Relocations - Sequence 1:** This project consists of the relocation of existing pipelines in Sanyo Avenue and utility easements to accommodate the construction of the future SR-11 right-of-way. At the request of Caltrans, the District's relocations were bid as six (6) separate "work windows" to provide flexibility to Caltrans' contractor and coordinate with the SR-11 freeway construction. At the January 2014 Board Meeting, the Board awarded the contract to Coffman Specialties Incorporated. The project is within budget and on schedule and is anticipated to complete in August 2016. (P2453)

- **927-1 Reservoir Liner and Cover Replacement:** This project consists of replacing the liner and floating cover on the 927-1 recycled water reservoir which is also known as Pond 4 located in the Salt Creek Golf Course. The existing liner and cover have reached the end of their useful life and are in need of replacement. The project was awarded to Layfield Environmental Systems Corporation and a Notice to Proceed was issued on November 18, 2013 and the current work involves submittal review/approval and material fabrication. The project is within budget and on schedule and anticipated to be complete in April 2014. (R2108)
- **944-1R Recycled Water Pump Station Upgrades and System Enhancement:** This project consists of the installation of a new pump, reconfiguration of the suction header piping, upgrades to the instrumentation, SCADA system, and equipment at the 944-1R pump station. The project also includes the installation of three (3) Pressure Reducing Stations (PRS) on Olympic Parkway, Eastlake Parkway, and Otay Lakes Road. Sepulveda submitted a claim for additional compensation. Staff has evaluated this request and has provided an entitlement decision indicating "no merit" based on the information submitted by Sepulveda Construction. Sepulveda requested mediation of the submitted claims. Mediation took place on December 11, 2013 and the decision not to pursue further mediation was made on January 8, 2014. Staff is awaiting Sepulveda's decision on whether they will choose to pursue arbitration. (R2091)
- **803-3 & 832-2 Reservoirs Interior/Exterior Coatings and Upgrades:** This project consists of removing and replacing the interior and exterior coatings of the 803-3 Reservoir 2.0 MG and the 832-2 Reservoir 2.0 MG, along with providing structural upgrades to ensure the tanks comply with both State and Federal OSHA standards as well as American Water Works Association and County Health Department standards. The Contractor, Advanced Industrial Services (AIS), has completed all work on the project. On November 23, 2013 the 832-2 tank was put back into service. The 803-3 tank was put back into service on December 13, 2013. All field work is complete and project acceptance is anticipated in February 2014. The project is within budget and on schedule. (P2518 & P2519)
- **624-2 Reservoir Interior/Exterior Coatings & Upgrades:** This project consists of removing and replacing the interior and exterior coatings of the 624-2 8.0 MG Reservoir, along with providing structural upgrades to ensure the tanks comply with both State and Federal OSHA standards as well as American Water Works Association and County Health Department standards. At the January Board meeting the Board awarded the construction contract

to Advanced Industrial Services (AIS). The contractor will mobilize to the site in early February 2014. The project is within budget and on schedule and is anticipated to complete in June 2014. (P2493)

- **County Water Authority Request for Electrical Service:** The San Diego County Water Authority (Water Authority) has requested the District to provide electrical power for a new acoustic assessment system to be installed in an existing Water Authority vault that is currently receiving electrical power from an existing District metering facility on Ruxton Road. The Water Authority has offered to pay the entire electricity bill for the District facility. The new acoustic system is anticipated to be on-line for three (3) years. The Water Authority submitted a draft letter agreement for District staff to review on January 7, 2014. District staff submitted comments on this draft letter on January 17, 2014 to the Water Authority.
- **Change to District's Procedure to Bid Opening for Construction Projects:** At the January 7, 2014 Otay Water District Board of Directors (Board) Meeting, staff was directed to review the state's Public Contract Code and courier service delivery times to determine if the current 3 P.M deadline to receive bids should be changed. The Public Contract Code Section 10141 states the notice of the project shall state the time and place for the receiving and opening of sealed bids. Courier services have many delivery options from a quick one hour delivery service to up to five business day ground delivery services. FedEx standard overnight and UPS Next Day Air service drop off time is 3 P.M. so staff will change the bid deadline to 4 P.M. to better accommodate this delivery window. The 4 P.M. bid opening deadline will also allow staff and contractors submitting bids in person to witness the public bid opening during regular operating hours at the District offices.
- **Administration Building Fire Sprinkler Replacement:** This project consists of removing and replacing the existing fire sprinkler system in the Administration Building. A recent inspection of the fire sprinkler system identified corrosion throughout the systems as the cause for leaks the District experienced last year. After researching the corrosion problem, Staff determined that replacing the entire fire protection system was costly and unnecessary. Staff requested a second opinion to rectify the corrosion issue which was performed on December 4, 2013 by A&D Fire Sprinkler, Inc. They recommend replacing the visually corroded fixtures as a first phase, and as a second phase, installing an automated system to inject a chemical solution that will treat the corrosion. Completion of the first phase was completed on January 21, 2014 and the District received a 5 year certification on the Administration Building. Phase II budget

planning and request for proposals will begin in early February 2014. (P2538)

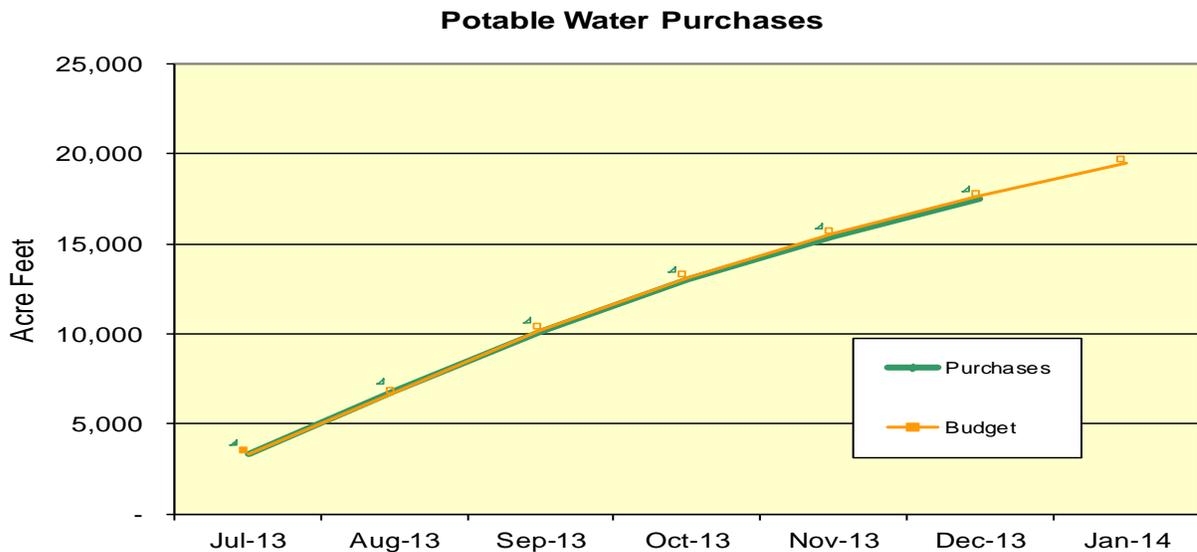
- For the month of December 2013, the District sold 2 meters (2 EDUs) generating \$18,643 in revenue. Projection for this period was 17.5 meters (29.5 EDUs) with budgeted revenue of \$266,447. Total revenue for Fiscal Year 2014 through December 2013 is \$999,640 against the annual budget of \$3,197,767.
- The following table summarizes Engineering's project purchases issued during the period of December 17, 2013 through January 28, 2014 that were within staff signatory authority:

Date	Action	Amount	Contractor/ Consultant	Project
1/28/14	P.O.	\$15,000	Clarkson Lab & Supply Inc.	Various

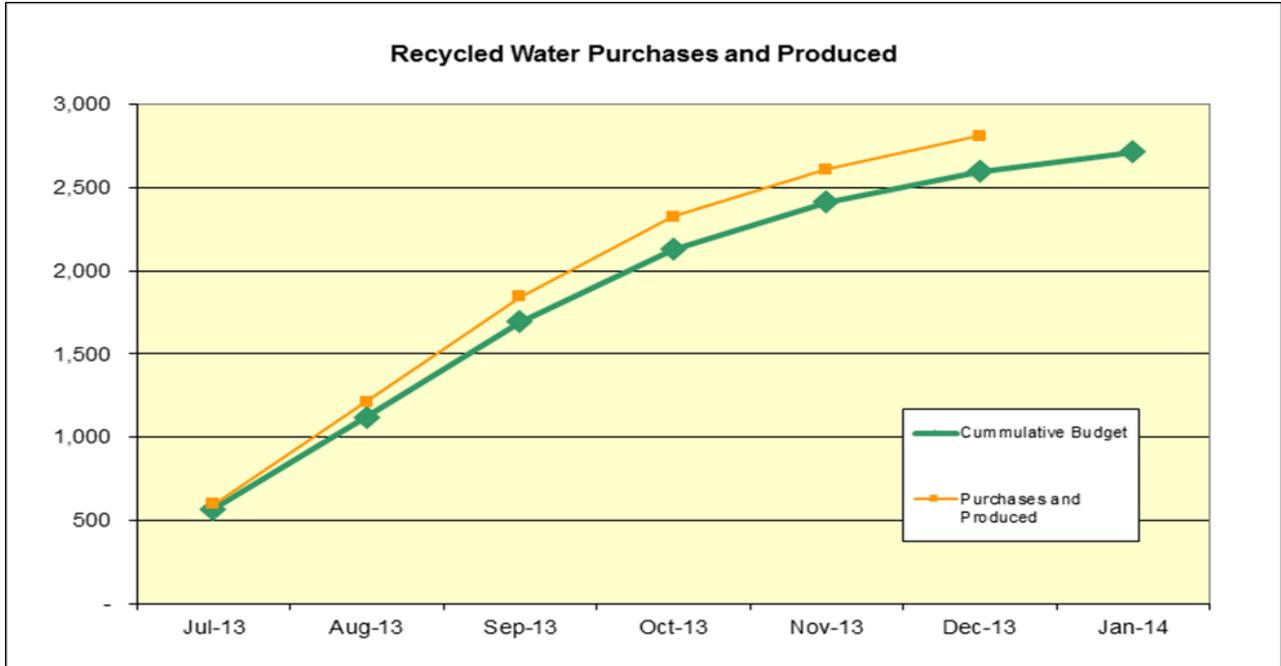
**Water Operations:**

- Total number of potable water meters is 49,179.
- The December potable water purchases were 2,089.4 acre-feet which is 1% above the budget of 2,068.7 acre-feet. The cumulative purchases through December is 17,487.8 acre-feet which is 0.8% below the cumulative budget of 17,636.2 acre-feet.

□



- The December recycled water purchases and production was 202.2 acre-feet which is 10.0% above the budget of 182.8 acre-feet. The cumulative production and purchases through December is 2,810.2 acre-feet which is 8.2% above the cumulative budget of 2,596.4 acre-feet.



- Recycled water consumption for the month of December is as follows:
  - Total consumption was 180.1 acre-feet or 55,655,916 gallons and the average daily consumption was 1,892,126 gallons per day.
  - Total recycled water consumption as of December for FY 2014 is 2,820.1 acre-feet.
  - Total number of recycled water meters is 712.
- Wastewater flows for the month of December were as follows:
  - Total basin flow, gallons per day: 1,668,270.
  - Spring Valley Sanitation District Flow to Metro, gallons per day: 552,472.
  - Total Otay flow, gallons per day: 1,115,759.
  - Flow Processed at the Ralph W. Chapman Water Recycling Facility, gallons per day: 1,035,402.
  - Flow to Metro from Otay Water District was 80,396 gallons per day.
- By the end of December there were 6,087 wastewater EDUs.

