

OTAY WATER DISTRICT

BOARD OF DIRECTORS MEETING
DISTRICT BOARDROOM

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA

WEDNESDAY

April 3, 2013

3:30 P.M.

AGENDA

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. SAN DIEGO COUNTY WATER AUTHORITY UPDATE (MAUREEN STAPLETON, CWA GENERAL MANAGER, AND TOM WORNHAM, CWA CHAIR OF THE BOARD OF DIRECTORS)
5. APPROVE THE MINUTES OF THE REGULAR MEETING OF MARCH 6, 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

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) ADOPT ORDINANCE NO. 538 AMENDING SECTION 53.11 E, COMMERCIAL SEWER CHARGES AND USER CLASSIFICATIONS OF THE DISTRICT'S CODE OF ORDINANCES
 - b) ADOPT RESOLUTION NO. 4209 TO AUTHORIZE AN APPLICATION FOR ENVIRONMENTAL MITIGATION LAND MANAGEMENT GRANT FUNDS TO THE SAN DIEGO ASSOCIATION OF GOVERNMENT, COMMITTING THE OTAY WATER DISTRICT TO PROVIDE MATCHING

FUNDS AND AUTHORIZING DISTRICT STAFF TO ACCEPT GRANT FUNDS AND EXECUTE THE GRANT AGREEMENT FOR THE CACTUS WREN HABITAT PROJECT AT THE DISTRICT'S HABITAT MANAGEMENT AREA

- c) ADOPT RESOLUTION NO. 4208 FIXING TERMS AND CONDITIONS FOR THE ANNEXATION OF CERTAIN REAL PROPERTY OWNED BY SLF IV McMILLIN MILLENIA JV, LLC, APNs: 643-060-18, 23, 24, AND 25-00, TO THE OTAY WATER DISTRICT'S IMPROVEMENT DISTRICT NOs 22 AND 27
- d) APPROVE A REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF CHULA VISTA AND THE OTAY WATER DISTRICT FOR REIMBURSEMENT TO THE CITY FOR CONSTRUCTION COSTS ASSOCIATED WITH PHASE II OF THE OTAY LAKES ROAD 12-INCH RECYCLED WATER PIPELINE AND POTABLE UTILITY RELOCATION PROJECT IN AN AMOUNT NOT-TO-EXCEED \$97,350

ACTION ITEMS

8. BOARD

- a) DISCUSSION OF 2013 BOARD MEETING CALENDAR

INFORMATIONAL ITEMS

- 9. THE FOLLOWING ITEM IS PROVIDED TO THE BOARD FOR INFORMATIONAL PURPOSES ONLY. NO ACTION IS REQUIRED ON THE FOLLOWING AGENDA ITEM:
 - a) FISCAL YEAR 2013 MID-YEAR STRATEGIC PLAN AND PERFORMANCE MEASURES UPDATE REPORT (STEVENS)

REPORTS

10. GENERAL MANAGER'S REPORT

- a) SAN DIEGO COUNTY WATER AUTHORITY UPDATE

11. DIRECTORS' REPORTS/REQUESTS

12. PRESIDENT'S REPORT/REQUESTS

RECESS TO CLOSED SESSION

13. CLOSED SESSION

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

1 MATTER

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. 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 March 29, 2013, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of Olay 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 March 29, 2013.

/s/ Susan Cruz, District Secretary

**MINUTES OF THE
BOARD OF DIRECTORS MEETING OF THE
OTAY WATER DISTRICT and OTAY SERVICE CORPORATION
March 6, 2013**

1. The meeting was called to order by President Lopez at 3:44 p.m.

2. ROLL CALL

Directors Present: Lopez, Thompson, Croucher, and Robak (arrived at 3:47 p.m.)

Directors Absent: Gonzalez (out-of-town on business)

Staff Present: General Manager Mark Watton, General Counsel Dan Shinoff, Chief Financial Officer Joe Beachem, Chief of Engineering Rod Posada, Chief of Information Technology Geoff Stevens, 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. APPROVAL OF AGENDA

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

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

to approve the agenda.

5. APPROVE THE MINUTES OF THE REGULAR BOARD MEETING OF FEBRUARY 6, 2013

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

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

to approve the minutes of the regular meeting of February 6, 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

Mr. Chris Brown from SDG&E presented a rebate check to the District in the amount of \$1,260.00 as a result of participating in the SDG&E Energy Efficiency Rebate Program in FY 2012. Mr. Brown commended Mr. Don Anderson, Pump Electrical Supervisor, for following through with all the rebate program's requirements.

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:

Director Thompson pulled Item 6d, APPROVE CHANGE ORDER NO. 1 TO THE CONTRACT WITH SEPULVEDA CONSTRUCTION FOR THE 30-INCH POTABLE WATER PIPELINE IN HUNTE PARKWAY PROJECT IN AN AMOUNT NOT-TO-EXCEED \$109,223.44, AND INCREASE THE CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET IN THE AMOUNT OF \$135,000, and Item 6e, APPROVE THE WATER SUPPLY ASSESSMENT REPORTS DATED JANUARY 2013 FOR THE OTAY TECH CENTRE PROJECT AND THE OTAY PLAZA PROJECT, for discussion.

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

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

to approve the remaining consent calendar items:

- a) ADOPT ORDINANCE NO. 537 AMENDING SECTION 25.03 B, MONTHLY FIXED METROPOLITAN WATER DISTRICT AND COUNTY WATER AUTHORITY CHARGES AND 25.03 C, MONTHLY FIXED SYSTEM CHARGES; SECTION 28.01 B, BASIS FOR DETERMINATION OF CONNECTION FEES AND CHARGES; AND SECTION 38.03, SERVICES FOR RESIDENTIAL FIRE PROTECTION OF THE DISTRICT'S CODE OF ORDINANCES
- b) ADOPT THE 2013 OTAY WATER DISTRICT LEGISLATIVE PROGRAM GUIDELINES
- c) APPROVE CHANGE ORDER NO. 1 TO THE CONTRACT WITH LAYFIELD ENVIRONMENTAL SYSTEMS CORPORATION FOR THE 624-1 RESERVOIR PROJECT IN AN AMOUNT NOT-TO-EXCEED

\$183,026, AND INCREASE THE CAPITAL IMPROVEMENT PROGRAM (CIP) P2477 BUDGET IN THE AMOUNT OF \$200,000

President Lopez presented Item 6d for discussion:

- d) APPROVE CHANGE ORDER NO. 1 TO THE CONTRACT WITH SEPULVEDA CONSTRUCTION FOR THE 30-INCH POTABLE WATER PIPELINE IN HUNTE PARKWAY PROJECT IN AN AMOUNT NOT-TO-EXCEED \$109,223.44, AND INCREASE THE CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET IN THE AMOUNT OF \$135,000

Director Thompson commented that he understands why it is necessary to replace the liner/material on the reservoir, but inquired why the project needed an additional 124 days for completion. Engineering Manager Dan Martin indicated that Director Thompson's question is more with regard to item 6c, APPROVE CHANGE ORDER NO. 1 TO THE CONTRACT WITH LAYFIELD ENVIRONMENTAL SYSTEMS CORPORATION FOR THE 624-1 RESERVOIR PROJECT IN AN AMOUNT NOT-TO-EXCEED \$183,026, AND INCREASE THE CAPITAL IMPROVEMENT PROGRAM (CIP) P2477 BUDGET IN THE AMOUNT OF \$200,000, rather than 6d. Mr. Martin indicated that the extended 124 days is related to the 30-Inch Potable Water Pipeline Project on Hunte Parkway. He stated that the extended time to complete the project was due to a variety of items related to multiple utility conflicts that were discovered during construction which required a redesign of the water main.

Director Thompson clarified that he had meant to pull item 6c and not 6d and further commented with regard to the warranty on the liner/material, that it is no longer in effect because the company went out of business. He indicated that there are many District projects that have fairly long warranties (20 years or more) and stated that in the future he would like staff to include in their report information the probable longevity of the proposed company. He stated that warranties are only good as long as the companies are in business. He would like to see staff include a review of the financial status of proposed companies and, if possible, a guarantee of their longevity/warranty.

General Manager Watton suggested that staff could put together a report addressing this area. The District currently has vendor warrantees, contractors' performance/materials bonds, surety/warranties, etc. Staff will review the information with the board and the board can direct staff as to what they wish included with regard to the support of vendor/contractor warrantees in staffs' reports.

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

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

to approve staffs' recommendation with regard to item 6d, APPROVE CHANGE ORDER NO. 1 TO THE CONTRACT WITH SEPULVEDA CONSTRUCTION FOR THE 30-INCH POTABLE WATER PIPELINE IN HUNTE PARKWAY PROJECT IN AN AMOUNT NOT-TO-EXCEED \$109,223.44, AND INCREASE THE CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET IN THE AMOUNT OF \$135,000.

President Lopez presented Item 6e for discussion:

- d) APPROVE THE WATER SUPPLY ASSESSMENT REPORTS DATED JANUARY 2013 FOR THE OTAY TECH CENTRE PROJECT AND THE OTAY PLAZA PROJECT

Director Thompson thanked staff for a great summary of the Water Supply Assessment Reports (WSAs) and stated that the Reports were very informative. Senior Civil Engineer Bob Kennedy stated in response to a question from Director Thompson, that Table 5 on pages 25 of the WSA Reports provides an overall regional water supply and demand for CWA and member agencies. Mr. Kennedy also stated that the Otay Water District's water supply and demand information is included in staff's PowerPoint presentation (page 7), both staff reports, WSA Reports (pages 41), and the District's 2010 Urban Management Water Plan (UWMP). Mr. Kennedy explained the process of the District's projected supply and demand and indicated that the projection results are provided to CWA to include in its UWMP. He indicated that the District's projects are planned on a regional level and CWA has plans to have water available.

In response to a question from Director Robak, Mr. Kennedy stated that in the next year or so the District plans to look at land use, review customers' current water use, adjust the variables accordingly and update the District's UWMP. He stated that the District will also look at building density levels (i.e. individual parcels, large properties, businesses, etc.).

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

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

to approve staffs' recommendation.