OTAY WATER DISTRICT  
**COMPARATIVE BUDGET SUMMARY**  
 FOR SIX MONTHS ENDED DECEMBER 31, 2013

	Annual Budget	YTD Actual	YTD Budget	YTD Variance	Var %
<b>REVENUES:</b>					
Water Sales	\$ 42,668,400	\$ 24,060,774	\$ 24,254,900	\$ (194,126)	(0.8%)
Energy Charges	1,958,100	1,084,131	1,085,200	(1,069)	(0.1%)
System Charges	11,184,200	5,546,361	5,532,800	13,561	0.2%
MWD & CWA Fixed Charges	10,399,700	4,745,868	4,734,500	11,368	0.2%
Penalties	823,100	456,267	463,200	(6,933)	(1.5%)
Total Water Sales	<u>67,033,500</u>	<u>35,893,401</u>	<u>36,070,600</u>	<u>(177,199)</u>	<u>(0.5%)</u>
Recycled Water Sales	8,340,100	5,312,778	4,928,700	384,078	7.8%
Sewer Charges	2,701,600	1,372,390	1,329,700	42,690	3.2%
Meter Fees	81,600	36,806	40,800	(3,994)	(9.8%)
Capacity Fee Revenues	1,291,200	532,194	630,600	(98,406)	(15.6%)
Betterment Fees for Maintenance	776,700	287,334	287,379	(45)	(0.0%)
Non-Operating Revenues	1,846,000	1,041,464	914,300	127,164	13.9%
Tax Revenues	3,597,100	1,345,803	1,326,600	19,203	1.4%
Interest	69,100	30,000	34,600	(4,600)	(13.3%)
Transfer from OPEB	149,800	74,900	74,900	-	0.0%
General Fund Draw Down	61,600	30,800	30,800	-	0.0%
Transfer from General Fund	152,800	76,400	76,400	-	0.0%
Total Revenues	<u>\$ 86,101,100</u>	<u>\$ 46,034,270</u>	<u>\$ 45,745,379</u>	<u>\$ 288,891</u>	<u>0.6%</u>
<b>EXPENSES:</b>					
Potable Water Purchases	\$ 33,028,900	\$ 18,589,638	\$ 18,667,300	\$ 77,662	0.4%
Recycled Water Purchases	1,599,500	1,090,455	1,107,300	16,845	1.5%
CWA-Infrastructure Access Charge	1,856,100	919,926	919,800	(126)	(0.0%)
CWA-Customer Service Charge	1,753,600	861,891	861,600	(291)	(0.0%)
CWA-Emergency Storage Charge	4,515,500	2,174,540	2,174,400	(140)	(0.0%)
MWD-Capacity Res Charge	531,000	232,323	232,200	(123)	(0.1%)
MWD-Readiness to Serve Charge	1,740,500	870,255	870,600	345	0.0%
Subtotal Water Purchases	<u>45,025,100</u>	<u>24,739,028</u>	<u>24,833,200</u>	<u>94,172</u>	<u>0.4%</u>
Power Charges	2,693,300	1,520,443	1,567,100	46,657	3.0%
Payroll & Related Costs	18,675,500	9,056,308	8,941,008	(115,300)	(1.3%)
Material & Maintenance	3,532,900	1,657,041	1,654,450	(2,592)	(0.2%)
Administrative Expenses	4,702,600	1,732,213	1,779,962	47,749	2.7%
Legal Fees	380,000	136,019	180,000	43,981	24.4%
Expansion Reserve	3,428,000	1,714,000	1,714,000	-	0.0%
Betterment Reserve	125,000	62,500	62,500	-	0.0%
Replacement Reserve	4,230,000	2,115,000	2,115,000	-	0.0%
Sewer General Fund	152,800	76,400	76,400	-	0.0%
OPEB Trust	1,242,900	621,500	621,500	-	0.0%
Potable General Fund	1,913,000	956,500	956,500	-	0.0%
Total Expenses	<u>\$ 86,101,100</u>	<u>\$ 44,386,954</u>	<u>\$ 44,501,620</u>	<u>\$ 114,667</u>	<u>0.3%</u>
<b>EXCESS REVENUES(EXPENSE)</b>	<u>\$ -</u>	<u>\$ 1,647,316</u>	<u>\$ 1,243,759</u>	<u>\$ 403,558</u>	

**OTAY  
Portfolio Management  
Portfolio Summary  
December 31, 2013**

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Federal Agency Issues- Callable	36,735,000.00	36,685,569.15	36,738,693.71	44.93	998	753	0.454	0.461
Certificates of Deposit - Bank	81,326.80	81,326.80	81,326.80	0.10	731	21	0.280	0.284
Local Agency Investment Fund (LAIF)	23,732,930.80	23,739,756.86	23,732,930.80	29.02	1	1	0.260	0.264
San Diego County Pool	21,216,572.36	21,161,000.00	21,216,572.36	25.95	1	1	0.389	0.394
<b>Investments</b>	<b>81,765,829.96</b>	<b>81,667,652.81</b>	<b>81,769,523.67</b>	<b>100.00%</b>	<b>450</b>	<b>339</b>	<b>0.381</b>	<b>0.386</b>
<b>Cash</b>								
Passbook/Checking (not included in yield calculations)	1,624,868.48	1,624,868.48	1,624,868.48		1	1	0.166	0.168
<b>Total Cash and Investments</b>	<b>83,390,698.44</b>	<b>83,292,521.29</b>	<b>83,394,392.15</b>		<b>450</b>	<b>339</b>	<b>0.381</b>	<b>0.386</b>

<b>Total Earnings</b>	<b>December 31 Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year	26,215.57	146,516.49
<b>Average Daily Balance</b>	<b>82,288,916.75</b>	<b>81,390,268.52</b>
<b>Effective Rate of Return</b>	<b>0.38%</b>	<b>0.36%</b>

I hereby certify that the investments contained in this report are made in accordance with the District Investment Policy Number 27 adopted by the Board of Directors on July 3, 2013. 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

1-22-14

**OTAY WATER DISTRICT  
INVESTMENT PORTFOLIO REVIEW  
December 31, 2013**

**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 December 18, 2013. They went on to say: "*The Committee decided to keep the target range for the federal funds rate at 0 to 1/4 percent and currently anticipates that this exceptionally low range for the federal funds rate will be appropriate at least as long as the unemployment rate remains above 6-1/2 percent, inflation between one and two years ahead is projected to be no more than a half percentage point above the Committee's 2 percent longer-run goal, and longer-term inflation expectations continue to be well anchored.*"

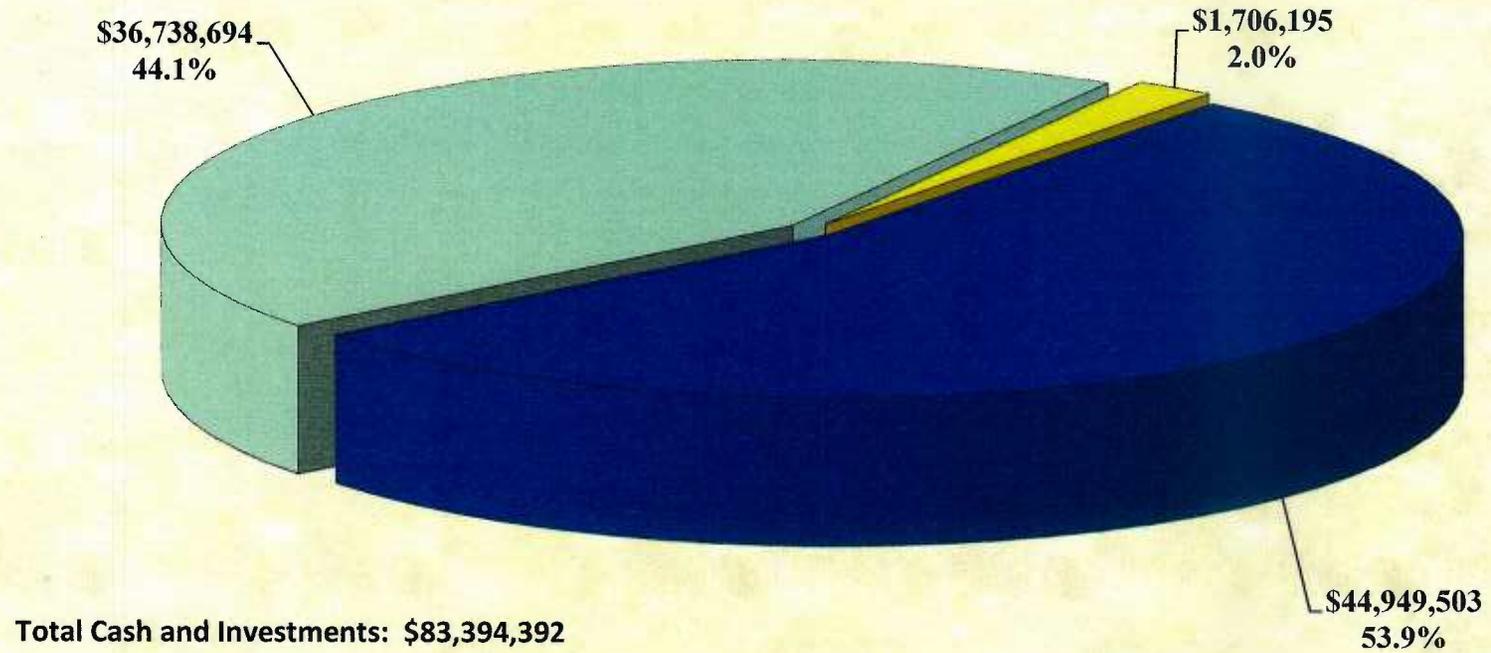
Despite the large drop in available interest rates, the District's overall effective rate of return at December 31, 2013 was 0.38%, which was a basis point above the previous month. At the same time the LAIF return on deposits has declined over the previous month, reaching an average effective yield of 0.264% for the month of December 2013. 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: December 31, 2013**

	<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	\$19.60 Million
8.02:	Local Agency Investment Fund (Bonds)	100%	100%	4.90%
8.03:	Federal Agency Issues	100%	100%	44.05%
8.04:	Certificates of Deposit	30%	15%	0.10%
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%	25.44%
12.0:	Maximum Single Financial Institution	100%	50%	1.95%

## Otay Water District Investment Portfolio: 12/31/2013



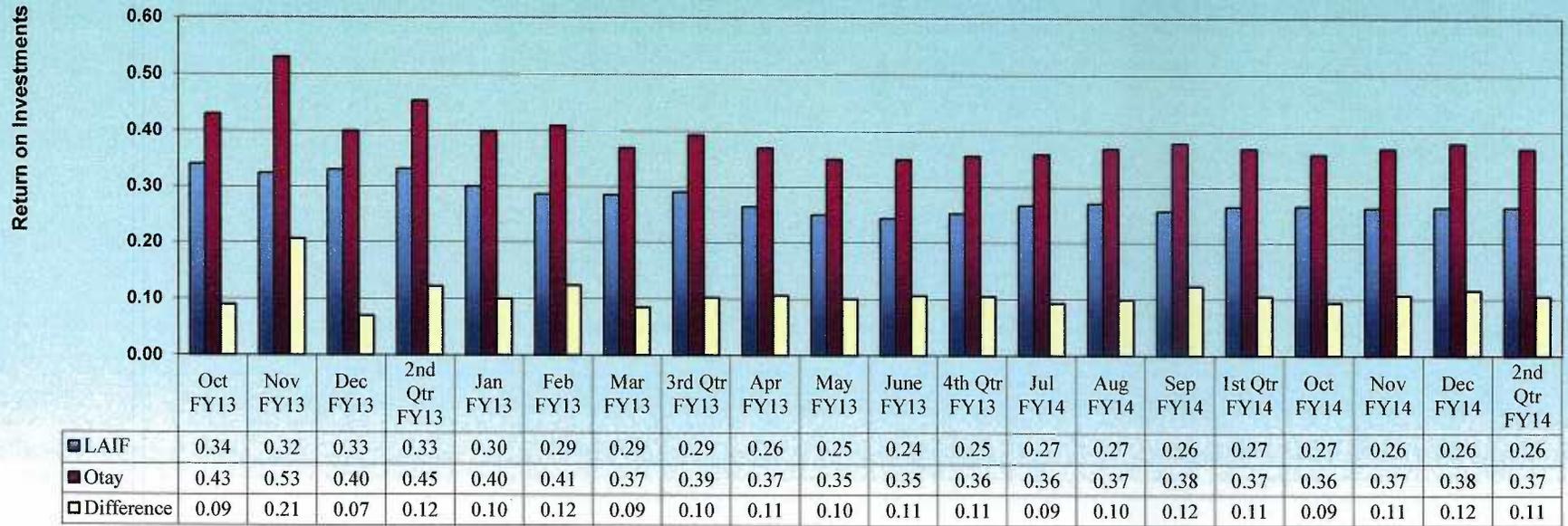
■ Banks (Passbook/Checking/CD)

■ Pools (LAIF & County)

■ Agencies & Corporate Notes

## Performance Measure FY-14 Return on Investment

Target: Meet or Exceed 100% of LAIF



**OTAY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 31, 2013**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity	Maturity Date
<b>Federal Agency Issues- Callable</b>												
31315PWT2	2267	Federal Agricultural Mortgage		04/25/2013	2,000,000.00	1,998,260.00	2,000,000.00	0.400		0.395	754	01/25/2016
3135GOXR9	2269	Fannie Mae		06/06/2013	2,000,000.00	1,991,220.00	2,000,000.00	0.550	AA	0.542	979	09/06/2016
3133EAU30	2253	Federal Farm Credit Bank		10/26/2012	3,000,000.00	3,000,030.00	2,999,560.16	0.320	AA	0.336	435	03/12/2015
3133EC2L7	2255	Federal Farm Credit Bank		11/13/2012	3,000,000.00	3,000,090.00	3,000,000.00	0.440	AA	0.434	681	11/13/2015
3133EC6F6	2258	Federal Farm Credit Bank		12/05/2012	3,000,000.00	3,001,140.00	3,000,000.00	0.350	AA	0.345	516	06/01/2015
3133EC7H1	2260	Federal Farm Credit Bank		12/17/2012	3,000,000.00	2,998,770.00	3,000,000.00	0.340		0.335	593	08/17/2015
3133ECA61	2261	Federal Farm Credit Bank		12/18/2012	3,000,000.00	2,999,010.00	2,999,560.83	0.320		0.325	533	06/18/2015
313382R39	2265	Federal Home Loan Bank		04/22/2013	2,705,000.00	2,704,702.45	2,705,000.00	0.375	AA	0.370	659	10/22/2015
313382R39	2266	Federal Home Loan Bank		04/22/2013	1,030,000.00	1,029,886.70	1,030,000.00	0.375	AA	0.370	659	10/22/2015
313382YY3	2268	Federal Home Loan Bank		05/22/2013	2,000,000.00	1,994,360.00	2,000,000.00	0.350	AA	0.345	782	02/22/2016
313383EE7	2270	Federal Home Loan Bank		06/19/2013	2,000,000.00	1,990,060.00	2,000,000.00	0.500	AA	0.493	992	09/19/2016
3134G4HV3	2272	Federal Home Loan Mortgage		10/29/2013	2,000,000.00	2,001,220.00	2,001,745.83	0.625		0.578	849	04/29/2016
3134G4PX0	2277	Federal Home Loan Mortgage		12/27/2013	2,000,000.00	1,995,760.00	2,000,000.00	0.500		0.493	908	06/27/2016
3136G1WT2	2273	Federal National Mortgage Assoc		11/21/2013	2,000,000.00	1,997,420.00	2,000,000.00	0.800	AA	0.789	1,055	11/21/2016
3136G1XZ7	2274	Federal National Mortgage Assoc		12/19/2013	2,000,000.00	1,991,060.00	2,000,000.00	0.670		0.661	1,083	12/19/2016
3135G0YW7	2276	Federal National Mortgage Assoc		12/04/2013	2,000,000.00	1,992,580.00	2,002,826.89	0.750		0.691	1,059	11/25/2016
<b>Subtotal and Average</b>			<b>39,028,766.34</b>		<b>36,735,000.00</b>	<b>36,685,569.15</b>	<b>36,738,693.71</b>			<b>0.454</b>	<b>753</b>	
<b>Certificates of Deposit - Bank</b>												
2050003183-5	2229	California Bank & Trust		01/22/2012	81,326.80	81,326.80	81,326.80	0.280		0.280	21	01/22/2014
<b>Subtotal and Average</b>			<b>81,326.80</b>		<b>81,326.80</b>	<b>81,326.80</b>	<b>81,326.80</b>			<b>0.280</b>	<b>21</b>	
<b>Local Agency Investment Fund (LAIF)</b>												
LAIF	9001	STATE OF CALIFORNIA		07/01/2004	19,646,841.64	19,652,492.46	19,646,841.64	0.264		0.260	1	
LAIF BABS 2010	9012	STATE OF CALIFORNIA		04/21/2010	4,086,089.16	4,087,264.40	4,086,089.16	0.264		0.260	1	
<b>Subtotal and Average</b>			<b>18,958,737.25</b>		<b>23,732,930.80</b>	<b>23,739,756.86</b>	<b>23,732,930.80</b>			<b>0.260</b>	<b>1</b>	
<b>San Diego County Pool</b>												
SD COUNTY POOL	9007	San Diego County		07/01/2004	21,216,572.36	21,161,000.00	21,216,572.36	0.394		0.389	1	
<b>Subtotal and Average</b>			<b>21,216,572.36</b>		<b>21,216,572.36</b>	<b>21,161,000.00</b>	<b>21,216,572.36</b>			<b>0.389</b>	<b>1</b>	

**OTAY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 31, 2013**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity
		Total and Average	82,288,916.75		81,765,829.96	81,667,652.81	81,769,523.67			0.381	339

**OTAY**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**December 31, 2013**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity
<b>Union Bank</b>											
UNION MONEY	9002	STATE OF CALIFORNIA		07/01/2004	19,006.94	19,006.94	19,006.94	0.010		0.010	1
PETTY CASH	9003	STATE OF CALIFORNIA		07/01/2004	2,950.00	2,950.00	2,950.00			0.000	1
UNION OPERATING	9004	STATE OF CALIFORNIA		07/01/2004	1,093,105.00	1,093,105.00	1,093,105.00	0.250		0.247	1
PAYROLL	9005	STATE OF CALIFORNIA		07/01/2004	380,889.65	380,889.65	380,889.65			0.000	1
RESERVE-10 COPS	9010	STATE OF CALIFORNIA		04/20/2010	2,620.54	2,620.54	2,620.54	0.010		0.010	1
RESERVE-10 BABS	9011	STATE OF CALIFORNIA		04/20/2010	7,493.29	7,493.29	7,493.29	0.010		0.010	1
UBNA-2010 BOND	9013	STATE OF CALIFORNIA		04/20/2010	99,496.36	99,496.36	99,496.36			0.000	1
UBNA-FLEX ACCT	9014	STATE OF CALIFORNIA		01/01/2011	19,306.70	19,306.70	19,306.70			0.000	1
		<b>Average Balance</b>	<b>0.00</b>								<b>1</b>
<b>Total Cash and Investments</b>			<b>82,288,916.75</b>		<b>83,390,698.44</b>	<b>83,292,521.29</b>	<b>83,394,392.15</b>			<b>0.381</b>	<b>339</b>

**OTAY**  
**Portfolio Management**  
**Interest Earnings Summary**  
**December 31, 2013**

	December 31 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	29,675.00	93,989.63
Plus Accrued Interest at End of Period	26,184.75	26,184.75
Less Accrued Interest at Beginning of Period	( 41,375.59)	( 29,749.47)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
	<hr/>	<hr/>
Interest Earned during Period	14,484.16	90,424.91
Adjusted by Premiums and Discounts	-58.04	-1,586.19
Adjusted by Capital Gains or Losses	0.00	0.00
	<hr/>	<hr/>
Earnings during Periods	14,426.12	88,838.72
<b>Pass Through Securities:</b>		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
	<hr/>	<hr/>
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
	<hr/>	<hr/>
Earnings during Periods	0.00	0.00
<b>Cash/Checking Accounts:</b>		
Interest Collected	340.17	49,624.43
Plus Accrued Interest at End of Period	31,913.89	31,913.89
Less Accrued Interest at Beginning of Period	( 20,464.61)	( 23,860.55)
	<hr/>	<hr/>
Interest Earned during Period	11,789.45	57,677.77
<b>Total Interest Earned during Period</b>	<b>26,273.61</b>	<b>148,102.68</b>
<b>Total Adjustments from Premiums and Discounts</b>	<b>-58.04</b>	<b>-1,586.19</b>
<b>Total Capital Gains or Losses</b>	<b>0.00</b>	<b>0.00</b>
	<hr/>	<hr/>
<b>Total Earnings during Period</b>	<b>26,215.57</b>	<b>146,516.49</b>

**OTAY**  
**Activity Report**  
**Sorted By Issuer**  
**December 1, 2013 - December 31, 2013**

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value Beginning Balance	Current Rate	Transaction Date	Purchases or Deposits	Par Value Redemptions or Withdrawals	Ending Balance
<b>Issuer: STATE OF CALIFORNIA</b>									
<b>Union Bank</b>									
UNION MONEY	9002	STATE OF CALIFORNIA			0.010		13,014,881.94	13,311,500.87	
UNION OPERATING	9004	STATE OF CALIFORNIA			0.250		1,017,924.20	973,094.06	
PAYROLL	9005	STATE OF CALIFORNIA					353,297.05	0.00	
UBNA-FLEX ACCT	9014	STATE OF CALIFORNIA					10,188.70	4,204.48	
<b>Subtotal and Balance</b>				<b>1,517,376.00</b>			<b>14,396,291.89</b>	<b>14,288,799.41</b>	<b>1,624,868.48</b>
<b>Local Agency Investment Fund (LAIF)</b>									
LAIF	9001	STATE OF CALIFORNIA			0.264		10,100,000.00	3,500,000.00	
<b>Subtotal and Balance</b>				<b>17,132,930.80</b>			<b>10,100,000.00</b>	<b>3,500,000.00</b>	<b>23,732,930.80</b>
<b>Issuer Subtotal</b>				<b>30.408%</b>	<b>18,650,306.80</b>		<b>24,496,291.89</b>	<b>17,788,799.41</b>	<b>25,357,799.28</b>
<b>Issuer: California Bank &amp; Trust</b>									
<b>Certificates of Deposit - Bank</b>									
<b>Subtotal and Balance</b>				<b>81,326.80</b>					<b>81,326.80</b>
<b>Issuer Subtotal</b>				<b>0.098%</b>	<b>81,326.80</b>		<b>0.00</b>	<b>0.00</b>	<b>81,326.80</b>
<b>Issuer: Federal Agricultural Mortgage</b>									
<b>Federal Agency Issues- Callable</b>									
<b>Subtotal and Balance</b>				<b>2,000,000.00</b>					<b>2,000,000.00</b>
<b>Issuer Subtotal</b>				<b>2.398%</b>	<b>2,000,000.00</b>		<b>0.00</b>	<b>0.00</b>	<b>2,000,000.00</b>
<b>Issuer: Fannie Mae</b>									
<b>Federal Agency Issues- Callable</b>									
3135G0SQ7	2257	Fannie Mae			0.400	12/24/2013	0.00	3,000,000.00	
<b>Subtotal and Balance</b>				<b>5,000,000.00</b>			<b>0.00</b>	<b>3,000,000.00</b>	<b>2,000,000.00</b>

OTAY  
Activity Report  
December 1, 2013 - December 31, 2013

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value Beginning Balance	Current Rate	Transaction Date	Purchases or Deposits	Par Value Redemptions or Withdrawals	Ending Balance
<b>Issuer Subtotal</b>			2.398%	5,000,000.00			0.00	3,000,000.00	2,000,000.00
<b>Issuer: Federal Farm Credit Bank</b>									
<b>Federal Agency Issues- Callable</b>									
<b>Subtotal and Balance</b>				15,000,000.00					15,000,000.00
<b>Issuer Subtotal</b>			17.988%	15,000,000.00			0.00	0.00	15,000,000.00
<b>Issuer: Federal Home Loan Bank</b>									
<b>Federal Agency Issues- Callable</b>									
<b>Subtotal and Balance</b>				7,735,000.00					7,735,000.00
<b>Issuer Subtotal</b>			9.276%	7,735,000.00			0.00	0.00	7,735,000.00
<b>Issuer: Federal Home Loan Mortgage</b>									
<b>Federal Agency Issues- Callable</b>									
3134G3Y61	2256	Federal Home Loan Mortgage			0.375	12/10/2013	0.00	3,000,000.00	
3134G32R0	2259	Federal Home Loan Mortgage			0.400	12/24/2013	0.00	3,000,000.00	
3134G4PX0	2277	Federal Home Loan Mortgage			0.500	12/27/2013	2,000,000.00	0.00	
<b>Subtotal and Balance</b>				8,000,000.00			2,000,000.00	6,000,000.00	4,000,000.00
<b>Issuer Subtotal</b>			4.797%	8,000,000.00			2,000,000.00	6,000,000.00	4,000,000.00
<b>Issuer: Federal National Mortgage Assoc</b>									
<b>Federal Agency Issues- Callable</b>									
3136G1XZ7	2274	Federal National Mortgage Assoc			0.670	12/19/2013	2,000,000.00	0.00	
3135G0YW7	2276	Federal National Mortgage Assoc			0.750	12/04/2013	2,000,000.00	0.00	
<b>Subtotal and Balance</b>				2,000,000.00			4,000,000.00	0.00	6,000,000.00
<b>Issuer Subtotal</b>			7.195%	2,000,000.00			4,000,000.00	0.00	6,000,000.00
<b>Issuer: San Diego County</b>									
<b>San Diego County Pool</b>									
<b>Subtotal and Balance</b>				21,216,572.36					21,216,572.36

OTAY  
Activity Report  
December 1, 2013 - December 31, 2013

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 Subtotal	25.442%	21,216,572.36			0.00	0.00	21,216,572.36
		Total	100.000%	79,683,205.96			30,496,291.89	26,788,799.41	83,390,698.44

**OTAY**  
**GASB 31 Compliance Detail**  
**Sorted by Fund - Fund**  
**December 1, 2013 - December 31, 2013**

CUSIP	Investment #	Fund	Investment Class	Maturity Date	Beginning Invested Value	Purchase of Principal	Addition to Principal	Redemption of Principal	Adjustment in Value		Ending Invested Value
									Amortization Adjustment	Change in Market Value	
<b>Fund: Treasury Fund</b>											
LAIF	9001	99	Fair Value		13,054,243.37	0.00	10,100,000.00	3,500,000.00	0.00	-1,750.91	19,652,492.46
UNION MONEY	9002	99	Amortized		315,625.87	0.00	13,014,881.94	13,311,500.87	0.00	0.00	19,006.94
PETTY CASH	9003	99	Amortized		2,950.00	0.00	0.00	0.00	0.00	0.00	2,950.00
UNION OPERATING	9004	99	Amortized		1,048,274.86	0.00	1,017,924.20	973,094.06	0.00	0.00	1,093,105.00
PAYROLL	9005	99	Amortized		27,592.60	0.00	353,297.05	0.00	0.00	0.00	380,889.65
SD COUNTY POOL	9007	99	Fair Value		21,299,000.00	0.00	0.00	0.00	0.00	-138,000.00	21,161,000.00
RESERVE-10 COPS	9010	99	Amortized		2,620.54	0.00	0.00	0.00	0.00	0.00	2,620.54
RESERVE-10 BABS	9011	99	Amortized		7,493.29	0.00	0.00	0.00	0.00	0.00	7,493.29
LAIF BABS 2010	9012	99	Fair Value		4,088,407.28	0.00	0.00	0.00	0.00	-1,142.88	4,087,264.40
UBNA-2010 BOND	9013	99	Amortized		99,496.36	0.00	0.00	0.00	0.00	0.00	99,496.36
UBNA-FLEX ACCT	9014	99	Amortized		13,322.48	0.00	10,188.70	4,204.48	0.00	0.00	19,306.70
2050003183-5	2229	99	Amortized	01/22/2014	81,326.80	0.00	0.00	0.00	0.00	0.00	81,326.80
3133EAU30	2253	99	Fair Value	03/12/2015	3,000,030.00	0.00	0.00	0.00	0.00	0.00	3,000,030.00
3133EC2L7	2255	99	Fair Value	11/13/2015	3,000,060.00	0.00	0.00	0.00	0.00	30.00	3,000,090.00
3134G3Y61	2256	99	Fair Value	12/10/2014	3,000,150.00	0.00	0.00	3,000,000.00	0.00	-150.00	0.00
3135G0SQ7	2257	99	Fair Value	06/24/2015	3,000,420.00	0.00	0.00	3,000,000.00	0.00	-420.00	0.00
3133EC6F6	2258	99	Fair Value	06/01/2015	3,004,020.00	0.00	0.00	0.00	0.00	-2,880.00	3,001,140.00
3134G32R0	2259	99	Fair Value	09/24/2015	3,000,450.00	0.00	0.00	3,000,000.00	0.00	-450.00	0.00
3133EC7H1	2260	99	Fair Value	08/17/2015	3,002,130.00	0.00	0.00	0.00	0.00	-3,360.00	2,998,770.00
3133ECA61	2261	99	Fair Value	06/18/2015	3,000,030.00	0.00	0.00	0.00	0.00	-1,020.00	2,999,010.00
313382R39	2265	99	Fair Value	10/22/2015	2,706,054.95	0.00	0.00	0.00	0.00	-1,352.50	2,704,702.45
313382R39	2266	99	Fair Value	10/22/2015	1,030,401.70	0.00	0.00	0.00	0.00	-515.00	1,029,886.70
31315PWT2	2267	99	Fair Value	01/25/2016	1,999,940.00	0.00	0.00	0.00	0.00	-1,680.00	1,998,260.00
313382YY3	2268	99	Fair Value	02/22/2016	1,997,540.00	0.00	0.00	0.00	0.00	-3,180.00	1,994,360.00
3135GOXR9	2269	99	Fair Value	09/06/2016	1,997,900.00	0.00	0.00	0.00	0.00	-6,680.00	1,991,220.00
313383EE7	2270	99	Fair Value	09/19/2016	1,996,440.00	0.00	0.00	0.00	0.00	-6,380.00	1,990,060.00
3134G4HV3	2272	99	Fair Value	04/29/2016	2,003,020.00	0.00	0.00	0.00	0.00	-1,800.00	2,001,220.00
3136G1WT2	2273	99	Fair Value	11/21/2016	2,004,180.00	0.00	0.00	0.00	0.00	-6,760.00	1,997,420.00
3136G1XZ7	2274	99	Fair Value	12/19/2016	0.00	2,000,000.00	0.00	0.00	0.00	-8,940.00	1,991,060.00
3135G0YW7	2276	99	Fair Value	11/25/2016	0.00	2,002,900.00	0.00	0.00	0.00	-10,320.00	1,992,580.00
3134G4PX0	2277	99	Fair Value	06/27/2016	0.00	2,000,000.00	0.00	0.00	0.00	-4,240.00	1,995,760.00