ACTION ITEMS

8. FINANCE

- a) AUTHORIZE THE GENERAL MANAGER TO CONTRACT FOR BOND COUNSEL AND DISCLOSURE COUNSEL SERVICES FOR THE

REFINANCING OF THE 2004 CERTIFICATES OF PARTICIPATION (COPS)

Finance Manager Kevin Koeppen indicated that staff is recommending that the board approve contracts for both Bond Counsel and Disclosure Counsel Services in an amount not-to-exceed \$65,000. He stated that the refinancing process is sensitive to market conditions (interest rates), and by authorizing the General Manager to contract the services it will allow the District to act quickly on the refinancing and mitigate exposure to potential interest rate shifts. Mr. Koeppen indicated that this action will allow the District to achieve the proposed anticipated savings. Please reference the Committee Action notes (Attachment A) attached to staffs' report for additional details of his presentation.

Mr. Koeppen stated that the District has engaged Financial Advisor Suzanne Harrell from Harrell Company and Advisors, LLC, to help assist with the District's refinancing options. He indicated that Ms. Harrell has over 21 years of experience with capital financing and financial analysis and has acted as financial advisor for California public agencies. It was noted that she has conducted the competitive sale of the District's 2004 and 2007 Certificates of Participation (COPS) and has negotiated interest rates with the underwriter for the District's 2010 bonds. Mr. Koeppen introduced Ms. Suzanne Harrell to the board.

Financial Advisor Suzanne Harrell thanked the District for selecting her firm to assist in the refinance of the District's 2004 COPS. In response to a question regarding a private placement sale versus a competitive sale, Ms. Harrell stated that she believes (with her experience with private placement sales) the District would not benefit from a private placement sale because of its high AA rating. However, she noted that she would research all of the District's financing options before presenting her recommendation.

In response to a question from Director Thompson, Ms. Harrell stated that the basis points between an AA rating versus an A rating is between 30-50 points and can result in a significant amount of savings. She said that she has spoken with a few companies about private placements for the District, but the companies have indicated that they would not be interested because private placements are not very competitive for agencies that have an AA rating.

In response to a question from Director Robak, Chief Financial Officer Joe Beachem stated that due to the time sensitivity of the interest rate fluctuations, staff submitted their report early in order to meet the deadline for the Finance, Administration and Communications (FA&C) Committee meeting for approval to move the agenda item forward for board consideration at the March 6, 2013 Board meeting. He stated that the timing did not allow staff to include in their report a summary of the results of the review of the five (5) firms who submitted Request for Proposals. Mr. Beachem noted that to allow the District to act quickly on the best available interest rate, staff submitted their staff report early to request that the Board authorize the General Manager to contract for both Bond Counsel and Disclosure Counsel Services in the event the selected firms

exceeded the General Manager's \$50,000 authorization limit. It was noted that after the FA&C Committee meeting, the District received three proposals with a cost range from \$52,000 to \$62,000.

General Manager Mark Watton commented that the Financial Advisor Services request was within the range of the General Manager's authorization of \$50,000 and indicated that Ms. Suzanne Harrell had submitted the most responsive proposal.

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

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

to approve staffs' recommendation.

9. BOARD

a) DISCUSSION OF 2013 BOARD MEETING CALENDAR

Director Croucher indicated that he may be out of town on April 3, 2013.

In response to a question from President Lopez, District Secretary Susan Cruz stated that Director Gonzalez is expected to attend the April 3, 2013 Regular Board meeting.

INFORMATIONAL ITEMS

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

a) INFORMATIONAL UPDATE ON THE SECOND QUARTER FISCAL YEAR 2013 CAPITAL IMPROVEMENT PROGRAM REPORT

Engineering Manager Dan Martin provided a report on the Second Quarter Fiscal Year 2013 Capital Improvement Program. Please reference the Committee Action notes (Attachment A) attached to staff's report for the details of his report.

In response to questions from Director Thompson with regard to the Hunte Parkway 30-Inch Potable Water Pipeline Project, Mr. Martin stated that the District decided to install a 30-Inch pipeline in that area for two reasons; 1) to relieve the high and low pressure issues in that area of the system; and 2) to handle water delivery should the District decide to abandon the 20-Inch pipeline. He also responded that the Total Life-to-Date Expenditures include checks that

have already been written and are reported within 30-days of when work is completed. It was noted that projects are on schedule.

Director Robak inquired if there were any long term concerns for maintaining the 624-1 Reservoir. General Manager Mark Watton indicated, no, as long as the District complies with the Health Department's regulations for inspection.

This was an informational agenda item and no action was taken by the board.

b) REPORT ON DIRECTORS' 2ND QUARTER EXPENSES FOR FISCAL YEAR 2013

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

c) INFORMATIONAL REPORT ON THE ROSARITO DESALINATION FACILITY COMMUNICATIONS PLAN

Communications Officer Armando Buelna presented some of the communications materials that have been developed for the Rosarito Beach Desalination Project. He noted that the purpose of the materials is to increase awareness and foster community and stakeholder support, and promote the announcement of the future purchase of desalinated water from the proposed Desalination Project. Please reference the Committee Action notes (Attachment A) attached to staffs' report for details of his presentation. It was noted that all items will be translated into Spanish.

Mr. Buelna indicated that later in March, District staff will meet with City of Chula Vista Mayor Cox and Council members, as well as Assembly Woman Shirley Weber (who represents a large section of the District's service area) to provide an update on the Desalination Project.

In response to a question from Director Robak, Mr. Buelna stated that portions of the Desalination Project update have been presented to Congressmen, local elected officials and community groups and that the Press Releases and Op Ed materials will be released at the appropriate time. Mr. Buelna stated the tentative timeframe of the Rosarito Desalination Facility Communications Plan depends on the progress of the Desalination Project. With regard to the Fact Sheet, he indicated that it includes messages that have been focus group tested and have also been tested with the District's customers in terms of effectiveness. It was indicated that another focus group will be convened to gain feedback on current information.

President Lopez stated that he felt it was important to share this information with the Board and indicated that he may call on his fellow colleagues to be present at some meetings and events to share information about the Rosarito Desalination Project and to answer any questions that the public may have. President Lopez feels that it is important for all board members to be present for the tour of the Rosarito Desalination Plant and the Ground Breaking Event.

Director Thompson thanked staff for presenting the organized information and stated that it will help him share consistent information about the Desalination Project when speaking to the public.

This was an informational agenda item and no action was taken by the board.

REPORTS

11. GENERAL MANAGER'S REPORT

General Manager Mark Watton introduced Grossmont High School student, Ms. Courtney Thomas, who is fulfilling a government class requirement to attend a public community meeting. She was invited by her stepfather, Assistant Civil Engineer Kevin Cameron, to attend the board meeting.

General Manager Watton announced that Engineering Manager Ron Ripperger plans to retire on March 8, 2013, and indicated that a retirement reception for Mr. Ripperger will be held on March 7, 2013, at 2:30 p.m.

Mr. Ron Ripperger indicated that he has been with the District for 22 years and 5 months. He thanked General Manager Mark Watton and stated that he has had an interesting adventure and has seen a lot of changes with the District. He stated that there are a number of good staff members working for the District and is confident that they will carry on with the District's mission. Mr. Ripperger stated that he appreciated the support from board members and especially enjoyed his time with them at committee meetings.

Director Croucher stated that Mr. Ripperger will be missed. He indicated that he is proud to have worked and be associated with him and congratulated him on his retirement.

General Manager Watton reported that the District received a distinguished budget presentation award and introduced Chief Financial Officer Joe Beachem to provide additional information about the award.

Chief Financial Officer Beachem indicated that for the eighth consecutive year, the District has been awarded the California Society of Municipal Finance Officers (CSMFO) Excellence Award for the FY 2013 Operating and Capital Budgets. He noted that this was a notable achievement for the Finance Department/District as the District also received two special recognitions along with the award which is very rare. He stated that the District's budget serves as a policy document and also a great communications tool. Mr. Beachem thanked Finance Manager Rita Bell, the lead for the preparation of the budget, and her staff for their assistance and efforts to developing and assembling the budget. It was indicated that a Press Release sharing the District's budget accomplishments is anticipated to be released shortly.

Finance Manager Rita Bell commented that the District's budget accomplishments is the product of team effort and begins with the board members, management team, supervisors, and a great Strategic Plan. Ms. Bell indicated that there are many dynamics to the development of the budget and praised and thanked each of her staff who assisted with that task: Wales Benham, Diane Ander, Marissa Dychitan, Grace Clemente, and Susan Atkins.

President Lopez thanked staff and stated that the CSMFO Excellence Award is indicative of great job performance by District staff members.

Director Croucher commented that he remembers one of the first events he had attended with President Lopez about twelve years ago was a CSDA event where the District received a finance award. It was an honor then and it is an honor now to be part of such a great organization.

Director Thompson commented that there is a misperception of this agency by some members of the public and stated that the CSMFO Excellence Award speaks to the fact that the District is well managed. He suggested that the District should put effort into sharing with the public its accomplishments and that it is a well-run organization.

Director Robak congratulated staff and thanked them for their efforts.

In addition to receiving the CSMFO Excellence Award, General Manager Mark Watton stated that the District received the 2013 Tyler Public Sector Excellence Award and thanked the Information Technology staff for their efforts. He indicated that Tyler Technologies supports the District's software programs and stated that the District applied for the award and received it in February 2013. Mr. Watton indicated that there were approximately 50 applicants who applied and stated that the award criterion was based on the organization that had best achieved a high level of excellence in the use of public sector enterprise systems. He noted that it is an honor for the District to be recognized by its peers and introduced Mr. Geoff Stevens to provide additional information.

Chief of Information Technology Geoff recognizes how well an agency uses its financial systems. He indicated that Tyler Technologies recognized the District as being one of the most aggressive users of financial system as the District takes the lead in synchronizing its Strategic Plan, budget and reports.

General Manager Mark Watton presented additional information from his report which included the acquisition by Sea World of Knott's Soak City, the Water Industry Skills Panel with Cuyamaca Community College, and the USBR Title XVI Funding.

Director Croucher updated the board on CWA matters and indicated that CWA's board members have received their committee assignments and are developing their goals and objectives which are anticipated to be released sometime in March 2013. He also shared that Vice Chairman Madaffer would like to be more involved (from a CWA level) in terms of legislative matters, reviewing projects,

and presenting legislation. He provided an update of the CWA Cost of Service Survey Review and indicated that it will finally launch in three phases: 1) review of current service, 2) sustainability, and 3) review of desalination. It was noted that Farmers Bureau has asked CWA to review Governor Brown's proposal, as well as other options for water resources.

12. DIRECTORS' REPORTS/REQUESTS

Director Robak shared that Mr. Del Lauder, a former board member of the Otay WD from 1996 to 2000, passed away on January 23, 2013. In memory of Mr. Lauder, Director Robak read his obituary into the record.

Director Croucher stated that Mr. Lauder will be missed and requested that the meeting be closed in his honor.

13. PRESIDENT'S REPORT

President Lopez reported on meetings he attended during the month of February 2013 (a list of meetings he attended is attached). He indicated, with regard to the Metro Commission, that City of Chula Vista Mayor Cheryl Cox has been elected as the new Chair of the Commission. President Lopez indicated that he plans to attend a Metro Commission meeting on March 7, 2013, where Mayor Cox plans to approve his appointment to the Commission's Finance Committee.

14. ADJOURNMENT

Per Director Croucher's request, a moment of silence was held in honor of former board member Mr. Del Laudner.

With no further business to come before the Board, President Lopez adjourned the meeting at 5:28 p.m.

President

ATTEST:

District Secretary

President's Report
March 6, 2013 Board Meeting

A) Meetings attended during the Month of February 2013:

- 1) **February 6: Attended the District's Regular Board Meeting**
- 2) **February 13: Attended Vice Chairman Cox' State of the County Address.**
- 3) **February 15:**
 - a) **Committee Agenda Briefing.** Met with General Manager Watton to review items that will be presented at the February Committee Meetings.
 - b) **Attended the Chula Vista Chamber's Annual Installation Dinner.** Attendees: Directors Robak and Thompson, General Manager Watton, Communications Officer Buelna, District Secretary Cruz and Sr. Exec. Confidential Secretary Cayetano.
- 4) **February 20: Attended the District's Finance, Administration & Communications Committee.** Reviewed, discussed, and made recommendation on items that will be presented at the March Board Meeting.
- 5) **February 21:**
 - a. **Filled in for Director Gonzalez at the District's Engineering, Operations and Water Resources Committee.** Reviewed, discussed, and made recommendation on items that will be presented at the March Board Meeting.
 - b. **Attended CSDA Quarterly Dinner Meeting.** Jeff McDonald, Watchdog Reporter for the Union-Tribune, presented on what sparks an investigation and tips on how to deal with the media during an investigation. Attendees: Director Robak, General Manager Watton, Communications Officer Buelna, District Secretary Cruz and Sr. Exec. Confidential Secretary Cayetano.
- 6) **February 25: Attended the District's Desalination Committee.** Reviewed the Communications Plan for the Rosarito Desalination Project.

B) Meetings attended during the Month of March 2013:

1) **March 1:**

- a) **Attended the City of Chula Vista Mayor's First Friday Breakfast Meeting.** Mayor Cox provided an update on the proposed University to be located in East Chula Vista. Attendees: Director Robak, General Manager Watton and Communications Officer Buelna.
- b) **Met with Congresswoman Susan Davis.** Updated her on Otay matters which included the Rosarito Desalination Project. Attendees: General Manager Watton and Communications Officer Buelna.
- c) **Board Agenda Briefing.** Met with General Manager Watton and General Counsel Dan Shinoff to review items that will be presented at the March Board Meeting.

DELBERT and MARY LOU LAUDNER

Obituary



LAUDNER, DELBERT and MARY LOU Mary Lois (Wilson) Laudner of El Cajon, CA, died November 24, 2012. She was born September 20, 1924 in Charles City, Iowa. Mary achieved a Bachelors and Masters Degree from San Diego State College. In 1944 Mary was a Meteorologist with the National Weather Service and was an English and Journalism teacher at El Capitan H.S. in the 1960's. Married July 7, 1943 to Delbert Dale "Scratch" Laudner of El Cajon, CA, who died January 23, 2013. Delbert was born on March 6, 1924 in Greene, Iowa. He worked as a machinist at Oliver Farm and Equipment Company prior to joining the [Army](#) in February 1943. Delbert served in the Army Air Corp during [World War II](#) and flew 36 combat missions as a tail gunner over the Balkans and Germany. After being shot down in a B-17, he spent 10 months as a prisoner of war in Poland and Hungary, until his release at the war's end. Delbert was honorably discharged from his service November 14, 1945 with the rank of Staff Sergeant. He earned a Bachelor's degree in Civil Engineering at San Diego State College and worked on Dam Projects in Tanzania, Nigeria and Puerto Rico in the 1960's and 70's. He worked as an inspector for the County of San Diego and as an independent contractor. Delbert retired from the Otay water district as the operations manager, and then served two elected terms on the Otay Water District Board. Delbert is survived by three sisters and one brother. Delbert's Memorial Services will be held at 10:00 am, Saturday, February 16, 2013, at Conrad's Lemon Grove Mortuary, 7387 Broadway, Lemon Grove, CA 91945.

Guest Book

8 entries | 2 photos

"Peace be with them and God bless"

- Diane and Chris Massee

The Guest Book is expired.

[Restore the Guest Book](#)

More Photos



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Published in U-T San Diego on February 10, 2013



AGENDA ITEM 7a

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 3, 2013
		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:	Adopt Ordinance No. 538 Amending Section 53.11 E., Commercial Sewer Charges and User Classifications of the District's Code of Ordinances		

GENERAL MANAGER'S RECOMMENDATION:

That the Board adopt Ordinance No. 538 amending Section 53.11 E., Commercial Sewer Charges and User Classifications of the District's Code of Ordinances.

COMMITTEE ACTION:

See Attachment A.

PURPOSE:

To clarify the language in Section 53.11 E. in the District's Code of Ordinances to specify the process for reclassification of commercial sewer customers and to determine sewer strength classifications. In addition, there are updates to some of the User Classifications.

ANALYSIS:

To include language which authorizes the District to reclassify commercial sewer customers from time to time, at the discretion of the District, or when made aware of the need to reclassify based on their current business purpose.

The District uses the listing of commercial strengths supplied by the State Water Resources Control Board (SWRCB) as a basis for classification. The data was collected from East Bay Municipal

Utility District, City of San Jose, Los Angeles County Sanitation District and the Sacramento Regional County Sanitation District. The SWRCB has determined that the data on sewer strength is representative of most cities in California. The defined strength factors are based on Standard Industrial Classification Codes.

For clarity purposes, staff used a Compilation of Published Data on Sewer User Strength Classifications provided by Karyn Keese, Otay's rate study consultant.

Where necessary, updates to the User Classifications are also incorporated into the Code of Ordinances.

Background:

An audit of all the District's commercial sewer customers was completed in February 2013. The results of this audit identified 11 commercial accounts that were incorrectly classified. The change to the Code of Ordinances would specifically codify the District's authority to make these changes at its discretion to reflect the District's practice. The proposed change would also clarify the current language.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

The net change to the District's sewer revenues is estimated to decrease by \$284.62. This relatively small change will not affect the District's financial standing. These changes will also be incorporated into the District's rate modeling process to more accurately project revenues for FY 2014.

STRATEGIC GOAL:

None.

LEGAL IMPACT:

None.

Attachments: Attachment A - Committee Action
 Attachment B - Ordinance No. 538
 Exhibit I - Strike-through Section 53
 Attachment C - Proposed Section 53



ATTACHMENT A

SUBJECT/PROJECT:	Adopt Ordinance No. 538 Amending Section 53.11 E., Commercial Sewer Charges and User Classifications of the District's Code of Ordinances
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COMMITTEE ACTION:

The Finance, Administration and Communications Committee discussed this item at a meeting held on March 20, 2013 and the following comments were made:

- Staff is requesting that the board adopt Ordinance No. 538 amending Section 53.11 E with regard to commercial sewer charges and the District's process to reclassify sewer customers.
- There are approximately 64 commercial sewer accounts. Staff audited the accounts and after visiting and evaluating each account, determined which classification they should be placed. During this process, staff had referenced Section 53 of the District's Code and found that it was not clear on how customers are reclassified.
- Staff is proposing to add language to Section 53 of the Code to clarify the reclassification process. Staff also amended the user classifications based on sewer strength (low, medium and high strength customers) to be more in line with today's environment and to make it more clear.
- Eleven customers have been impacted by the reclassification process and two (2) customers will not be impacted at all. The two (2) customers who will be most impacted will see an average increase in their sewer bills of \$65.12 and \$54.34 per month. There are customers who will have negligible changes and one (1) will see a slight decrease in their sewer bill.
- Staff will contact the District's customers to advise them how the changes will impact their bills.
- The committee inquired if the Rate Study will further impact rates for these sewer customers. Staff indicated that that was correct. Staff will be proposing rate changes based on the findings of the Rate Study. The new rates will be presented for

the board's consideration following a Proposition 218 Rate Hearing sometime in the fall.

- The committee further inquired, as the proposed changes to Section 53 of the District's Code has a very nominal impact, if there was reason not to include it with the proposed rate changes based on the findings of the current Rate Study. Staff indicated that, as some of the customers will see a decrease in their sewer fees, it would be best to implement these changes now to provide these customer their reduction in fees. Also, it would cause less confusion by keeping the two rate impacts separate.
- The District's Attorney indicated that because the District is not changing the methodology by which the sewer rate is calculated and is only reclassifying which *User Classification* customer's fall under, it does not require a Proposition 218 hearing.

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

The above signatures attest that the attached document has been reviewed and to the best of their ability the signers verify that it meets the District quality standard by clearly and concisely conveying the intended information; being grammatically correct and free of formatting and typographical errors; accurately presenting calculated values and numerical references; and being internally consistent, legible and uniform in its presentation style.

ORDINANCE NO. 538

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE OTAY
WATER DISTRICT AMENDING SECTION 53.11 E.,
COMMERCIAL SEWER CHARGES AND USER CLASSIFICATIONS
OF THE DISTRICT'S CODE OF ORDINANCES

BE IT ORDAINED by the Board of Directors of Otay Water
District that the District's Code of Ordinances, Section 53.11
E., Commercial Sewer charges and User Classifications be revised
as per Attachment C.

NOW, THEREFORE, BE IT RESOLVED that the new proposed
Section 53.11 E. of the Code of Ordinances shall become
effective April 3, 2013.

PASSED, APPROVED AND ADOPTED by the Board of Directors of
the Otay Water District at a regular meeting duly held this 3rd
day of April, 2013, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

President

ATTEST:

District Secretary

SECTION 53 FEES, RATES, CHARGES AND CONDITIONS FOR SEWER SERVICE

53.01 CONDITIONS FOR ACQUISITION OF SEWER SERVICE CAPACITY

Sewer service capacity may be acquired only for service to a specific address, parcel of land, or a land development project covered by an approved map. An approved map shall mean a recorded final map, a recorded parcel map or a tentative subdivision map that has been approved by the County or by a City, as applicable.