Portfolio OTAY  
AP

OTAY  
 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	
				Subtotal	79,783,120.10	6,002,900.00	24,496,291.89	26,788,799.41	0.00	-200,991.29	83,292,521.29
				Total	79,783,120.10	6,002,900.00	24,496,291.89	26,788,799.41	0.00	-200,991.29	83,292,521.29

**OTAY**  
**Interest Earnings**  
**Sorted by Fund - Fund**  
**December 1, 2013 - December 31, 2013**  
**Yield on Beginning Book Value**

CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Ending Book Value	Maturity Date	Current Rate	Annualized Yield	Adjusted Interest Earnings		
										Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
<b>Fund: Treasury Fund</b>												
LAIF	9001	99	LA1	19,646,841.64	13,046,841.64	19,646,841.64		0.264	0.301	3,334.74	0.00	3,334.74
UNION MONEY	9002	99	PA1	19,006.94	315,625.87	19,006.94		0.010	0.025	6.77	0.00	6.77
UNION OPERATING	9004	99	PA1	1,093,105.00	1,048,274.86	1,093,105.00		0.250	0.485	431.98	0.00	431.98
SD COUNTY POOL	9007	99	LA3	21,216,572.36	21,216,572.36	21,216,572.36		0.394	0.394	7,099.70	0.00	7,099.70
RESERVE-10 COPS	9010	99	PA1	2,620.54	2,620.54	2,620.54		0.010	0.009	0.02	0.00	0.02
RESERVE-10 BABS	9011	99	PA1	7,493.29	7,493.29	7,493.29		0.010	0.009	0.06	0.00	0.06
LAIF BABS 2010	9012	99	LA1	4,086,089.16	4,086,089.16	4,086,089.16		0.264	0.264	916.18	0.00	916.18
2050003183-5	2229	99	BCD	81,326.80	81,326.80	81,326.80	01/22/2014	0.280	0.284	19.60	0.00	19.60
3133EAU30	2253	99	MC1	3,000,000.00	2,999,507.59	2,999,560.16	03/12/2015	0.320	0.335	800.00	52.57	852.57
3133EC2L7	2255	99	MC1	3,000,000.00	3,000,000.00	3,000,000.00	11/13/2015	0.440	0.432	1,100.00	0.00	1,100.00
3134G3Y61	2256	99	MC1	0.00	3,000,000.00	0.00	12/10/2014	0.375	0.380	281.25	0.00	281.25
3135G0SQ7	2257	99	MC1	0.00	3,000,000.00	0.00	06/24/2015	0.400	0.406	766.67	0.00	766.67
3133EC6F6	2258	99	MC1	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
3134G32R0	2259	99	MC1	0.00	3,000,000.00	0.00	09/24/2015	0.400	0.406	766.67	0.00	766.67
3133EC7H1	2260	99	MC1	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
3133ECA61	2261	99	MC1	3,000,000.00	2,999,535.83	2,999,560.83	06/18/2015	0.320	0.324	800.00	25.00	825.00
313382R39	2265	99	MC1	2,705,000.00	2,705,000.00	2,705,000.00	10/22/2015	0.375	0.368	845.31	0.00	845.31
313382R39	2266	99	MC1	1,030,000.00	1,030,000.00	1,030,000.00	10/22/2015	0.375	0.368	321.87	0.00	321.87
31315PWT2	2267	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	01/25/2016	0.400	0.392	666.67	0.00	666.67
313382YY3	2268	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	02/22/2016	0.350	0.343	583.33	0.00	583.33
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
313383EE7	2270	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	09/19/2016	0.500	0.491	833.33	0.00	833.33
3134G4HV3	2272	99	MC1	2,000,000.00	2,001,808.33	2,001,745.83	04/29/2016	0.625	0.576	1,041.67	-62.50	979.17
3136G1WT2	2273	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	11/21/2016	0.800	0.785	1,333.34	0.00	1,333.34
3136G1XZ7	2274	99	MC1	2,000,000.00	0.00	2,000,000.00	12/19/2016	0.670	0.627	446.67	0.00	446.67
3135G0YW7	2276	99	MC1	2,000,000.00	0.00	2,002,826.89	11/25/2016	0.750	0.685	1,125.00	-73.11	1,051.89
3134G4PX0	2277	99	MC1	2,000,000.00	0.00	2,000,000.00	06/27/2016	0.500	0.406	111.11	0.00	111.11
<b>Subtotal</b>				<b>82,888,055.73</b>	<b>79,540,696.27</b>	<b>82,891,749.44</b>		<b>0.392</b>		<b>26,273.61</b>	<b>-58.04</b>	<b>26,215.57</b>
<b>Total</b>				<b>82,888,055.73</b>	<b>79,540,696.27</b>	<b>82,891,749.44</b>		<b>0.392</b>		<b>26,273.61</b>	<b>-58.04</b>	<b>26,215.57</b>

**OTAY**  
**Duration Report**  
**Sorted by Investment Type - Investment Type**  
**Through 12/31/2013**

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 360	Current Yield	Maturity/ Call Date	Modified Duration
3134G4HV3	2272	99	Federal Home Loan Mortgage	Fair	2,001,745.83	2,000,000.00	2,001,220.00	.6250000	0.578	0.599	04/29/2016	2.305
3134G4PX0	2277	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	1,995,760.00	.5000000	0.493	0.586	06/27/2016	2.469
3136G1XZ7	2274	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	1,991,060.00	.6700000	0.661	0.823	12/19/2016	2.929
3135G0YW7	2276	99	Federal National Mortgage Assoc	Fair	2,002,826.89	2,000,000.00	1,992,580.00	.7500000	0.691	1.498	11/25/2016	2.851
3136G1WT2	2273	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	1,997,420.00	.8000000	0.789	0.845	11/21/2016	2.847
313383EE7	2270	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	1,990,060.00	.5000000	0.493	0.685	09/19/2016	2.692
313382R39	2265	99	Federal Home Loan Bank	Fair	2,705,000.00	2,705,000.00	2,704,702.45	.3750000	0.370	0.381	10/22/2015	1.799
313382R39	2266	99	Federal Home Loan Bank	Fair	1,030,000.00	1,030,000.00	1,029,886.70	.3750000	0.370	0.381	10/22/2015	1.799
313382YY3	2268	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	1,994,360.00	.3500000	0.345	0.483	02/22/2016	2.127
3133EAU30	2253	99	Federal Farm Credit Bank	Fair	2,999,560.16	3,000,000.00	3,000,030.00	.3200000	0.336	0.319	03/12/2015	1.192
3133EC2L7	2255	99	Federal Farm Credit Bank	Fair	3,000,000.00	3,000,000.00	3,000,090.00	.4400000	0.434	0.438	11/13/2015	1.856
3133EC6F6	2258	99	Federal Farm Credit Bank	Fair	3,000,000.00	3,000,000.00	3,001,140.00	.3500000	0.345	0.323	06/01/2015	1.412
3133EC7H1	2260	99	Federal Farm Credit Bank	Fair	3,000,000.00	3,000,000.00	2,998,770.00	.3400000	0.335	0.422	08/17/2015	1.619
3133ECA61	2261	99	Federal Farm Credit Bank	Fair	2,999,560.83	3,000,000.00	2,999,010.00	.3200000	0.325	0.343	06/18/2015	1.459
3135GOXR9	2269	99	Fannie Mae	Fair	2,000,000.00	2,000,000.00	1,991,220.00	.5500000	0.542	1.434	09/06/2016	2.640
31315PWT2	2267	99	Federal Agricultural Mortgage	Fair	2,000,000.00	2,000,000.00	1,998,260.00	.4000000	0.395	0.442	01/25/2016	2.053
2050003183-5	2229	99	California Bank & Trust	Amort	81,326.80	81,326.80	81,326.80	.2800000	0.280	0.280	01/22/2014	0.057
LAIF COPS07	9009	99	STATE OF CALIFORNIA	Fair	0.00	0.00	0.00	.0000001	0.000	0.000		0.000
LAIF BABS 2010	9012	99	STATE OF CALIFORNIA	Fair	4,086,089.16	4,086,089.16	4,087,264.40	.2640000	0.260	0.264		0.000
LAIF	9001	99	STATE OF CALIFORNIA	Fair	19,646,841.64	19,646,841.64	19,652,492.46	.2640000	0.260	0.264		0.000
SD COUNTY	9007	99	San Diego County	Fair	21,216,572.36	21,216,572.36	21,161,000.00	.3940000	0.389	0.394		0.000
<b>Report Total</b>					<b>81,769,523.67</b>	<b>81,765,829.96</b>	<b>81,667,652.81</b>			<b>0.445</b>		<b>0.918</b>



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	February 5, 2014
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 12/19/2013 - 1/22/2014	NET DEMANDS
CHECKS (2039019 - 2039302)	\$ 1,546,496.71
VOID CHECKS (2)	(\$ 193.73)
TOTAL CHECKS	\$ 1,546,302.98
WIRE TO:	
CALPERS - OTHER POST EMPLOYMENT BENEFITS (MONTHLY)	\$ 171,250.00
CITY TREASURER - RECLAIMED WATER PURCHASE (NOV 2013)	\$ 64,324.12
CITY TREASURER - RECLAIMED WATER PURCHASE (OCT 2013)	\$ 130,005.12
DELTA DENTAL OF CALIFORNIA - DENTAL & COBRA CLAIMS (DEC 2013)	\$ 22,996.50
JP MORGAN SECURITIES INC - REMARKETING FEE (QUARTERLY)	\$ 2,245.81
OTAY WATER DISTRICT - BI-WEEKLY PAYROLL DEDUCTION	\$ 707.00
OTAY WATER DISTRICT - BI-WEEKLY PAYROLL DEDUCTION	\$ 707.00
SAN DIEGO COUNTY WATER AUTH - WATER DELIVERIES & CHARGES (NOV 2013)	\$ 3,188,089.18
SPECIAL DISTRICT RISK - HEALTH ADMINISTRATION (FEB 2014)	\$ 274,366.74
SPECIAL DISTRICT RISK - HEALTH ADMINISTRATION (JAN 2014)	\$ 276,700.88
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 237.69
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 831.23
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 735.23
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 237.69
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 831.23
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 735.23
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 237.69
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 831.23
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 735.23
UNION BANK - BI-WEEKLY PAYROLL TAXES - FICA	\$ 191,879.12
UNION BANK - BI-WEEKLY PAYROLL TAXES - FICA	\$ 145,803.09

UNION BANK - BI-WEEKLY PAYROLL TAXES - FICA	\$ 132,450.71
UNION BANK NA - COPS 96 (MONTHLY)	\$ 597.18
UNION BANK NA - COPS 96 (QUARTERLY)	\$ 27,663.58
<b>TOTAL CASH DISBURSEMENTS</b>	<b>\$ 6,181,501.46</b>

**RECOMMENDED ACTION:**

That the Board received the attached list of demands.