53.02 SERVICE AREAS

- A. Service Areas. Sewer service shall be furnished by the District only to property located in Improvement District No. 14 ("I.D. 14"), Improvement District No. 18 ("I.D. 18"), and Assessment District No. 4 ("A.D. 4"), and the Russell Square Sewer Service Area. Sewer service to property located outside such areas may be furnished only upon annexation to ID 18 and payment of all applicable annexation fees.

53.03 ACQUISITION OF SEWER CONNECTIONS FOR SERVICE IN I.D. 14, I.D. 18 AND A.D. 4

- A. There shall be no connection capacity fee for sewer service to parcels already annexed into Improvement District No. 14, Improvement District No. 18 and Assessment District No. 4 on or after December 16, 1998.

53.04 ACQUISITION AND PURCHASE OF SEWER CAPACITY FOR SERVICE IN THE RUSSELL SQUARE SEWER SERVICE AREA

- A. District Acceptance of Sewer Facilities for Russell Square Area. Under an Agreement with Cal Dorado Development, Inc., dated June 28, 1981, the District accepted title to a sewer pump station, force main and appurtenances for a sewage system to provide sewer service to the residential dwelling units to be constructed within the parcels of land in San Diego County Tentative Parcel Map 17150. Under an Agreement with Cal Dorado Development, Inc., dated June 18, 1981, the District agreed to provide service to such parcels on the terms and conditions contained therein. On October 1, 1984, pursuant to Resolution No. 2139, the District Board of Directors accepted title to the facilities.

B. Designation of Russell Square Sewer Area. The geographical area described on the District Map entitled "Russell Square Sewer Service Area," dated October 11, 1988, on file with the District Secretary, constitutes the Russell Square Sewer Service Area.

C. Connection Fees for Connections for Sewer Service through the Russell Square Sewer Pump Station.

1. Sewer Connection Fee

A connection fee (see Appendix A, 53.04 C.1. for fee) for each EDU of sewer service provided through Russell Square Pump Station shall be collected. The connection fee is due at the time an application for sewer service is submitted. The number of EDUs for the connection shall be as set forth in Section 53.09 of the Code. Since the Russell Square Pump Station and force main were constructed by the developer or his assignee, at their expense, for the purpose of providing service to the parcels within Tentative Parcel Map 17150, the connection fee shall not apply to connections for sewer service to the parcels within said map. Such exempt parcels are currently identified as Assessor Parcel Nos. 497-011-41, 497-011-42, 497-011-44, 497-011-46 and 497-011-47.

2. Monthly Sewer Service Charge

A monthly sewer service charge (see Appendix A, 53.04 C.2. for charge) to cover normal operational costs of the Russell Square Pump Station and force mains shall be collected. This charge shall be reviewed by the Board of Directors from time to time to assure that such charges cover the costs for operation of the sewer facilities.

3. The proceeds of the fees and charges received by the District under 1 and 2 above shall be used by the District solely for maintenance, replacement or repair under C.1. above and for the operation of the facilities under C.2. above.

4. In addition, the customer for such service shall pay the monthly service charge for sewer service set forth in Section 53.11.

53.05

CHARGES FOR INSTALLATION OF SEWER LATERALS

Upon application for construction of one or more sewer laterals, the customer shall deposit with the District the estimated costs to be incurred by the District in connection with the installation of the facilities required, as determined by the District. Upon completion of the work, the District shall calculate the actual costs incurred by the District in performing the work. If actual costs are less than the amount deposited, the District shall refund the balance of the deposit to the customer. If actual costs exceed the amount deposited, the customer shall reimburse the District for the additional costs.

53.06 PAYMENT OF FEES

All fees prescribed in the Code shall become owing, due and payable at the time application is made to connect a premise to the sewer system of the District. The fees shall be paid to the District prior to the issuance of any permit authorizing the connection of such premise to the District sewer system. If the proposed connection cannot be made, the fee may be refunded when approved by the General Manager.

53.07 SEWER SERVICE USE CHANGES RESULTING IN INCREASED SYSTEM UTILIZATION

The use of a sewer connection shall be limited to the type and number of EDUs authorized by the original wastewater discharge permit. Before adding any additional equivalent dwelling units, buildings, modifying existing buildings, or change of occupancy type, the property owner shall make a supplementary wastewater permit application to the District for such change in use and pay additional sewer annexation fees per EDU, if necessary, as may be applicable. Periodic inspection of the premises may be made by the District and if actual use is greater than estimated use, an assessment for additional annexation fees shall be assessed in accordance with the fee schedule in the then current Code of Ordinances.

53.08 WASTEWATER DISCHARGE PERMIT ISSUANCE AND LIMITATION

1. A wastewater discharge permit shall be required for any property for which a request is made to discharge into the District sewage system.

2. Every wastewater discharge permit shall expire by limitations and shall become null and void, if the construction or work authorized by such permit is not commenced within 120 days from date of issuance of such wastewater discharge permit or if the construction or work authorized by such wastewater discharge permit is suspended or abandoned for a period of 120 days at any time after the work is commenced.

3. Before such work can be recommenced, a new wastewater discharge permit application must be filed with the District. The District may reactivate the previous wastewater discharge permit provided that wastewater quantity and type is the same as the wastewater discharge allowed under the original permit, and provided further that such suspension and abandonment has not exceeded one year. Fees paid for the previous wastewater discharge permit may be credited toward the total permit fees required on the new permit application. Reactivation of the previous wastewater discharge permit shall be subject to District sewer capacity being available at the time of new application and subject to any additional costs or charges imposed during the period of such suspension or abandonment.

53.09 BASIS FOR DETERMINATION OF EDUs

1. The number of EDUs for sewer service shall be determined on the following basis:

a)	<u>Residential Facilities</u>	EDUs
1)	Single-Family Residence (Includes manufactured homes, and mobile homes which are on private lots	1.0
	A secondary structure with a kitchen is considered an additional EDU	
2)	Apartments and Multiple Family Housing Each individual living unit	1.0
3)	Residential condominiums Each individual living unit	1.0
4)	Mobile Home and Trailer Parks Per each individual space	1.0
b)	<u>Commercial/Industrial Facilities</u>	

1)	Food Service Establishments	
	a) Take-out restaurants with disposable utensils, no dishwasher and no public restrooms	3.0
	b) Miscellaneous food establishments - ice cream/yogurt shops, bakeries (sales on premise only)	3.0
	c) 1) Take-out/eat-in restaurants with disposable utensils, but with seating and public restrooms	3.0
	2) Restaurants with reusable utensils, seating and public restrooms (0-18 seats)	3.0
	Each additional 6 seat unit, or portion thereof	1.0
2)	<u>Hotels and Motels</u>	
	a) Per living unit without kitchen	0.38
	b) Per living unit with kitchen	0.60
3)	<u>Commercial, Professional, Industrial Buildings, Establishments not specifically listed herein</u>	
	a) Any office, store or industrial condominium or establishments. first 1,000 sq. ft.	1.2
	Each additional 1,000 sq. ft. or portion thereof	0.7
	b) Where occupancy type or usage is unknown at the time of application for service, the following EDUs shall apply. This shall include, but not be limited to, shopping centers, industrial parks and professional office buildings. First 1,000 sq. ft. of gross building floor area	1.2

Each additional 1,000 square feet of gross building floor area. Portions less than 1,000 sq. ft. will be prorated. 0.7

4) Self-service laundry per washer 1.0

5) Churches, theaters and auditoriums per each 150 person seating capacity or any fraction thereof. (Does not include office spaces, schoolrooms, day-care facilities, food preparation areas, etc. Additional EDUs will be assigned for these supplementary uses). 1.5

6) Schools

a) Elementary Schools - For each 50 pupils or fraction thereof 1.0

b) Junior High Schools - For each 40 pupils or fraction thereof 1.0

c) High Schools, Colleges and Universities - For each 24 pupils or fraction thereof 1.0

Additional EDUs will be prorated based on above values.

The number of pupils shall be based on the average daily attendance of pupils at the school during the preceding fiscal year, computed in accordance with the education code of the State of California. However, where the school has had no attendance during the preceding fiscal year, the General Manager shall estimate the average daily attendance for the fiscal year for which the fee is to be paid and compute the fee based on such estimate.

7) Convalescent Homes

- a) Skilled nursing care facilities, psychological hospitals, convalescent hospitals; licensed by the Department of Health. 0.7/bed
- b) Community Care Facilities with 16 or more beds licensed by the State Department of Health. 0.5/bed
- c) Small Community Care Facilities with 7 to 15 beds licensed by the County Department of Social Services 0.5/bed
- d) Community Care Homes with six or fewer total residents, including resident staff and housekeepers (to be the same EDU as a single-family residence). 1.0

8) Other

In the case of commercial, industrial and other business establishments such as bottling works, supermarkets, markets, deli/markets, convenience stores, hospitals, laundries (other than self-service laundries), automobile service stations, mortuaries, day-care centers, bars, pool halls, and other establishments not included in items 1) through 7) inclusive, or when the EDUs specified in items 1) through 7) are not representative of actual flow due to the number of employees or type of operation, the number of equivalent dwelling units shall be determined in each case by the General Manager and shall be based upon the estimated volume and type of wastewater discharge into the sewer.

53.10

TRANSFER, ASSIGNMENT, OR RESALE OF SEWER CONNECTION RIGHTS

EDU sewer connection rights obtained by a customer may not be sold, transferred, or assigned separately from ownership of the real property for which they were obtained, unless otherwise stated in an agreement with the District.

53.11 SEWER SERVICE RATES AND CHARGES

A. Set-up Fees for Accounts. A set-up fee (see Appendix A, 53.11 A. for fee) shall be charged for each account transferred to another customer.

B. Residential Sewer Charges.

Five-year Rate Increase Schedule - All District sewer rates, charges, and fees are subject to a five-year schedule of rate increases beginning September 1, 2009 and periodically thereafter through June 30, 2014. The increases under this schedule shall be the amount sufficient to cover cost increases related to operation and maintenance, but not to exceed 10% per year.

Five-year Periodic Pass-through Rate Increases or Decreases from District Wholesalers - All District sewer rates, charges, and fees are subject to periodic rate changes from the District's public agency wholesalers for a five-year period beginning September 1, 2009 through June 30, 2014.

(1) Winter Average Determination. Sewer service usage fee shall be based on the "Winter Average" water consumption, measured in units of hundred cubic feet (HCF). The winter average period is January through April. The winter average is calculated by adding the four months of water consumption for the preceding winter and dividing the resulting amount by four. This average is then reduced by a 15% usage discount, recognizing that not all water used flows into the sewer system, to determine the "Winter Average" for billing purposes.

(2) Usage Fee. The usage fee rate (see Appendix A, 53.11 B.2. for rate) is multiplied by the "Winter Average" calculation for each customer (after the above noted 15% discount) and the resulting amount is added to the Fixed Service Charge applicable to the size of meter. The resulting fixed fee shall be charged on a monthly basis for an entire calendar year, until a new "Winter Average" is determined for the following year.

- (3) Base Fee. The monthly base fee per meter size is set forth in Appendix A, 53.11 B.3.
- (4) Monthly Residential Sewer Rate without Consumption History. The average residential sewer charge shall be determined by calculating the total usage fee for all residential customers and dividing by the number of residential customers. Then the monthly base fee for a 3/4 inch meter is added to this average fee and this shall be used to determine the rate per ASU to be used for commercial customers. The monthly residential sewer rate without consumption history is as set forth in Appendix A, 53.11 B.4.

C. Single Residential Winter Averaging

- (1) Defined as: Sewer service for individually metered residential households.
- (2) The monthly sewer bill is calculated by adding the base fee plus the usage fee as described in 5.11.B.(1), (2), & (3) above.
- (3) The maximum "Winter Average" for individually metered residential customers is 30 units (after the 15% discount).
- (4) Residential Service without Consumption History. Sewer service for new accounts with no prior winter consumption, customers using well water or other unmetered water shall be assigned a "Winter Average" for single individually metered households. See Appendix A, 53.11 C.4. for Winter Averaging fees.

D. Multi-Residential Rate Charges

- (1) Defined as: Sewer service for master metered water service for multiple-residential households including for example; duplex, townhomes, apartments, and mobile homes.
- (2) The monthly sewer bill for the complex is calculated by adding a 3/4 inch base fee (as set forth in Appendix A, 53.11.B.3.) times the number of units in the complex plus the usage fee (as set forth in Appendix A, 53.11.D.2.) for the entire complex. (Note: There is no cap on consumption for the multi-residential customers.)

- (3) New complexes that do not have a prior winter consumption history to determine their monthly usage fee shall be assigned a "Winter Average" for each multiple-residential unit in a master metered residential complex. See Appendix A, 53.11 C.4. for Winter Averaging fees.

E. Commercial Sewer Charges

- (1) ASU Determination: The charges for commercial sewer service shall be based on the rate of discharge and the strength of sewage. The Board of Directors may adjust the charges in proportion to the amount of water not entering the sewer which is substantiated by the property owner or discharger.
- (2) The strength of sewage is based on its biochemical oxygen demand (BOD) and the cost of removing suspended solids (SS).
- (3) The formula is derived by taking the total cost of providing sewer service and charging each user for a pro-rata share.
- (4) The State Revenue Program Guidelines require use of an "Assigned Service Unit Assignment Formula" which converts higher strength uses into a service unit value which is comparable to the use impact of a single-family residential user or equivalent dwelling unit. The formula for determining an Assigned Service Unit (ASU) for a single-family dwelling is set forth in the annual budget, which is incorporated herein by reference.
- (5) The formula is based on an estimated daily flow of 250 gallons per day plus 280 milligrams per liter of BOD and 234 milligrams per liter of SS for a residential equivalent dwelling unit.
- (6) For commercial users the flow is based on 85% of their prior 12-month water consumption to reflect the amount of water that returns to the system. The basis for determining estimated flow for unmetered water will be calculated on the demand imposed on the water system. The strength of discharge for commercial user is based on whether it is classified as a low-strength, medium-strength or high-strength user.

(7) Commercial sewer service customers are subject to periodic inspection of the premises by the District for verification of proper sewer strength classification. In addition to such periodic inspections, strength classifications will be reviewed periodically, at the discretion of the District. If warranted following a periodic inspection, periodic classification review, or a change in the nature of a customer's business and/or use of the property, customers may be reclassified to reflect their current business operations and proper sewer strength, at the discretion of the District and consistent with the standards set forth herein and in the State Water Resources Control Board (SWRCB) listing for sewer strength.

User Classifications

Low-Strength Commercial = 1.000 Strength Factor

Car wash
General office and buildings
Barber and beauty shops
Department, retail stores and general commercial
Hospitals and convalescent homes
~~Public Laundry-Laundromats~~ and dry cleaners
Professional office or office building
Warehouse
~~Bars without dining facilities~~
Other uses having a similar strength as determined by the District

Medium-Strength Commercial = 1.238 Strength Factor

~~Bars without dining facilities~~
~~Bowling alley~~
Hotels without dining facilities or cooking facilities
Auto repair/sales shop and service station
Shopping centers
Other uses having a similar strength as determined by the District

High-Strength Commercial = 2.203 Strength Factor

Bakery or bakery with deli
Hotel with dining facilities
Restaurants and bars with food
~~Supermarkets~~Grocery stores with onsite butcher and/or bakery

Other uses having a similar strength as determined by the District

Institutional = 1.000 Strength Factor

Churches: Treated the same as Low-Strength Commercial.

Schools: For public schools flow is based on average daily attendance ("ADA") for the prior school year, including summer school, as reported by schools to meet state requirements. Private schools will be required to file a report verifying their attendance. For elementary schools 50 students shall equal 1 ASU. For junior high schools 40 students shall equal 1 ASU and for high schools 24 students equals 1 ASU. The formula for schools shall be the same as applies to single-family residential. For charges see Appendix A, 53.11 E.6.

Colleges: For colleges, flow is based on the number of Certificated and Classified Staff, and students enrolled in each school session (spring, summer, and fall):

$$\begin{aligned} \text{Gallons per day (GPD)} &= \text{no. of students and staff} \times \\ &\quad \text{no. of weeks spring} \\ &\quad \text{session)} \\ &+ \text{(no. of students and staff} \\ &\quad \text{x no. of weeks summer} \\ &\quad \text{session)} \\ &+ \text{(no. of students and staff} \\ &\quad \text{x no. of weeks fall} \\ &\quad \text{session)} \\ &+ \text{(no. of staff x no. of non-} \\ &\quad \text{session weeks)} \\ &\times 23 \div 52 \end{aligned}$$

$$\begin{aligned} \text{ASU} &= \text{Daily Flow} \times \text{Strength Factor} \\ &= [(\text{GPD} \times 85\%) \div 250] \times 1.000 \end{aligned}$$

The minimum charge for commercial shall be no lower than 1 ASU at low strength. Charges are determined each fiscal year. The formula is set forth in the annual budget, which is incorporated herein by reference.

F. Monthly Service Charges for Commercial Sewer Service. The Monthly Sewer Service charges for service furnished by the District, shall be:

- (1) Commercial and Institutional (per ASU)
Commercial users shall be charged based upon the ASUs derived in Section 53.11 E.(4). For charges see Appendix A, 53.11.F.1.
- (2) Industrial and Other Users
Charges determined by the Board of Directors on a case-by-case basis.

Monthly sewer service charges shall commence upon installation of the water meter to serve the premises receiving the sewer service, upon connection to the District sewer system, upon start of occupancy of the premises to be served, or one year after the date the application for sewer service is filed, whichever is earlier. If a sewer service connection has been obtained and if sewer service will not be used until some time after installation of the water meter, commencement of the sewer service charge may be deferred until the later date only upon prior approval of the General Manager.

G. Issuance and Payment of Sewer Bills

- (1) Issuance of Statements: Statements for sewer service or other charges will be mailed monthly or as soon as practical, after the applicable charges have been determined.
- (2) Due Date: Each statement issued by the District for such charges shall be due and payable on the date of mailing or other presentation to the customer.
- (3) Final Payment Date: All charges in each statement must be paid on or before the final payment date shown on the statement, which shall be at least 20 calendar days following the date of mailing or presentation of the statement.
- (4) Place of Payment: Payments shall not be credited to a customer's account until cash, check, credit card, draft, electronic funds transfer, money order or any other acceptable form of payment that will be honored by the bank has been received by the District at the District business office during regular office

hours. Deposit of payment in the mail or at a location other than the District business office shall not be credited to a customer's account until received at the business office.

- (5) Returned Check Charges: A returned payment charge (see Appendix A, 34.01 D.2 for charge) shall be added to a customer's account in each instance where payment has been made to the District with a check, draft, credit card or any other acceptable form of payment that has not been honored upon presentment to the bank upon which it is drawn.

H. Delinquent Accounts

- (1) Requirement of Deposit Due to Repeated Delinquencies: If payments on a customer account have become delinquent five or more times, the General Manager, Chief Financial Officer, or any person delegated by the General Manager, shall be authorized to require the customer to make a deposit with the District, in cash or any other form satisfactory to the General Manager. The deposit amount shall be established at the discretion of the General Manager and the Chief Financial Officer, but shall not exceed two times the highest bill during the twelve (12) months preceding the date of demand for a deposit.
- (2) Handling of Deposit: A deposit shall not earn interest and shall only be applied to reduce or satisfy amounts due the District in the event of termination of service. A deposit does not constitute payment for service bills and the customer shall be required to comply with bill payment requirements to continue receiving service.
- (3) Refund of Deposit: A deposit required under this Section shall be refunded to the customer as provided in Section 25.04 B.

SECTION 53 FEES, RATES, CHARGES AND CONDITIONS FOR SEWER SERVICE

53.01 CONDITIONS FOR ACQUISITION OF SEWER SERVICE CAPACITY

Sewer service capacity may be acquired only for service to a specific address, parcel of land, or a land development project covered by an approved map. An approved map shall mean a recorded final map, a recorded parcel map or a tentative subdivision map that has been approved by the County or by a City, as applicable.

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3. The proceeds of the fees and charges received by the District under 1 and 2 above shall be used by the District solely for maintenance, replacement or repair under C.1. above and for the operation of the facilities under C.2. above.

4. In addition, the customer for such service shall pay the monthly service charge for sewer service set forth in Section 53.11.

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Upon application for construction of one or more sewer laterals, the customer shall deposit with the District the estimated costs to be incurred by the District in connection with the installation of the facilities required, as determined by the District. Upon completion of the work, the District shall calculate the actual costs incurred by the District in performing the work. If actual costs are less than the amount deposited, the District shall refund the balance of the deposit to the customer. If actual costs exceed the amount deposited, the customer shall reimburse the District for the additional costs.

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The use of a sewer connection shall be limited to the type and number of EDUs authorized by the original wastewater discharge permit. Before adding any additional equivalent dwelling units, buildings, modifying existing buildings, or change of occupancy type, the property owner shall make a supplementary wastewater permit application to the District for such change in use and pay additional sewer annexation fees per EDU, if necessary, as may be applicable. Periodic inspection of the premises may be made by the District and if actual use is greater than estimated use, an assessment for additional annexation fees shall be assessed in accordance with the fee schedule in the then current Code of Ordinances.