Jb/Attachment

**CHECK REGISTER**

**Otay Water District**

**Date Range: 12/19/2013 - 1/22/2014**

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Vendor Name</u>	<u>Invoice</u>	<u>Inv. Date</u>	<u>Description</u>	<u>Amount</u>	<u>Check Total</u>
2039076	01/02/14	14617	A GLASCO INC	81401	12/06/13	WINDOW INSTALL - TREATMENT PLANT DOORS	788.00	788.00
2039199	01/15/14	15285	A&D FIRE SPRINKLES INC	304536	12/17/13	SPRINKLER SYSTEM INSPECTION	1,265.00	1,265.00
2039019	12/25/13	08488	ABLEFORCE INC	4067	12/05/13	PROGRAMMING SERVICES (11/11/13-12/5/13)	1,593.75	1,593.75
2039127	01/08/14	08488	ABLEFORCE INC	4091	12/19/13	PROGRAMMING SERVICES (12/6/13-12/18/13)	1,187.50	1,187.50
2039255	01/22/14	08488	ABLEFORCE INC	4058	11/26/13	PROGRAMMING SERVICES (8/5/13-11/2/13)	4,000.00	4,000.00
2039077	01/02/14	15343	ADEL YALDA	Ref002431899	12/30/13	UB Refund Cst #0000204938	1,984.50	1,984.50
2039020	12/25/13	14479	ADVANCED CALIBRATION DESIGNS	24792	12/02/13	CAL2000 CALIBRATION & CERTIFICATION	581.00	581.00
2039256	01/22/14	12006	ADVANCED WEB OFFSET INC	133566	12/30/13	PRINTING SERVICES	3,148.20	3,148.20
2039128	01/08/14	12174	AECOM TECHNICAL SERVICES INC	13	12/13/13	DISINFECTION SYSTEM (ENDING 11/22/13)	69,888.01	69,888.01
2039021	12/25/13	12174	AECOM TECHNICAL SERVICES INC	12	11/30/13	DISINFECTION SYSTEM (ENDING 10/25/13)	60,514.69	60,514.69
2039200	01/15/14	11462	AEGIS ENGINEERING MGMT INC	1208	12/16/13	DESIGN SVCS (11/2/13-11/30/13)	7,972.50	
				1207	11/11/13	DESIGN SVCS (9/28/13-11/1/13)	4,293.60	12,266.10
2039129	01/08/14	11462	AEGIS ENGINEERING MGMT INC	1304	12/16/13	DEVELOPER PROJECTS (11/2/13-11/30/13)	8,759.76	
				1136	12/16/13	DEVELOPER PLAN CHECKS (11/2/13-11/30/13)	135.00	8,894.76
2039130	01/08/14	07732	AIRGAS SPECIALTY PRODUCTS INC	131315546	12/12/13	AQUA AMMONIA	3,009.31	
				131315545	12/12/13	AQUA AMMONIA	1,605.10	
				131315548	12/12/13	AQUA AMMONIA	647.35	
				131315547	12/12/13	AQUA AMMONIA	456.19	5,717.95
2039022	12/25/13	13753	AIRGAS USA LLC	9914488075	11/30/13	BREATHING AIR	41.75	41.75
2039257	01/22/14	13753	AIRGAS USA LLC	9915223303	12/31/13	BREATHING AIR	41.75	41.75
2039131	01/08/14	15024	AIRX UTILITY SURVEYORS INC	2	12/16/13	LAND SURVEYING (10/1/13-11/30/13)	15,029.00	15,029.00
2039258	01/22/14	14811	ALARMS UNLIMITED INC	158234	12/31/13	LIGHT POLE	3,702.91	
				158236	12/31/13	ALARM REPROGRAM	790.40	
				158235	12/31/13	LEDGE AVENUE ALARM (12/19/13-1/31/14)	672.57	
				158211	12/31/13	BATTERY REPLACEMENT	495.58	5,661.46
2039132	01/08/14	14811	ALARMS UNLIMITED INC	157245	12/05/13	ALARM MAINTENANCE (12/2/13)	300.60	300.60
2039023	12/25/13	14811	ALARMS UNLIMITED INC	157234	11/29/13	GATE UPGRADE/REPAIR	10,085.83	
				157239	11/29/13	MONITORING SERVICE	4,924.88	
				157143	11/27/13	CAMERA REPLACEMENT (11/26/13)	1,957.32	16,968.03

## CHECK REGISTER

## Otay Water District

Date Range: 12/19/2013 - 1/22/2014

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2039078	01/02/14	15339	ALEGRIA REAL ESTATE FUND IV	Ref002431895	12/30/13	UB Refund Cst #0000204261	161.51	161.51
2039259	01/22/14	14256	ALLIANT INSURANCE SERVICES INC	173480	12/04/13	CONSULTING SERVICES (1ST QTR CY 2014)	6,750.00	6,750.00
2039024	12/25/13	01463	ALLIED ELECTRONICS INC	9002476111	12/03/13	24VDC POWER SUPPLY	401.97	401.97
2039133	01/08/14	02362	ALLIED WASTE SERVICES # 509	0509005431940	12/25/13	TRASH SERVICES (JAN 2014)	67.49	67.49
2039201	01/15/14	02362	ALLIED WASTE SERVICES # 509	0509005430309	12/25/13	TRASH SERVICES (JAN 2014)	530.33	530.33
2039134	01/08/14	14462	ALYSON CONSULTING	CM201322	12/17/13	CONSTRUCTION INSPECTION (11/1/13-11/30/13)	2,550.00	2,550.00
2039260	01/22/14	14462	ALYSON CONSULTING	CM201401	01/06/14	CONSTRUCTION MGMT (11/1/13-12/31/13)	4,050.00	
				CM201402	01/06/14	CONSTRUCTION INSPECTION (11/1/13-12/31/13)	3,750.00	
				CM201403	01/06/14	CONSTRUCTION INSPECTION (11/1/13-12/31/13)	1,800.00	
				CM201407	01/06/14	CONSTRUCTION INSPECTION (12/18/13-12/31/13)	1,650.00	
				CM201404	01/06/14	CONSTRUCTION INSPECTION (12/1/13-12/31/13)	1,470.00	
				CM201405	01/06/14	CONSTRUCTION INSPECTION (11/4/13-12/31/13)	1,200.00	
				CM201406	01/06/14	CONSTRUCTION INSPECTION (11/4/13-12/31/13)	600.00	14,520.00
2039202	01/15/14	15363	AMANDA MOSCO	Ref002432103	01/13/14	UB Refund Cst #0000197852	43.44	43.44
2039203	01/15/14	06166	AMERICAN MESSAGING	L11095700A	01/01/14	PAGER SERVICES (DEC 2013)	205.34	205.34
2039135	01/08/14	00107	AMERICAN WATER WORKS ASSN	7000748277	11/23/13	MEMBERSHIP RENEWAL (3/1/14-2/28/15)	5,785.00	5,785.00
2039204	01/15/14	15366	ANDREA GUZMAN	UB255198107	01/13/14	CUSTOMER REFUND	1,200.00	1,200.00
2039079	01/02/14	15327	ANETTE VILLOTA	Ref002431882	12/30/13	UB Refund Cst #0000185557	21.84	21.84
2039136	01/08/14	00002	ANSWER INC	9298	12/23/13	ANSWERING SERVICES (MONTHLY)	1,100.00	1,100.00
2039137	01/08/14	08967	ANTHEM BLUE CROSS EAP	41189	12/20/13	EMPLOYEE ASSISTANCE PROGRAM (JAN 2014)	321.12	321.12
2039025	12/25/13	01509	ARC ERGONOMICS	39747	12/03/13	BACK SUPPORT	129.55	129.55
2039080	01/02/14	05758	AT&T	33784130451213	12/07/13	ACCESS TRANSPORT SVCS (12/7/13-1/9/14)	31.65	31.65
2039138	01/08/14	05758	AT&T	61967053091213	12/15/13	LONG DISTANCE (MONTHLY)	37.52	37.52
2039205	01/15/14	05758	AT&T	0821645728122513	12/25/13	ACCESS TRANSPORT SVCS (12/25/13-1/24/14)	2,277.32	
				61942256051213	12/20/13	ACCESS TRANSPORT SVCS (12/20/13-1/19/14)	69.31	2,346.63
2039206	01/15/14	05758	AT&T	61969851401213	12/24/13	LONG DISTANCE (MONTHLY)	37.52	37.52
2039026	12/25/13	07785	AT&T	000004918942	12/02/13	CALNET 2 PHONE SVCS (11/2/13-12/1/13)	5,764.67	
				000004921159	12/02/13	CALNET 2 PHONE SVCS (MONTHLY)	15.69	5,780.36

## CHECK REGISTER

## Otay Water District

Date Range: 12/19/2013 - 1/22/2014

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2039261	01/22/14	07785	AT&T	000005006635	01/02/14	CALNET 2 PHONE SVCS (12/2/13-1/1/14)	5,730.76	
				000005004740	01/01/14	CALNET 2 PHONE SVCS (12/1/13-12/31/13)	1,229.08	
				000005008852	01/02/14	CALNET 2 PHONE SVCS (12/2/13-1/1/14)	15.78	6,975.62
2039139	01/08/14	12810	ATKINS	1184198	12/23/13	DESIGN SERVICES (9/30/13-12/1/13)	3,762.50	3,762.50
2039027	12/25/13	14985	AZTEC FENCE CO II INC	AZ744	12/05/13	FENCE REPAIR	610.00	610.00
2039081	01/02/14	15310	BETH ANN COLEMAN	Ref002431865	12/30/13	UB Refund Cst #0000057183	14.66	14.66
2039140	01/08/14	04806	BJ'S RENTALS	514871	12/09/13	PRE-MADE CONCRETE	145.80	145.80
2039082	01/02/14	15333	BLUE CENTURION HOMES	Ref002431888	12/30/13	UB Refund Cst #0000195909	42.44	42.44
2039083	01/02/14	15308	BRANY V PEREZ	Ref002431863	12/30/13	UB Refund Cst #0000015092	58.73	58.73
2039028	12/25/13	10970	BRENNTAG PACIFIC INC	BPI368346	11/27/13	SODIUM HYPOCHLORITE	1,827.90	
				BPI369304	12/02/13	SODIUM HYPOCHLORITE	871.99	
				BPI370353	12/06/13	SODIUM HYPOCHLORITE	854.55	
				BPI370163	12/05/13	SODIUM HYPOCHLORITE	610.39	
				BPI369305	12/02/13	SODIUM HYPOCHLORITE	479.61	4,644.44
2039141	01/08/14	10970	BRENNTAG PACIFIC INC	BPI374446	12/20/13	SODIUM HYPOCHLORITE	1,640.43	
				BPI373964	12/19/13	SODIUM HYPOCHLORITE	1,208.80	
				BPI372093	12/12/13	SODIUM HYPOCHLORITE	1,049.66	
				BPI372092	12/12/13	SODIUM HYPOCHLORITE	695.42	
				BPI374204	12/19/13	SODIUM HYPOCHLORITE	395.67	4,989.98
2039262	01/22/14	10970	BRENNTAG PACIFIC INC	BPI377704	01/03/14	SODIUM HYPOCHLORITE	1,480.20	
				BPI375619	12/26/13	SODIUM HYPOCHLORITE	1,030.05	
				BPI377706	01/02/14	SODIUM HYPOCHLORITE	978.81	
				BPI375620	12/26/13	SODIUM HYPOCHLORITE	540.64	
				BPI377705	01/02/14	SODIUM HYPOCHLORITE	466.52	4,496.22
2039263	01/22/14	03531	BROWN AND CALDWELL	44206931	12/27/13	IWRV 2013 UPDATE (9/17/13-12/23/13)	3,001.00	3,001.00
2039207	01/15/14	15359	BYCOR GENERAL CONTRACTORS	Ref002432099	01/13/14	UB Refund Cst #0000194573	2,003.72	2,003.72
2039208	01/15/14	02970	CALIFORNIA LAND SURVEYORS	E000059	01/13/14	MEMBERSHIP DUES	159.00	159.00
2039142	01/08/14	15346	CALIFORNIA REDEVELOPMENT	010614	01/06/14	WORKSHOP REFUND	209.00	209.00
2039029	12/25/13	00557	CALIFORNIA SPECIAL DISTRICTS	6061213	12/12/13	MEMBERSHIP DUES	5,294.00	5,294.00

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2039030	12/25/13	01004	CALOLYMPIC SAFETY	321542	12/05/13	SAFETY TRAINING	794.34	794.34
2039031	12/25/13	02758	CARMEL BUSINESS SYSTEMS INC	7737	11/29/13	DESTRUCTION SERVICES (11/29/13)	77.00	77.00
2039143	01/08/14	15177	CAROLLO ENGINEERS INC	132263	12/17/13	DESIGN 870-2 PS (11/1/13-11/30/13)	17,235.00	17,235.00
2039264	01/22/14	03232	CDW GOVERNMENT INC	HZ55043	01/03/14	HAYES MODEM	153.39	153.39
2039032	12/25/13	09801	CENTERBEAM INC	19436	11/29/13	NETWORK MAINTENANCE	1,575.00	1,575.00
2039209	01/15/14	15348	CHALDEAN AMERICAN CHAMBER	010914	01/09/14	MEMBERSHIP FEE	350.00	350.00
2039144	01/08/14	12130	CHAVEZ, KIM	O000000060	01/06/14	SAFETY BOOT REIMBURSEMENT	119.98	119.98
2039210	01/15/14	15361	CHELSEY MILANOWSKI	Ref002432101	01/13/14	UB Refund Cst #0000196933	56.33	56.33
2039265	01/22/14	06966	CHEYENNE PRODUCTS INC	28348	01/03/14	LIFE RING CABINETS	1,446.00	1,446.00
2039266	01/22/14	02026	CHULA VISTA ELEM SCHOOL DIST	AR042714	01/09/14	GARDEN TOURS (11/5/13)	220.00	220.00
2039145	01/08/14	02026	CHULA VISTA ELEM SCHOOL DIST	AR042514	12/10/13	GARDEN TOURS (10/16/13)	220.00	220.00
2039146	01/08/14	00446	CITY OF CHULA VISTA	e000056	01/06/14	PLAN CHECK REVIEW	650.00	650.00
2039211	01/15/14	15365	CITY OF CHULA VISTA HARBORFEST	092113	01/15/14	HARBORFEST SPONSORSHIP	1,000.00	1,000.00
2039033	12/25/13	04119	CLARKSON LAB & SUPPLY INC	70596	11/30/13	BACTERIOLOGICAL TESTING SVCS	682.00	
				70594	11/30/13	BACTERIOLOGICAL TESTING SVCS	681.00	
				70590	11/30/13	BACTERIOLOGICAL TESTING SVCS	660.00	
				70591	11/30/13	BACTERIOLOGICAL TESTING SVCS	660.00	
				70592	11/30/13	BACTERIOLOGICAL TESTING SVCS	660.00	
				70589	11/30/13	BACTERIOLOGICAL TESTING SVCS	352.00	3,695.00
2039084	01/02/14	15335	CLEATH WATSON	Ref002431890	12/30/13	UB Refund Cst #0000196290	40.22	40.22
2039147	01/08/14	08160	COMPLETE OFFICE	15606940	12/12/13	TONER	715.36	
				15452640a	10/21/13	2014 CALENDARS	35.16	750.52
2039148	01/08/14	08160	COMPLETE OFFICE	15617860	12/17/13	CALENDARS	177.75	177.75
2039212	01/15/14	12334	CORODATA MEDIA STORAGE INC	DS1261059	12/31/13	TAPE STORAGE (DEC 2013)	387.97	387.97
2039213	01/15/14	00099	COUNTY OF SAN DIEGO	DPWAROTAYMWD	12/17/13	EXCAVATION PERMITS (NOV 2013)	694.00	694.00
2039149	01/08/14	02756	COX COMMUNICATIONS SAN DIEGO	27171213	12/30/13	INTERNET SERVICES (12/29/13-1/28/14)	1,500.00	
				28811213	12/30/13	INTERNET SERVICES (12/29/13-1/28/14)	1,500.00	3,000.00
2039085	01/02/14	15322	DARREN MCCABE	Ref002431877	12/30/13	UB Refund Cst #0000176439	51.07	51.07

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2039086	01/02/14	15345	DAVID HOFFMAN	Ref002431901	12/30/13	UB Refund Cst #0000205421	14.47	14.47
2039087	01/02/14	15321	DAWN FRITZER	Ref002431876	12/30/13	UB Refund Cst #0000175763	121.80	121.80
2039034	12/25/13	14362	DAY WIRELESS SYSTEMS {20}	65742	11/28/13	FIRETIDE NORTH SEGMENT OPTIMIZATION	154.85	154.85
2039088	01/02/14	14362	DAY WIRELESS SYSTEMS {20}	37131	10/31/13	FIRETIDE NORTH SEGMENT OPTIMIZATION	15,890.00	15,890.00
2039089	01/02/14	15331	DEBO ONATOLA	Ref002431886	12/30/13	UB Refund Cst #0000188666	19.60	19.60
2039267	01/22/14	14008	DELL AWARDS	193898	01/03/14	RECOGNITION PLAQUE	91.26	91.26
2039150	01/08/14	00319	DEPARTMENT OF PUBLIC HEALTH	1391084	12/30/13	RECYCLED WATER FEES (7/1/12-6/30/13)	869.40	869.40
2039268	01/22/14	00319	DEPARTMENT OF PUBLIC HEALTH	O0000000065	01/16/14	CERTIFICATE RENEWAL	90.00	
				O0000000063	01/16/14	CERTIFICATE RENEWAL	60.00	
				O0000000064	01/16/14	CERTIFICATE RENEWAL	60.00	210.00
2039151	01/08/14	15287	DEVONNA ALMAGRO	101	12/17/13	NEWSLETTERS - SPANISH TRANSLATION	147.00	
				102	12/19/13	NEWSLETTERS - SPANISH TRANSLATION	49.56	196.56
2039214	01/15/14	08495	DIAZ, JENNY	0114	01/13/14	EDUCATION REIMBURSEMENT	3,000.00	3,000.00
2039215	01/15/14	02965	DIPIETRO, BRANDON	E000058	01/13/14	SAFETY BOOTS REIMBURSEMENT	107.89	107.89
2039269	01/22/14	03417	DIRECTV	22165846315	01/05/14	SATELLITE TV (1/4/14-2/3/14)	18.00	18.00
2039216	01/15/14	03417	DIRECTV	22044881698	12/20/13	SATELLITE TV (12/18/13-1/17/14)	6.00	6.00
2039035	12/25/13	15050	DISCOUNT INSTRUMENTATION SVCS	7913	11/26/13	CONVERTER REPAIR	450.00	450.00
2039090	01/02/14	15324	DORA CERROS	Ref002431879	12/30/13	UB Refund Cst #0000184858	36.44	36.44
2039217	01/15/14	15360	DUSTIN NELSON	Ref002432100	01/13/14	UB Refund Cst #0000196619	44.32	44.32
2039218	01/15/14	02447	EDCO DISPOSAL CORPORATION	1554581213	12/31/13	RECYCLING SERVICES	95.00	95.00
2039091	01/02/14	15317	EDDIE AQUILER	Ref002431872	12/30/13	UB Refund Cst #0000146502	72.83	72.83
2039152	01/08/14	08023	EMPLOYEE BENEFIT SPECIALISTS	0062923IN	11/30/13	EMPLOYEE BENEFITS (NOV 2013)	687.50	687.50
2039270	01/22/14	03227	ENVIROMATRIX ANALYTICAL INC	4010482	01/06/14	RECYCLED WATER ANALYSIS (12/12/13-12/20/13)	690.00	690.00
2039036	12/25/13	03227	ENVIROMATRIX ANALYTICAL INC	3120391	12/02/13	RECYCLED WATER ANALYSIS (11/14/13-11/30/13)	600.00	
				3120615	12/09/13	RECYCLED WATER ANALYSIS (11/21/13-11/26/13)	555.00	1,155.00
2039153	01/08/14	03227	ENVIROMATRIX ANALYTICAL INC	3120791	12/16/13	RECYCLED WATER ANALYSIS (11/27/13-12/5/13)	820.00	
				3120964	12/20/13	RECYCLED WATER ANALYSIS (12/6/13-12/11/13)	660.00	1,480.00

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2039092	01/02/14	15334	ERIC AUSTIN	Ref002431889	12/30/13	UB Refund Cst #0000196238	60.32	60.32
2039271	01/22/14	14320	EUROFINS EATON ANALYTICAL INC	L0149132	12/24/13	OUTSIDE LAB SERVICES (12/3/13)	255.00	255.00
2039037	12/25/13	14320	EUROFINS EATON ANALYTICAL INC	L0145660	11/27/13	OUTSIDE LAB SERVICES (11/13/13)	750.00	
				L0146469	12/04/13	OUTSIDE LAB SERVICES (11/5/13)	255.00	1,005.00
2039154	01/08/14	14320	EUROFINS EATON ANALYTICAL INC	L0147346	12/11/13	OUTSIDE LAB SERVICES (11/13/13)	2,200.00	2,200.00
2039155	01/08/14	00645	FEDEX	249546450	12/13/13	MAIL SERVICES (12/5/13)	6.24	6.24
2039272	01/22/14	03546	FERGUSON WATERWORKS # 1083	0459347	12/24/13	INVENTORY	2,458.79	
				0459348	12/24/13	INVENTORY	2,458.79	
				0459484	01/03/14	INVENTORY	1,497.73	
				0459367	01/03/14	PIT PUMPS	1,061.64	7,476.95
2039156	01/08/14	03546	FERGUSON WATERWORKS # 1083	CM037336		CREDIT MEMO	-414.36	
				0455538	12/10/13	METER BOX LIDS	2,279.84	1,865.48
2039038	12/25/13	12187	FIRST AMERICAN DATA TREE LLC	9003401113	11/30/13	ONLINE DOCUMENTS (11/1/13-11/30/13)	99.00	99.00
2039157	01/08/14	12187	FIRST AMERICAN DATA TREE LLC	9003401013	10/31/13	ONLINE DOCUMENTS (10/1/13-10/31/13)	99.00	99.00
2039273	01/22/14	12187	FIRST AMERICAN DATA TREE LLC	9003401213	12/31/13	ONLINE DOCUMENTS (12/1/13-12/31/13)	99.00	99.00
2039039	12/25/13	04066	FIRST CHOICE SERVICES - SD	011720	12/04/13	COFFEE SUPPLIES	447.31	447.31
2039158	01/08/14	04066	FIRST CHOICE SERVICES - SD	012286	12/18/13	COFFEE SUPPLIES	323.54	323.54
2039274	01/22/14	04066	FIRST CHOICE SERVICES - SD	013198	01/03/14	COFFEE SUPPLIES	231.25	231.25
2039159	01/08/14	00035	FISHER SCIENTIFIC	2729888		CREDIT MEMO	-54.09	
				3005135	12/19/13	LABORATORY SUPPLIES	441.79	387.70
2039040	12/25/13	14478	FISHER WIRELESS SERVICES INC	220140	11/27/13	RADIO UPGRADE	2,436.59	2,436.59
2039041	12/25/13	02591	FITNESS TECH	8815	12/01/13	EQUIPMENT MAINTENANCE (DEC 2013)	135.00	135.00
2039275	01/22/14	11962	FLEETWASH INC	x217995	12/27/13	FLEET VEHICLE WASHING	111.69	111.69
2039219	01/15/14	11962	FLEETWASH INC	x217973	12/20/13	FLEET VEHICLE WASHING	65.70	65.70
2039160	01/08/14	11962	FLEETWASH INC	x212971	12/13/13	FLEET VEHICLE WASHING	105.12	105.12
2039093	01/02/14	01612	FRANCHISE TAX BOARD	Ben2431913	01/02/14	BI-WEEKLY PAYROLL DEDUCTION	90.00	90.00
2039220	01/15/14	01612	FRANCHISE TAX BOARD	Ben2432183	01/16/14	BI-WEEKLY PAYROLL DEDUCTION	90.00	90.00

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2039221	01/15/14	02344	FRANCHISE TAX BOARD	Ben2432185	01/16/14	BI-WEEKLY PAYROLL DEDUCTION	81.00	81.00
2039094	01/02/14	02344	FRANCHISE TAX BOARD	Ben2431915	01/02/14	BI-WEEKLY PAYROLL DEDUCTION	81.00	81.00
2039095	01/02/14	15323	FRANCISCO LUCERO	Ref002431878	12/30/13	UB Refund Cst #0000182339	36.93	36.93
2039276	01/22/14	07224	FRAZEE INDUSTRIES INC	9530271538420	01/06/14	PAINT	1,056.79	1,056.79
2039042	12/25/13	10817	GEXPRO	580232959	11/27/13	VERSAMAX PROGRAMMING CABLES	70.05	70.05
2039161	01/08/14	00101	GRAINGER INC	9325299320	12/23/13	SURVEY PAINT	241.06	241.06
2039277	01/22/14	12907	GREENRIDGE LANDSCAPE INC	11552	12/30/13	LANDSCAPING SERVICES (DEC 2014)	8,909.50	8,909.50
2039043	12/25/13	12907	GREENRIDGE LANDSCAPE INC	11467	12/02/13	LANDSCAPING SERVICES (NOV 2013)	8,909.50	8,909.50
2039222	01/15/14	00174	HACH COMPANY	8579295	11/19/13	LABORATORY SUPPLIES	678.57	678.57
2039162	01/08/14	00174	HACH COMPANY	8617559	12/17/13	LABORATORY SUPPLIES	2,102.02	2,102.02
2039044	12/25/13	02795	HARTFORD INSURANCE CO, THE	Ben2431812	12/19/13	MONTHLY CONTRIBUTION TO LTD	5,603.65	5,603.65
2039163	01/08/14	02795	HARTFORD INSURANCE CO, THE	72ETB2004171213	12/02/13	ACCIDENT INS RENEWAL (1/1/14-1/1/15)	780.00	780.00
2039278	01/22/14	05986	HAVS INCORPORATED	70541	01/03/14	REPAIR SERVICE	150.00	150.00
2039096	01/02/14	04472	HECTOR I MARES-COSSIO	105	12/10/13	BI-NATIONAL CONSULTANT SERVICES (NOV 2013)	3,600.00	3,600.00
2039223	01/15/14	15364	HOMETEAM PROPERTY MGMNT	Ref002432104	01/13/14	UB Refund Cst #0000205817	83.89	83.89
2039164	01/08/14	12335	HP ENTERPRISE SERVICES LLC	U3136613	12/12/13	IVR PAYMENT SERVICES (NOV 2013)	1,948.45	1,948.45
2039165	01/08/14	01649	IDEXX DISTRIBUTION INC	273936793	12/16/13	LABORATORY SUPPLIES	3,862.04	
				273936797	12/16/13	LABORATORY SUPPLIES	2,751.98	6,614.02
2039045	12/25/13	08969	INFOSEND INC	74800	11/29/13	BILL PRINTING SERVICES (NOV 2013)	11,768.39	
				74799	11/29/13	BILL PRINTING SERVICES (NOV 2013)	3,391.00	
				74929	12/03/13	BILL PRINTING SERVICES (NOV 2013)	1,993.31	17,152.70
2039097	01/02/14	08969	INFOSEND INC	70976	07/31/13	BILL PRINTING SERVICES (JULY 2013)	5,492.67	5,492.67
2039279	01/22/14	08969	INFOSEND INC	75716	12/31/13	BILL PRINTING SERVICES (DEC 2013)	11,696.65	
				75715	12/31/13	BILL PRINTING SERVICES (DEC 2013)	3,388.60	
				75856	01/02/14	BILL PRINTING SERVICES (DEC 2013)	2,017.30	17,102.55
2039280	01/22/14	02372	INTERIOR PLANT SERVICE INC	7124	12/20/13	PLANT SERVICES (DEC 2013)	205.00	205.00
2039046	12/25/13	02372	INTERIOR PLANT SERVICE INC	6498	11/20/13	PLANT SERVICES (NOV 2013)	205.00	205.00