53.08 WASTEWATER DISCHARGE PERMIT ISSUANCE AND LIMITATION

1. A wastewater discharge permit shall be required for any property for which a request is made to discharge into the District sewage system.

2. Every wastewater discharge permit shall expire by limitations and shall become null and void, if the construction or work authorized by such permit is not commenced within 120 days from date of issuance of such wastewater discharge permit or if the construction or work authorized by such wastewater discharge permit is suspended or abandoned for a period of 120 days at any time after the work is commenced.

3. Before such work can be recommenced, a new wastewater discharge permit application must be filed with the District. The District may reactivate the previous wastewater discharge permit provided that wastewater quantity and type is the same as the wastewater discharge allowed under the original permit, and provided further that such suspension and abandonment has not exceeded one year. Fees paid for the previous wastewater discharge permit may be credited toward the total permit fees required on the new permit application. Reactivation of the previous wastewater discharge permit shall be subject to District sewer capacity being available at the time of new application and subject to any additional costs or charges imposed during the period of such suspension or abandonment.

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a)	<u>Residential Facilities</u>	EDUs
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2)	Apartments and Multiple Family Housing Each individual living unit	1.0
3)	Residential condominiums Each individual living unit	1.0
4)	Mobile Home and Trailer Parks Per each individual space	1.0
b)	<u>Commercial/Industrial Facilities</u>	

1)	Food Service Establishments	
	a) Take-out restaurants with disposable utensils, no dishwasher and no public restrooms	3.0
	b) Miscellaneous food establishments - ice cream/yogurt shops, bakeries (sales on premise only)	3.0
	c) 1) Take-out/eat-in restaurants with disposable utensils, but with seating and public restrooms	3.0
	2) Restaurants with reusable utensils, seating and public restrooms (0-18 seats)	3.0
	Each additional 6 seat unit, or portion thereof	1.0
2)	<u>Hotels and Motels</u>	
	a) Per living unit without kitchen	0.38
	b) Per living unit with kitchen	0.60
3)	<u>Commercial, Professional, Industrial Buildings, Establishments not specifically listed herein</u>	
	a) Any office, store or industrial condominium or establishments. first 1,000 sq. ft.	1.2
	Each additional 1,000 sq. ft. or portion thereof	0.7
	b) Where occupancy type or usage is unknown at the time of application for service, the following EDUs shall apply. This shall include, but not be limited to, shopping centers, industrial parks and professional office buildings. First 1,000 sq. ft. of gross building floor area	1.2

Each additional 1,000 square feet of gross building floor area. Portions less than 1,000 sq. ft. will be prorated. 0.7

4) Self-service laundry per washer 1.0

5) Churches, theaters and auditoriums per each 150 person seating capacity or any fraction thereof. (Does not include office spaces, schoolrooms, day-care facilities, food preparation areas, etc. Additional EDUs will be assigned for these supplementary uses). 1.5

6) Schools

a) Elementary Schools - For each 50 pupils or fraction thereof 1.0

b) Junior High Schools - For each 40 pupils or fraction thereof 1.0

c) High Schools, Colleges and Universities - For each 24 pupils or fraction thereof 1.0

Additional EDUs will be prorated based on above values.

The number of pupils shall be based on the average daily attendance of pupils at the school during the preceding fiscal year, computed in accordance with the education code of the State of California. However, where the school has had no attendance during the preceding fiscal year, the General Manager shall estimate the average daily attendance for the fiscal year for which the fee is to be paid and compute the fee based on such estimate.

7) Convalescent Homes

- a) Skilled nursing care facilities, psychological hospitals, convalescent hospitals; licensed by the Department of Health. 0.7/bed
- b) Community Care Facilities with 16 or more beds licensed by the State Department of Health. 0.5/bed
- c) Small Community Care Facilities with 7 to 15 beds licensed by the County Department of Social Services 0.5/bed
- d) Community Care Homes with six or fewer total residents, including resident staff and housekeepers (to be the same EDU as a single-family residence). 1.0

8) Other

In the case of commercial, industrial and other business establishments such as bottling works, supermarkets, markets, deli/markets, convenience stores, hospitals, laundries (other than self-service laundries), automobile service stations, mortuaries, day-care centers, bars, pool halls, and other establishments not included in items 1) through 7) inclusive, or when the EDUs specified in items 1) through 7) are not representative of actual flow due to the number of employees or type of operation, the number of equivalent dwelling units shall be determined in each case by the General Manager and shall be based upon the estimated volume and type of wastewater discharge into the sewer.

53.10

TRANSFER, ASSIGNMENT, OR RESALE OF SEWER CONNECTION RIGHTS

EDU sewer connection rights obtained by a customer may not be sold, transferred, or assigned separately from ownership of the real property for which they were obtained, unless otherwise stated in an agreement with the District.

53.11 SEWER SERVICE RATES AND CHARGES

A. Set-up Fees for Accounts. A set-up fee (see Appendix A, 53.11 A. for fee) shall be charged for each account transferred to another customer.

B. Residential Sewer Charges.

Five-year Rate Increase Schedule - All District sewer rates, charges, and fees are subject to a five-year schedule of rate increases beginning September 1, 2009 and periodically thereafter through June 30, 2014. The increases under this schedule shall be the amount sufficient to cover cost increases related to operation and maintenance, but not to exceed 10% per year.

Five-year Periodic Pass-through Rate Increases or Decreases from District Wholesalers - All District sewer rates, charges, and fees are subject to periodic rate changes from the District's public agency wholesalers for a five-year period beginning September 1, 2009 through June 30, 2014.

(1) Winter Average Determination. Sewer service usage fee shall be based on the "Winter Average" water consumption, measured in units of hundred cubic feet (HCF). The winter average period is January through April. The winter average is calculated by adding the four months of water consumption for the preceding winter and dividing the resulting amount by four. This average is then reduced by a 15% usage discount, recognizing that not all water used flows into the sewer system, to determine the "Winter Average" for billing purposes.

(2) Usage Fee. The usage fee rate (see Appendix A, 53.11 B.2. for rate) is multiplied by the "Winter Average" calculation for each customer (after the above noted 15% discount) and the resulting amount is added to the Fixed Service Charge applicable to the size of meter. The resulting fixed fee shall be charged on a monthly basis for an entire calendar year, until a new "Winter Average" is determined for the following year.

- (3) Base Fee. The monthly base fee per meter size is set forth in Appendix A, 53.11 B.3.
- (4) Monthly Residential Sewer Rate without Consumption History. The average residential sewer charge shall be determined by calculating the total usage fee for all residential customers and dividing by the number of residential customers. Then the monthly base fee for a 3/4 inch meter is added to this average fee and this shall be used to determine the rate per ASU to be used for commercial customers. The monthly residential sewer rate without consumption history is as set forth in Appendix A, 53.11 B.4.

C. Single Residential Winter Averaging

- (1) Defined as: Sewer service for individually metered residential households.
- (2) The monthly sewer bill is calculated by adding the base fee plus the usage fee as described in 5.11.B.(1), (2), & (3) above.
- (3) The maximum "Winter Average" for individually metered residential customers is 30 units (after the 15% discount).
- (4) Residential Service without Consumption History. Sewer service for new accounts with no prior winter consumption, customers using well water or other unmetered water shall be assigned a "Winter Average" for single individually metered households. See Appendix A, 53.11 C.4. for Winter Averaging fees.

D. Multi-Residential Rate Charges

- (1) Defined as: Sewer service for master metered water service for multiple-residential households including for example; duplex, townhomes, apartments, and mobile homes.
- (2) The monthly sewer bill for the complex is calculated by adding a 3/4 inch base fee (as set forth in Appendix A, 53.11.B.3.) times the number of units in the complex plus the usage fee (as set forth in Appendix A, 53.11.D.2.) for the entire complex. (Note: There is no cap on consumption for the multi-residential customers.)

- (3) New complexes that do not have a prior winter consumption history to determine their monthly usage fee shall be assigned a "Winter Average" for each multiple-residential unit in a master metered residential complex. See Appendix A, 53.11 C.4. for Winter Averaging fees.

E. Commercial Sewer Charges

- (1) ASU Determination: The charges for commercial sewer service shall be based on the rate of discharge and the strength of sewage. The Board of Directors may adjust the charges in proportion to the amount of water not entering the sewer which is substantiated by the property owner or discharger.
- (2) The strength of sewage is based on its biochemical oxygen demand (BOD) and the cost of removing suspended solids (SS).
- (3) The formula is derived by taking the total cost of providing sewer service and charging each user for a pro-rata share.
- (4) The State Revenue Program Guidelines require use of an "Assigned Service Unit Assignment Formula" which converts higher strength uses into a service unit value which is comparable to the use impact of a single-family residential user or equivalent dwelling unit. The formula for determining an Assigned Service Unit (ASU) for a single-family dwelling is set forth in the annual budget, which is incorporated herein by reference.
- (5) The formula is based on an estimated daily flow of 250 gallons per day plus 280 milligrams per liter of BOD and 234 milligrams per liter of SS for a residential equivalent dwelling unit.
- (6) For commercial users the flow is based on 85% of their prior 12-month water consumption to reflect the amount of water that returns to the system. The basis for determining estimated flow for unmetered water will be calculated on the demand imposed on the water system. The strength of discharge for commercial user is based on whether it is classified as a low-strength, medium-strength or high-strength user.

- (7) Commercial sewer service customers are subject to periodic inspection of the premises by the District for verification of proper sewer strength classification. In addition to such periodic inspections, strength classifications will be reviewed periodically, at the discretion of the District. If warranted following a periodic inspection, periodic classification review, or a change in the nature of a customer's business and/or use of the property, customers may be reclassified to reflect their current business operations and proper sewer strength, at the discretion of the District and consistent with the standards set forth herein and in the State Water Resources Control Board (SWRCB) listing for sewer strength.

User Classifications

Low-Strength Commercial = 1.000 Strength Factor

Car wash
General office and buildings
Barber and beauty shops
Department, retail stores and general commercial
Hospitals and convalescent homes
Public Laundromats and dry cleaners
Professional office or office building
Warehouse
Bars without dining facilities
Other uses having a similar strength as determined by the District

Medium-Strength Commercial = 1.238 Strength Factor

Hotels without dining facilities or cooking facilities
Auto repair/sales shop and service station
Shopping centers
Other uses having a similar strength as determined by the District

High-Strength Commercial = 2.203 Strength Factor

Bakery or bakery with deli
Hotel with dining facilities
Restaurants and bars with food
Grocery stores with onsite butcher and/or bakery
Other uses having a similar strength as determined by the District

Institutional = 1.000 Strength Factor

Churches: Treated the same as Low-Strength Commercial.