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2039224	01/15/14	13899	INTERMEDIA.NET INC	2013163143	01/01/14	EMAIL SERVICES (12/2/13-1/2/14)	3,457.59	3,457.59
2039225	01/15/14	14737	IWATER INC	6475	11/19/13	LICENSE AGREEMENT	20,000.00	20,000.00
2039226	01/15/14	15351	JACKSON FONG	Ref002432090	01/13/14	UB Refund Cst #0000047457	136.20	136.20
2039166	01/08/14	00646	JACKSON-HIRSH INC	0878357	12/17/13	OFFICE SUPPLIES	123.63	123.63
2039227	01/15/14	15355	JAMES TOWNSEND	Ref002432095	01/13/14	UB Refund Cst #0000122874	84.63	84.63
2039098	01/02/14	15340	JANE CLUNE	Ref002431896	12/30/13	UB Refund Cst #0000204530	80.64	80.64
2039047	12/25/13	03077	JANI-KING OF CALIFORNIA INC	SDO11130165	11/01/13	JANITORIAL SERVICES (NOV 2013)	1,135.50	1,135.50
2039167	01/08/14	03077	JANI-KING OF CALIFORNIA INC	SDO12130163	12/01/13	JANITORIAL SERVICES (DEC 2013)	1,135.50	1,135.50
2039168	01/08/14	10563	JCI JONES CHEMICALS INC	603982		CREDIT MEMO	-3,000.00	
				603943	12/10/13	CHLORINE	4,684.65	1,684.65
2039281	01/22/14	10563	JCI JONES CHEMICALS INC	605352		CREDIT MEMO	-3,000.00	
				605335	12/30/13	CHLORINE	4,684.65	1,684.65
2039169	01/08/14	02269	JENAL ENGINEERING CORP	10555	12/10/13	DUSTO INSPECTIONS (ANNUAL)	1,300.00	1,300.00
2039048	12/25/13	02269	JENAL ENGINEERING CORP	10456	12/03/13	DUSTO INSPECTIONS (7/11/13-10/31/13)	836.00	
				10447	12/03/13	FUEL ISLAND REPAIR	357.50	
				10446	12/03/13	FUEL ISLAND REPAIR	225.09	
				10448	12/03/13	FUEL ISLAND REPAIR	160.00	
				10457	12/03/13	DUSTO INSPECTIONS (NOV 2013)	100.00	1,678.59
2039282	01/22/14	02269	JENAL ENGINEERING CORP	10723	12/30/13	DUSTO INSPECTIONS (DEC 2013)	100.00	100.00
2039228	01/15/14	03172	JONES & STOKES ASSOCIATES INC	0097842	12/05/13	ENVIRONMENTAL CONSULTING (10/26/13-11/22/13)	3,381.27	
				0098092	12/12/13	ENVIRONMENTAL CONSULTING (10/26/13-11/22/13)	3,282.50	
				0097843	12/05/13	ENVIRONMENTAL CONSULTING (10/26/13-11/22/13)	2,522.22	
				0097841	12/05/13	ENVIRONMENTAL CONSULTING (7/27/13-11/22/13)	2,236.00	11,421.99
2039099	01/02/14	15326	JORDANA SANCHEZ	Ref002431881	12/30/13	UB Refund Cst #0000185317	10.58	10.58
2039100	01/02/14	15318	KATHERINE ODER	Ref002431873	12/30/13	UB Refund Cst #0000146811	145.00	145.00
2039229	01/15/14	15357	KEVIA GRANT	Ref002432097	01/13/14	UB Refund Cst #0000187618	58.73	58.73
2039170	01/08/14	05840	KIRK PAVING INC	5482	12/12/13	AS NEEDED PAVING SERVICES FY14	6,982.50	6,982.50
2039049	12/25/13	04996	KNOX ATTORNEY SERVICE INC	4024849	11/30/13	DELIVERY SERVICES (11/1/13-11/14/13)	99.75	99.75

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2039283	01/22/14	04996	KNOX ATTORNEY SERVICE INC	4030141	12/31/13	DELIVERY SERVICES (12/6/13)	99.75	99.75
2039230	01/15/14	14036	KRATOS / HBE	SM45002	12/19/13	ALARM MONITORING #1 (DEC 2013)	55.00	
				SM45004	12/19/13	ALARM MONITORING #3 (DEC 2013)	55.00	
				SM45005	12/19/13	ALARM MONITORING #2 (DEC 2013)	40.00	150.00
2039231	01/15/14	12843	LAWTON GROUP, THE	51137	12/20/13	INTERNSHIP AGREEMENT (12/9/13-12/15/13)	270.00	
				51163	12/27/13	INTERNSHIP AGREEMENT (12/16/13-12/22/13)	108.00	378.00
2039050	12/25/13	09511	LAYFIELD ENVIRONMENTAL SYSTEMS	E04916	11/26/13	MAINT OF FLOATING RESERVOIR COVERS	8,247.00	8,247.00
2039232	01/15/14	09511	LAYFIELD ENVIRONMENTAL SYSTEMS	E04962	12/23/13	MAINT OF FLOATING RESVR COVERS (DEC 2013)	51,322.00	51,322.00
2039101	01/02/14	15315	LEANDRO ORBITA	Ref002431870	12/30/13	UB Refund Cst #0000092407	11.22	11.22
2039233	01/15/14	15315	LEANDRO ORBITA	Ref002432094	01/13/14	UB Refund Cst #0000092407	99.44	99.44
2039102	01/02/14	15312	LEO HILLMAN	Ref002431867	12/30/13	UB Refund Cst #0000062671	73.99	73.99
2039234	01/15/14	15356	LUDMILA LEDOVSKIKH	Ref002432096	01/13/14	UB Refund Cst #0000142929	26.62	26.62
2039171	01/08/14	01054	LYNN'S LOCKSMITH SERVICE	284657	12/10/13	RE-KEY PUMP STATIONS	511.00	511.00
2039235	01/15/14	15358	MARIA JUAREZ	Ref002432098	01/13/14	UB Refund Cst #0000188166	40.34	40.34
2039051	12/25/13	02902	MARSTON & MARSTON INC	201312	12/02/13	COMMUNITY OUTREACH (NOV 2013)	5,000.00	5,000.00
2039284	01/22/14	02902	MARSTON & MARSTON INC	20141	01/02/14	COMMUNITY OUTREACH (DEC 2013)	2,095.00	2,095.00
2039103	01/02/14	15309	MARY HOLDREN	Ref002431864	12/30/13	UB Refund Cst #0000051183	40.97	40.97
2039285	01/22/14	05212	MCCORMICK, MARINELLI	01171401	01/17/14	COMPUTER LOAN	1,420.43	1,420.43
2039052	12/25/13	01183	MCMaster-CARR SUPPLY CO	67611893	12/06/13	TSS/NO3 MATERIALS	390.72	390.72
2039172	01/08/14	01183	MCMaster-CARR SUPPLY CO	68994475	12/23/13	AIR VAC PARTS	561.40	561.40
2039236	01/15/14	01824	MERKEL & ASSOCIATES INC	13121001	12/10/13	ENVIRONMENTAL SERVICES (11/1/13-11/30/13)	11,911.68	11,911.68
2039053	12/25/13	09581	MICHAEL R WELCH PHD PE	71313	12/02/13	PLANNING SERVICES (7/1/13-11/30/13)	3,240.00	3,240.00
2039173	01/08/14	01577	MINARIK CORPORATION	11081324DD	12/11/13	BANNER RF CABLES	183.43	183.43
2039174	01/08/14	00237	MISSION JANITORIAL & ABRASIVE	39064001	12/19/13	JANITORIAL SUPPLIES	276.48	
				39064002	12/20/13	JANITORIAL SUPPLIES	138.24	414.72
2039054	12/25/13	00237	MISSION JANITORIAL & ABRASIVE	39064000	12/06/13	JANITORIAL SUPPLIES	643.70	643.70
2039286	01/22/14	15136	MISSION UNIFORM SERVICE	340265148	12/30/13	UNIFORM SERVICES	398.77	

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				340266173	01/06/14	UNIFORM SERVICES	397.23	
				340265147	12/30/13	UNIFORM SERVICES	114.17	
				340266172	01/06/14	UNIFORM SERVICES	114.17	
				340264720	12/30/13	UNIFORM SERVICES	100.39	
				340266176	01/06/14	UNIFORM SERVICES	88.93	
				340265151	12/30/13	UNIFORM SERVICES	88.93	1,302.59
2039055	12/25/13	15136	MISSION UNIFORM SERVICE	340261925	12/09/13	UNIFORM SERVICES	398.77	
				340260855	12/02/13	UNIFORM SERVICES	394.78	
				340260854	12/02/13	UNIFORM SERVICES	130.17	
				340261924	12/09/13	UNIFORM SERVICES	130.17	
				6340260829	12/09/13	UNIFORM SERVICES	97.52	
				340260858	12/02/13	UNIFORM SERVICES	88.93	
				340261928	12/09/13	UNIFORM SERVICES	88.93	
				S340260830	12/09/13	UNIFORM SERVICES	41.49	1,370.76
2039175	01/08/14	15136	MISSION UNIFORM SERVICE	340262963	12/16/13	UNIFORM SERVICES	398.77	
				340264050	12/23/13	UNIFORM SERVICES	398.77	
				340257578	11/11/13	UNIFORM SERVICES	394.78	
				340257577	11/11/13	UNIFORM SERVICES	130.17	
				340264049	12/23/13	UNIFORM SERVICES	116.57	
				340264053	12/23/13	UNIFORM SERVICES	89.00	
				340257582	11/11/13	UNIFORM SERVICES	89.00	
				340262966	12/16/13	UNIFORM SERVICES	88.93	
				340262962	12/16/13	UNIFORM SERVICES	68.25	1,774.24
2039237	01/15/14	03523	NATIONAL DEFERRED COMPENSATION	Ben2432181	01/16/14	BI-WEEKLY DEFERRED COMP PLAN	11,655.42	11,655.42
2039104	01/02/14	03523	NATIONAL DEFERRED COMPENSATION	Ben2431911	01/02/14	BI-WEEKLY DEFERRED COMP PLAN	11,655.42	11,655.42
2039056	12/25/13	13690	NEAL ELECTRIC CORP	59983	12/09/13	ELECTRICAL SERVICE	4,895.00	4,895.00
2039105	01/02/14	15336	NICK WILSON	Ref002431892	12/30/13	UB Refund Cst #0000198010	36.53	36.53
2039176	01/08/14	00510	OFFICE DEPOT INC	688974804001	12/16/13	OFFICE SUPPLIES	177.36	
				688637755001	12/12/13	OFFICE SUPPLIES	153.35	
				688974555001	12/20/13	OFFICE SUPPLIES	54.70	385.41
2039057	12/25/13	00510	OFFICE DEPOT INC	685872966001	12/06/13	OFFICE SUPPLIES	600.51	
				685876871001	12/06/13	OFFICE SUPPLIES	384.93	985.44

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2039287	01/22/14	03149	ON SITE LASER LLC	48162	01/14/14	PRINTER SERVICES (1/13/14)	79.00	79.00
2039106	01/02/14	15316	PABLO ZUNIGA	Ref002431871	12/30/13	UB Refund Cst #0000146245	239.98	239.98
2039288	01/22/14	09984	PADRE DAM'S SANTEE LAKES	011614	01/16/14	EMPLOYEE PROGRAM	495.00	495.00
2039289	01/22/14	05497	PAYPAL INC	28888985	12/31/13	PHONE PAYMENT SVCS (DEC 2013)	54.10	54.10
2039058	12/25/13	05497	PAYPAL INC	28211654	11/30/13	PHONE PAYMENT SVCS (NOV 2013)	54.10	54.10
2039059	12/25/13	08398	PEERLESS MATERIALS COMPANY	35165	12/06/13	RAGS	259.20	259.20
2039177	01/08/14	00227	PELL MELL SUPPLY	79634	12/20/13	HEX FIN NUT	58.17	58.17
2039238	01/15/14	00137	PETTY CASH CUSTODIAN	011414	01/14/14	PETTY CASH	429.14	429.14
2039290	01/22/14	15081	PINOMAKI DESIGN	4363	12/30/13	GRAPHIC DESIGN	425.00	425.00
2039060	12/25/13	00053	PITNEY BOWES INC	418899	12/03/13	EQUIPMENT RENTAL (1/1/14-3/31/14)	207.36	207.36
2039107	01/02/14	03351	POSADA, ROD	122313	12/23/13	COMPUTER LOAN	1,081.92	1,081.92
2039061	12/25/13	01733	PRICE TRONCONE &	12754	11/18/13	ANTENNA SUBLEASE (JAN-MAR 2013)	4,128.00	4,128.00
2039062	12/25/13	13059	PRIORITY BUILDING SERVICES	37320	11/01/13	JANITORIAL SERVICES (NOV 2013)	3,664.00	3,664.00
2039178	01/08/14	13059	PRIORITY BUILDING SERVICES	37713	12/01/13	JANITORIAL SERVICES (DEC 2013)	3,664.00	3,664.00
2039239	01/15/14	07860	PROTECTIVE LIFE INSURANCE CO	A000059	12/10/13	LIFE INSURANCE PREMIUMS	10,893.50	10,893.50
2039063	12/25/13	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2431818	12/19/13	BI-WEEKLY PERS CONTRIBUTION	161,223.72	161,223.72
2039179	01/08/14	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2431903	01/02/14	BI-WEEKLY PERS CONTRIBUTION	160,646.50	160,646.50
2039291	01/22/14	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2432173	01/16/14	BI-WEEKLY PERS CONTRIBUTION	161,951.62	161,951.62
2039180	01/08/14	01409	PUMP CHECK	5389R	12/16/13	PUMP EFFICIENCY TESTING	9,870.00	9,870.00
2039181	01/08/14	10294	QWIKPRINTS	142131	01/02/14	FINGERPRINTING SERVICES (12/9/13)	20.00	20.00
2039240	01/15/14	02925	RAHDERS, DOUGLAS	O0000000061	01/09/14	SAFETY BOOT REIMBURSEMENT	117.71	117.71
2039241	01/15/14	15362	REMARKET INVESTMENT	Ref002432102	01/13/14	UB Refund Cst #0000197014	37.82	37.82
2039108	01/02/14	15320	ROBERT ARTMAN	Ref002431875	12/30/13	UB Refund Cst #0000158808	88.43	88.43
2039109	01/02/14	15311	ROBERT CODY	Ref002431866	12/30/13	UB Refund Cst #0000058134	119.65	119.65
2039242	01/15/14	15352	ROBERT MCCOY	Ref002432091	01/13/14	UB Refund Cst #0000065276	30.02	30.02
2039243	01/15/14	15353	ROBERT PROSPER	Ref002432092	01/13/14	UB Refund Cst #0000090663	102.44	102.44