Schools: For public schools flow is based on average daily attendance ("ADA") for the prior school year, including summer school, as reported by schools to meet state requirements. Private schools will be required to file a report verifying their attendance. For elementary schools 50 students shall equal 1 ASU. For junior high schools 40 students shall equal 1 ASU and for high schools 24 students equals 1 ASU. The formula for schools shall be the same as applies to single-family residential. For charges see Appendix A, 53.11 E.6.

Colleges: For colleges, flow is based on the number of Certificated and Classified Staff, and students enrolled in each school session (spring, summer, and fall):

$$\begin{aligned} \text{Gallons per day (GPD)} &= \text{no. of students and staff} \times \text{no. of weeks spring session)} \\ &+ \text{(no. of students and staff} \times \text{no. of weeks summer session)} \\ &+ \text{(no. of students and staff} \times \text{no. of weeks fall session)} \\ &+ \text{(no. of staff} \times \text{no. of non-session weeks)} \\ &\times 23 \div 52 \end{aligned}$$

$$\begin{aligned} \text{ASU} &= \text{Daily Flow} \times \text{Strength Factor} \\ &= [(\text{GPD} \times 85\%) \div 250] \times 1.000 \end{aligned}$$

The minimum charge for commercial shall be no lower than 1 ASU at low strength. Charges are determined each fiscal year. The formula is set forth in the annual budget, which is incorporated herein by reference.

- F. Monthly Service Charges for Commercial Sewer Service. The Monthly Sewer Service charges for service furnished by the District, shall be:

- (1) Commercial and Institutional (per ASU)
Commercial users shall be charged based upon the ASUs derived in Section 53.11 E.(4). For charges see Appendix A, 53.11.F.1.
- (2) Industrial and Other Users
Charges determined by the Board of Directors on a case-by-case basis.

Monthly sewer service charges shall commence upon installation of the water meter to serve the premises receiving the sewer service, upon connection to the District sewer system, upon start of occupancy of the premises to be served, or one year after the date the application for sewer service is filed, whichever is earlier. If a sewer service connection has been obtained and if sewer service will not be used until some time after installation of the water meter, commencement of the sewer service charge may be deferred until the later date only upon prior approval of the General Manager.

G. Issuance and Payment of Sewer Bills

- (1) Issuance of Statements: Statements for sewer service or other charges will be mailed monthly or as soon as practical, after the applicable charges have been determined.
- (2) Due Date: Each statement issued by the District for such charges shall be due and payable on the date of mailing or other presentation to the customer.
- (3) Final Payment Date: All charges in each statement must be paid on or before the final payment date shown on the statement, which shall be at least 20 calendar days following the date of mailing or presentation of the statement.
- (4) Place of Payment: Payments shall not be credited to a customer's account until cash, check, credit card, draft, electronic funds transfer, money order or any other acceptable form of payment that will be honored by the bank has been received by the District at the District business office during regular office hours. Deposit of payment in the mail or at a location other than the District business

office shall not be credited to a customer's account until received at the business office.

- (5) Returned Check Charges: A returned payment charge (see Appendix A, 34.01 D.2 for charge) shall be added to a customer's account in each instance where payment has been made to the District with a check, draft, credit card or any other acceptable form of payment that has not been honored upon presentment to the bank upon which it is drawn.

H. Delinquent Accounts

- (1) Requirement of Deposit Due to Repeated Delinquencies: If payments on a customer account have become delinquent five or more times, the General Manager, Chief Financial Officer, or any person delegated by the General Manager, shall be authorized to require the customer to make a deposit with the District, in cash or any other form satisfactory to the General Manager. The deposit amount shall be established at the discretion of the General Manager and the Chief Financial Officer, but shall not exceed two times the highest bill during the twelve (12) months preceding the date of demand for a deposit.
- (2) Handling of Deposit: A deposit shall not earn interest and shall only be applied to reduce or satisfy amounts due the District in the event of termination of service. A deposit does not constitute payment for service bills and the customer shall be required to comply with bill payment requirements to continue receiving service.
- (3) Refund of Deposit: A deposit required under this Section shall be refunded to the customer as provided in Section 25.04 B.

AGENDA ITEM 7b



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 3, 2013	
SUBMITTED BY:	Lisa Coburn-Boyd Environmental Compliance Specialist	PROJECT NO./ SUBPROJECT:	P2495- 001101	DIV. NO. 5
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief, Engineering <input checked="" type="checkbox"/> German Alvarez, Asst. General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager			
SUBJECT:	Resolution Authorizing an Application for Environmental Mitigation Land Management Grant Funds to the San Diego Association of Governments, Committing to Providing Matching Funds, and Authorizing Staff to Accept Grant Funds and Execute Grant Agreement			

GENERAL MANAGER'S RECOMMENDATION:

Approve Resolution No. 4209 (Attachment B), to authorize an application for Environmental Mitigation Land Management Grant Funds to the San Diego Association of Governments (SANDAG), committing the Otay Water District (District) to provide matching funds and authorizing District staff to accept grant funds and execute the grant agreement for the Cactus Wren Habitat Project at the District's Habitat Management Area (HMA) (see Exhibits A and B for Project location).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

The purpose of this resolution is to authorize an application that was submitted by District staff in February 2013 for grant funds through the SANDAG TransNet Environmental Mitigation Program for a Cactus Wren Habitat Project at the HMA. The resolution also commits

the District to provide matching funds and authorizes District staff to accept the grant funds and execute the grant agreement.

ANALYSIS:

In February 2013, District staff worked with the current HMA consultant to put together a grant proposal for a Cactus Wren Habitat Project at the District's HMA (see Attachment C for grant application). The proposal was submitted to SANDAG for Fiscal Year 2013 funding under their Environmental Mitigation Program (EMP) which provides funding for regional land management and biological monitoring.

The Cactus Wren Habitat Project (Project) consists of the planting of 4.2 acres of coast cholla dominated habitat at two sites located within the HMA in order to create habitat for the coastal cactus wren (see Exhibit B for the site locations). The two sites, representing the 4.2 acres, were chosen for the Project and are in close proximity to each other in order to attract a minimum of two (2) pairs of cactus wren to the HMA preserve. The Project also includes enhancement of the existing coastal sage scrub with seeding among the planted cholla cacti. The advantage of the sites at the HMA is that they are located between Sweetwater Reservoir and Otay Lakes and are part of a movement corridor linking established cactus wren populations. Past records for the HMA indicate that the cactus wren was historically located within the HMA and were found on site as late as 2005. Creating suitable habitat would allow for the repopulation of this area and aid in the reestablishment of cactus wren habitat within the corridor. It is expected that this Project will increase breeding habitat for coastal cactus wren, a species of special concern, as well as increase the likelihood that the species will utilize this growing corridor between Sweetwater Reservoir and Otay Lakes. The HMA was burnt in the 2007 Harris Fire leaving behind degraded Diegan coastal sage scrub. The Project proposes to increase the quality of the habitat that was originally Diegan coastal sage scrub. The duration of the Project is three years from the notice to proceed.

District staff was informed that the Cactus Wren Habitat Project had been recommended for funding by the EMP Working Group ad hoc committee on March 4, 2013. The EMP Working Group is recommending full funding of the Project in the amount of \$88,840. The District must provide matching funds in the amount of \$8,675.67. The matching funds are available in the HMA budget because one of the projects included in that budget, the Wueste Road mitigation site, has been postponed indefinitely. The total budget allocated within the HMA budget for the Wueste Road mitigation site is \$44,986.80.

The resolution to be adopted by the District's Board of Directors includes the requirements of SANDAG's Board Policy 035, Section 4.1. Adoption of this resolution is a requirement of SANDAG, once a grantee has been informed that their project was recommended to the EMP Working Group. It must be submitted to SANDAG by April 15, 2013.

FISCAL IMPACT: Joseph Beachem, Chief Financial Officer

None.

STRATEGIC GOAL:

This Project supports the District's Mission Statement, "To provide the best quality of water and wastewater service to the customers of the Otay Water District in a professional, effective, and efficient manner," and the District's strategic goal, "To satisfy current and future water needs for potable, recycled, and wastewater services."

LEGAL IMPACT:

None.

LCB:jf

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Attachments: Attachment A - Committee Action
Attachment B - Resolution
Attachment C - Grant Application
Exhibit A - Location Map
Exhibit B - Cactus Wren Habitat Sites



ATTACHMENT A

SUBJECT/PROJECT: P2495-001101	Resolution Authorizing an Application for Environmental Mitigation Land Management Grant Funds to the San Diego Association of Governments, Committing to Providing Matching Funds and Authorizing Staff to Accept Grant Funds and Execute Grant Agreement
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee (Committee) reviewed this item at a meeting held on March 21, 2013, and the following comments were made:

- Staff requested that the Board approve Resolution No. 4209, which authorizes an application for environmental mitigation land management grand funds of \$88,400 to the San Diego Association of Government, committing the District to provide matching funds of \$8,675.67 and authorizing District staff to accept grant funds and execute the grant agreement for the Cactus Wren Habitat Project at the District's Habitat Management Area (HMA).
- Staff indicated that the resolution is a requirement of SANDAG for the grant to be funded and must be submitted to SANDAG by April 15, 2013.
- Staff noted that SANDAG has been awarding land management project grants for six years using TransNet Environmental Mitigation Program funds. This grant funding is available for land management projects that promote habitat restoration, species-specific management and habitat management.
- It was discussed that staff worked with the current HMA consultant to put together three grant proposals for projects at the District's HMA. Staff indicated that the District received notice in early March 2013 that one of the projects, the Cactus Wren Project had been recommended for funding through the TransNet grant program.

- Staff provided details of the Cactus Wren Project, which is provided on Page 2 of the staff report. Staff stated that the total cost of the project is \$97,515.67 of which \$88,400 is the grant amount and the remainder of \$8,675.67 is the matching funds committed to by the District. The matching funds are available within the existing HMA budget.
- Staff indicated that the Project will include cleaning and planting of Coastal Cholla Cactus and Coastal Sage Scrub, which staff believes will enhance the HMA and increase its value.
- Staff noted that enhancement of the District's HMA is indicative of a good steward of environment, which helps the District with review of projects with resources agencies.
- In response to a question from the Committee, staff stated that this grant is not related to the 2007 fires that affected the District's HMA.