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2039110	01/02/14	15329	ROSA KIM	Ref002431884	12/30/13	UB Refund Cst #0000186287	29.49	29.49
2039064	12/25/13	02620	ROTORK CONTROLS INC	CI07461	12/03/13	FILTER ROTORK	1,163.70	1,163.70
2039111	01/02/14	15344	RYAN COMPANIES	Ref002431900	12/30/13	UB Refund Cst #0000205247	1,737.07	1,737.07
2039182	01/08/14	09148	S & J SUPPLY COMPANY INC	S100032627001	12/23/13	INVENTORY	403.80	403.80
2039292	01/22/14	05130	SAFARI MICRO INC	239136	12/26/13	TONER CARTRIDGES	153.32	153.32
2039065	12/25/13	05130	SAFARI MICRO INC	238486	12/07/13	MOUSE/KEYBOARD 5000	176.16	
				238108	11/26/13	COMPUTER HARDWARE	130.72	306.88
2039183	01/08/14	05130	SAFARI MICRO INC	238619	12/09/13	TONER CARTRIDGES	617.99	
				238742	12/13/13	PHONE HEADSET	298.39	916.38
2039112	01/02/14	15246	SAFEGUARD PROPERTIES	Ref002431891	12/30/13	UB Refund Cst #0000196865	52.03	52.03
2039293	01/22/14	15369	SALLIE MICHEL	UB050027200	01/21/14	CUSTOMER REFUND	30.63	30.63
2039184	01/08/14	11596	SAN DIEGO CONSTRUCTION WELDING	9173	12/11/13	WELDING SERVICES	3,310.00	
				8997	08/07/13	WELDING SERVICES	610.00	3,920.00
2039066	12/25/13	11596	SAN DIEGO CONSTRUCTION WELDING	9162	12/03/13	WELDING SERVICES	1,190.00	
				9163	12/03/13	WELDING SERVICES	340.00	1,530.00
2039185	01/08/14	02586	SAN DIEGO COUNTY ASSESSOR	2013135	12/09/13	ASSESSOR DATA (MONTHLY)	125.00	125.00
2039294	01/22/14	00003	SAN DIEGO COUNTY WATER AUTH	0000000923	12/30/13	SOCAL WATERSMART (NOV 2013)	35.00	35.00
2039186	01/08/14	00121	SAN DIEGO GAS & ELECTRIC	122613	12/26/13	UTILITY EXPENSES (MONTHLY)	51,856.33	
				122313	12/23/13	UTILITY EXPENSES (MONTHLY)	26,111.80	
				122413	12/24/13	UTILITY EXPENSES (MONTHLY)	24,257.17	
				122313a	12/23/13	UTILITY EXPENSES (MONTHLY)	763.62	102,988.92
2039244	01/15/14	00121	SAN DIEGO GAS & ELECTRIC	010614	01/06/14	UTILITY EXPENSES (MONTHLY)	55,042.79	
				122413s	12/24/13	UTILITY EXPENSES (MONTHLY)	14,324.55	
				122713	12/27/13	UTILITY EXPENSES (MONTHLY)	3,961.64	73,328.98
2039187	01/08/14	09339	SANGALANG, ALEX	010614	01/06/14	REIMBURSE SAFETY BOOTS	145.78	145.78
2039113	01/02/14	15337	SCOTT TRULOVE	Ref002431893	12/30/13	UB Refund Cst #0000198151	131.36	131.36
2039114	01/02/14	15330	SERGIO MEJIA	Ref002431885	12/30/13	UB Refund Cst #0000186686	44.98	44.98
2039067	12/25/13	00419	SHAPE PRODUCTS	173364	12/09/13	DISTRIBUTION SUPPLIES	1,309.32	1,309.32

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2039188	01/08/14	15048	SIEMENS WATER TECHNOLOGIES LLC	901509036	12/10/13	CL2GAS DRIPLEG/HEATER	1,117.44	1,117.44
2039115	01/02/14	15048	SIEMENS WATER TECHNOLOGIES LLC	901435645	10/14/13	MICRO 2000 PARTS	959.23	959.23
2039245	01/15/14	15048	SIEMENS WATER TECHNOLOGIES LLC	901504222	12/05/13	CL2GAS DRIPLEG/HEATER	1,628.66	
				901515548	12/16/13	AMMONIA TRANSMITTER	380.73	2,009.39
2039189	01/08/14	15307	SIERRA ANALYTICAL LABS INC	3L19003	12/19/13	LABORATORY ANALYSIS	250.00	
				3L11059	12/11/13	LABORATORY ANALYSIS	250.00	
				3L11058	12/11/13	LABORATORY ANALYSIS	250.00	
				3L19018	12/19/13	LABORATORY ANALYSIS	250.00	
				3L11041	12/11/13	LABORATORY ANALYSIS	230.00	1,230.00
2039246	01/15/14	04544	SIGN CRAFTERS	130620	11/29/13	EVACUATION SIGNS	321.16	321.16
2039190	01/08/14	13327	SILVA-SILVA INTERNATIONAL	1401	01/01/14	PROJECT CONSULTANT (DEC 2013)	4,279.05	4,279.05
2039295	01/22/14	11618	SOUTH COAST COPY SYSTEMS	AR142370	12/27/13	COPIER MAINTENANCE (JAN 2014)	1,682.59	1,682.59
2039068	12/25/13	03103	SOUTHCOAST HEATING &	C52393	11/13/13	AC MAINTENANCE (NOV 2013)	480.00	
				C52388	11/13/13	IT AC MAINTENANCE (NOV 2013)	205.00	685.00
2039296	01/22/14	03103	SOUTHCOAST HEATING &	C52639	12/16/13	AC MAINTENANCE (DEC 2013)	480.00	
				C52629	12/16/13	IT AC MAINTENANCE (DEC 2013)	205.00	685.00
2039069	12/25/13	15176	SOUTHCOAST HEATING &	C52387	11/13/13	AC MAINTENANCE (NOV 2013)	1,068.00	1,068.00
2039297	01/22/14	15176	SOUTHCOAST HEATING &	C52628	12/16/13	AC MAINTENANCE (DEC 2013)	1,068.00	1,068.00
2039247	01/15/14	06853	SOUTHERN CALIFORNIA SOIL	365728	10/31/13	GEOTECHNICAL SERVICES (10/1/13-10/15/13)	15,392.55	
				365894	11/30/13	GEOTECHNICAL SERVICES (11/1/13-11/30/13)	14,506.66	
				365721	10/31/13	GEOTECHNICAL SERVICES (10/1/13-10/15/13)	1,110.08	
				365723	10/31/13	GEOTECHNICAL SERVICES (10/1/13-10/15/13)	760.32	31,769.61
2039116	01/02/14	15342	SOUTHLAND PAVING INC	Ref002431898	12/30/13	UB Refund Cst #0000204849	1,896.11	1,896.11
2039191	01/08/14	03760	SPANKY'S PORTABLE SERVICES INC	717500	12/13/13	PORTABLE TOILET RENTAL (12/13/13-1/9/14)	79.98	
				974600	12/13/13	PORTABLE TOILET RENTAL (12/13/13-1/9/14)	79.98	
				974726	12/16/13	PORTABLE TOILET RENTAL (12/14/13-1/10/14)	79.98	
				974602	12/13/13	PORTABLE TOILET RENTAL (12/13/13-1/9/14)	79.98	
				975669	12/26/13	PORTABLE TOILET RENTAL (12/25/13-1/21/14)	79.98	399.90
2039298	01/22/14	03516	SPECIAL DISTRICT RISK	45911	01/06/14	2013-14 PROPERTY/LIABILITY PROGRAM	4,591.38	4,591.38

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2039070	12/25/13	02354	STANDARD ELECTRONICS	19473	12/06/13	ALARM MAINTENANCE (DEC 2013)	1,352.50	
				19456	12/03/13	ALARM MAINTENANCE (12/2/13)	95.00	1,447.50
2039192	01/08/14	00097	STATE BOARD OF EQUALIZATION	440221330114	01/08/14	MAINTENANCE FEE (JAN-DEC 2013)	1,151.92	1,151.92
2039248	01/15/14	12809	STUTZ ARTIANO SHINOFF	93872	12/30/13	LEGAL SERVICES (NOV 2013)	18,980.82	18,980.82
2039117	01/02/14	15313	SUGEY MIRANDA	Ref002431868	12/30/13	UB Refund Cst #0000063682	14.13	14.13
2039071	12/25/13	10339	SUPREME OIL COMPANY	392838	12/05/13	UNLEADED FUEL	16,694.01	16,694.01
2039118	01/02/14	15314	TAFFETA TIMMONS	Ref002431869	12/30/13	UB Refund Cst #0000088115	64.00	64.00
2039119	01/02/14	15328	TB PENNICK & SONS	Ref002431883	12/30/13	UB Refund Cst #0000185822	1,603.96	1,603.96
2039299	01/22/14	03608	TELLIARD CONSTRUCTION	OWD12014	01/02/14	TER FILTER GEAR DRIVE INSTALL	3,460.00	3,460.00
2039300	01/22/14	02498	THOMPSON, CHAD	01171402	01/17/14	EDUCATION REIMBURSEMENT	576.00	576.00
2039249	01/15/14	14177	THOMPSON, MITCHELL	120113123113a	01/06/14	MILEAGE REIMBURSEMENT (DEC 2013)	23.17	
				120113123113	01/06/14	TRAVEL EXPENSE (DEC 2013)	13.00	
				110113113013	01/15/14	MILEAGE REIMBURSEMENT (NOV 2013)	5.65	41.82
2039120	01/02/14	15325	TIMOTHY ARBULU	Ref002431880	12/30/13	UB Refund Cst #0000185278	95.45	95.45
2039121	01/02/14	15341	TOD ROBINSON	Ref002431897	12/30/13	UB Refund Cst #0000204572	46.80	46.80
2039122	01/02/14	15338	TONI HYATTE	Ref002431894	12/30/13	UB Refund Cst #0000198929	40.09	40.09
2039193	01/08/14	14641	TREBOR SHORING RENTALS	891383	12/12/13	SHORING SERVICE	135.00	135.00
2039194	01/08/14	15255	TRENCH SHORING CO	704689	12/10/13	LITE SHIELD PIN	1,103.00	1,103.00
2039072	12/25/13	00427	UNDERGROUND SERVICE ALERT OF	1120130476	12/01/13	UNDERGROUND ALERTS (MONTHLY)	292.50	292.50
2039301	01/22/14	00427	UNDERGROUND SERVICE ALERT OF	1220130468	01/01/14	UNDERGROUND ALERTS (MONTHLY)	223.50	223.50
2039250	01/15/14	07674	US BANK	O0000000062	11/22/13	CAL CARD EXPENSES (MONTHLY)	16,530.13	16,530.13
2039195	01/08/14	07674	US BANK	A000055	11/22/13	CAL CARD EXPENSES (MONTHLY)	12,093.89	
				E000057	12/23/13	CAL CARD EXPENSES (MONTHLY)	1,050.00	
				E000055	12/23/13	CAL CARD EXPENSES (MONTHLY)	55.00	13,198.89
2039123	01/02/14	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2431909	01/02/14	BI-WEEKLY DEFERRED COMP PLAN	12,844.85	12,844.85
2039251	01/15/14	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2432179	01/16/14	BI-WEEKLY DEFERRED COMP PLAN	12,812.50	12,812.50
2039252	01/15/14	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2432177	01/16/14	BI-WEEKLY 401A PLAN	12,304.03	12,304.03

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2039124	01/02/14	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2431907	01/02/14	BI-WEEKLY 401A PLAN	12,414.63	12,414.63	
2039196	01/08/14	03329	VERIZON WIRELESS	9717055457	12/21/13	VERIZON SERVICES (11/22/13-12/21/13)	5,959.31	5,959.31	
2039253	01/15/14	15350	WARD LANNOM	Ref002432089	01/13/14	UB Refund Cst #0000029533	150.00	150.00	
2039302	01/22/14	14879	WATER CONSERVATION GARDEN	1118	01/01/14	GARDEN COSTS (3RD QTR FY 2013-2014)	24,961.75	24,961.75	
2039073	12/25/13	10093	WATEREUSE FOUNDATION	121113	12/11/13	2014 ANNUAL MEMBERSHIP DUES	5,853.12	5,853.12	
2039197	01/08/14	03781	WATTON, MARK	120113123113	01/03/13	MILEAGE REIMBURSEMENT (DEC 2013)	86.45	86.45	
2039074	12/25/13	03781	WATTON, MARK	121113121313	12/19/13	TRAVEL EXPENSES (12/11/13-12/13/13)	116.70	116.70	
2039198	01/08/14	01343	WE GOT YA PEST CONTROL	85546	10/21/13	BEE REMOVAL SERVICES	115.00		
				85711	10/31/13	BEE REMOVAL SERVICES	115.00		
				85938	11/04/13	BEE REMOVAL SERVICES	115.00		
				85953	11/13/13	BEE REMOVAL SERVICES	75.00	420.00	
2039125	01/02/14	15332	WESTMONT CONSTRUCTION INC	Ref002431887	12/30/13	UB Refund Cst #0000194802	2,107.81	2,107.81	
2039075	12/25/13	13483	WHITE NELSON DIEHL EVANS LLP	138757	11/30/13	AUDIT SERVICES FOR FY2013 (NOV 2013)	1,250.00	1,250.00	
2039254	01/15/14	15354	WILLIAM BAKER	Ref002432093	01/13/14	UB Refund Cst #0000091855	42.44	42.44	
2039126	01/02/14	15319	WILLIAM JONES JR	Ref002431874	12/30/13	UB Refund Cst #0000156376	77.21	77.21	
<b>Amount Pd Total:</b>							<b>1,546,496.71</b>		
<b>Check Grand Total:</b>							<b>1,546,496.71</b>		
284	Checks								