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

ATTACHMENT B

RESOLUTION NO. 4209

AUTHORIZING AN APPLICATION FOR
ENVIRONMENTAL MITIGATION LAND MANAGEMENT GRANT FUNDS TO
THE SAN DIEGO ASSOCIATION OF GOVERNMENTS
FOR OTAY WATER DISTRICT: CACTUS WREN PROJECT, COMMITTING TO PROVIDE
MATCHING FUNDS, and AUTHORIZING STAFF TO ACCEPT GRANT
FUNDS AND EXECUTE GRANT AGREEMENT

WHEREAS, in November 2004, the voters of San Diego County approved SANDAG Ordinance 04-01, which extended the *TransNet* ½ cent sales and use tax through 2048 (*TransNet* Ordinance); and

WHEREAS, the *TransNet* Extension Ordinance contains provisions for the creation of an Environmental Mitigation Program (EMP), which began being funded by the *TransNet* Ordinance on April 1, 2008; and

WHEREAS, in November 2012, SANDAG issued its sixth Call for Projects from entities wishing to apply for a portion of the EMP funds for use on environmental land management projects meeting certain criteria; and

WHEREAS, Otay Water District wishes to receive \$88,840.00 in EMP Grant funds for the following project: Otay Water District: Cactus Wren Project; and

WHEREAS, Otay Water District understands that the EMP Grant funding is fixed at the programmed amount, and therefore project cost increases which exceed the grant awarded will be the sole responsibility of the grantee.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Otay Water District that the Otay Water District is authorized to submit an application to SANDAG for the Fiscal Year 2013 Land Management Grant funding in the amount of \$88,840.00 for the Otay Water District: Cactus Wren Project; and

BE IT FURTHER RESOLVED that, if a grant award is made by SANDAG to fund the Otay Water District: Cactus Wren Project, the Board of Directors of the Otay Water District commits to providing \$8,657.67 of matching funds and/or in-kind contributions as set forth in its grant application and authorizes Otay Water District staff to accept the grant funds and execute the grant agreement included in the November 2012 Call for Projects with SANDAG.

PASSED AND ADOPTED by the Otay Water District Board of Directors this third day of April, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

President

ATTEST:

District Secretary



Grant Application Form

For Consideration for *TransNet* Environmental Mitigation Program (EMP) Fiscal Year 2013 Funding for Land Management

(Applications cannot exceed twelve (12) pages, including all attachments.)

Applicant Name¹: Otay Water District; Ms. Lisa Coburn-Boyd Environmental Compliance Specialist
 Address: 2554 Sweetwater Springs Boulevard, Spring Valley, CA 91978-2004
 Phone and Email Address: 619-670-2219; lisa.coburn-boyd@otaywater.gov
 Name of Property: San Miguel Habitat Management Area
 General Location: City of Chula Vista
 Jurisdiction: Otay Water District
 Total Acres: 240
 Estimated Acres Requiring Management: 4.2
 Owner(s) of Property²: Otay Water District
 Land manager(s) of property (include name(s)): Merkel & Associates, Inc.

Application is proposed for consideration under the following eligible activity area:

- Habitat Restoration and Invasive Control*
- Species-Specific Management*
- Habitat Maintenance, Access Control/Management, and Volunteer Coordination*

Brief Project Summary that includes your primary goal and objectives (200-word maximum)

The Project proposes is to create suitable nesting habitat for the coastal cactus wren within the San Miguel Habitat Management Area (HMA). The HMA is located within a corridor that has the potential to connect existing cactus wren breeding pairs from the Sweetwater Reservoir to the area west of Otay Lakes (Figure 1). Work on this corridor in adjacent refuge lands has already begun by the United States Fish and Wildlife Service (USFWS) with the planting of 12,000 cacti between the Sweetwater population and the HMA. The proposed species specific restoration objectives include the removal of non-native plant species on the restoration site, thinning of coastal sage scrub if required, the collection of cactus cuttings for transplanting, planting coast cholla within the proposed project area, as well as maintaining, monitoring, and reporting on the site for the initial three years. After the third year, maintenance of the site would

¹ While collaboration is encouraged in the development of the grant proposal, the proposal must identify one organization as the lead entity which will enter into an Agreement with SANDAG.

² If the applicant is not the landowner, please submit a letter or right-of-entry permit from the land owner granting permission to perform the land management duties as outlined in the application. Failure to provide the letter or right-of-entry permit will lead to disqualification of the application.

Attach letter or right-of-entry permit if applicable.

continue through the management of the HMA by the Otay Water District. The ultimate success, which would be expected five to seven years after planting, would include cactus that has reached an average height of three feet and supports a viable population of two or more pairs of coastal cactus wren.

Quantify Expected Results (add bullets as necessary)

- Create nesting and wintering habitat for a minimum of 2 pairs of coastal cactus wren
- Enhance native habitat that has been degraded due to fire
- Aid in the overall recovery of the coastal cactus wren by creating a corridor of suitable habitat between two major populations

Brief Description of dedicated staff and/or consultants that would work on Project (200-word maximum)

Merkel & Associates, Inc. (M&A) currently provides professional environmental services for the Otay Water District's (District) HMA. M&A, a state certified woman business enterprise and small-business enterprise, is a San Diego-based environmental consulting firm specializing in biological resource and regulatory issues. M&A's staff members include personnel that have the experience to execute all aspects of this project including; invasive species removal, focused surveys for special status species, habitat restoration and monitoring, maintenance and reporting. The firm has extensive experience working for the District and within the San Miguel HMA. M&A developed the San Miguel HMA and District's Capital Improvements Project mitigation-banking program working with District staff and from 1995 to 2000. The company is also in the fourth year of a cactus wren habitat restoration project for the County of San Diego within the Salt Creek Preserve. This 1.4 acre restoration has been very successful and has met all requirements. M&A has completed all work components for the District and the County efficiently and in a timely manner, while maintaining excellent working relationships with staff and environmental agencies.

Funding Needs Summary

1. Please indicate how much funding is being requested from SANDAG and any matching funding proposed:

Budget Item	Requested Funding Amount	Proposed Matching Funds*	Description
Personnel Expenses Staff	\$	\$	Includes staff time for non-administrative work on the project
Personnel Administrative Expenses	\$	\$	Includes all staff time to administer the contract
Consultant Expenses**	\$88,840.00	\$8,675.67	Includes all costs for consultant services
Other Direct Expenses	\$	\$	Includes all equipment, supplies, millage, etc.
Indirect Costs ³	\$	\$	All indirect charges (e.g., overhead) on the project, if any.
Totals	\$88,840.00	\$8,675.67	

*if applicable; ** "other direct expenses" are included within the "consultant expenses"

2. Are there matching funds available? If yes, how are the matching funds assured (100-word maximum)?

Yes No

Explain how matching funds are assured.

The HMA is a 240-acre biological reserve that was created and designated as a reserve and mitigation bank by the District in 1994. In accordance with the HMA Mitigation Bank Establishment and Operating Procedures (M&A 1996⁴), the District is responsible for

³ Indirect Costs are only allowable with either: (1) an indirect cost allocation audit approved by a qualified independent auditor or (2) the applicant's proposed method for allocating indirect costs must be submitted in accordance with [OMB guidelines](#) and approved by SANDAG. Indirect costs will not be reimbursed until one of the two conditions above are satisfied and indirect cost allocation plans must be renewed annually.

management of the HMA in conformance with the establishment and operating procedures manual as well as funding for management and annual biological surveys. Funds for management of the HMA between January 1, 2012 and December 31, 2014 were committed by the District on November 2, 2011.

PROJECT PROPOSAL

(Maps and/or graphics can be referenced and pasted at the end of this Word document or attached as a separate digital file.)

The proposal will include the purpose of the project, the scope of work by tasks, proposed budget, including matching funds, by task, and a schedule for each task. Applicants must clearly identify their proposed tasks in the scope of work, funding requested for each task (please identify staff hours and cost separately from consultant costs), start and end dates of the tasks, and deliverables. **Applicants are encouraged to identify phasing and prioritization of tasks in their proposal in case full funding for the project is not available.**

A. Project Purpose

Address the following in the proposal.

1. Describe the proposed management activity(ies) and why needed. Is there current management occurring or has past management occurred (please describe)? How will this project benefit sensitive vegetation communities and/or sensitive species (i.e. focal, covered, threatened or endangered)?

The proposed Project is to plant 4.2 acres of coast cholla (*Cylindropuntia prolifera*) dominated habitat in order to create habitat for the coastal cactus wren (*Campylorhynchus brunneicapillus sandiegensis*) (Figure 1). Two sites representing the 4.2 acres were chosen for the Project and are in close proximity to each other in order to attract a minimum of 2 pairs of cactus wren to the HMA preserve. One site is approximately 1.7 acres and extends west off an area of recovering coastal sage scrub that already contains some coast cholla but currently is not large enough or dense enough to support cactus wren. The second site is adjacent to the first site and is approximately 2.5 acres also within coastal sage scrub recovering from fire. The Project also includes enhancement of the existing coastal sage scrub by broadcasting seed among the planted cholla cacti.

The Project is also located between Sweetwater Reservoir and Otay Lakes including the Salt Creek Preserve (Figure 2) and is part of a movement corridor linking these established cactus wren populations. Work on this corridor has already begun by the USFWS with the creation/restoration of cactus dominated Diegan coastal sage scrub between the Sweetwater population and the proposed Project site within the HMA, where 12,000 cacti have been planted. USFWS is also in the process of obtaining additional mitigation lands (Western Mitigation Parcels) located adjacent to the HMA that are slated for additional cactus wren habitat creation/restoration. The HMA is adjacent to USFWS preserve lands and to the east of their current restoration site. CNDDDB records indicate that the cactus wren was historically located within the HMA and were found on site as late as 2005. Creating suitable habitat would allow for the repopulation of this area and aid in the reestablishment of cactus wren habitat within the corridor. It is expected that this Project will increase breeding habitat for coastal cactus wren, a species of special concern, as well as increase the likelihood that the species will utilize this growing corridor between Sweetwater Reservoir and Otay Lakes. The HMA was burnt in the 2007 Harris Fire leaving behind degraded Diegan coastal sage scrub. The Project proposes to increase the quality of the habitat that was originally Diegan coastal sage scrub.

The Project area is currently managed as part of the District's overall obligation to maintain and monitor the HMA. The Project area is inspected concurrent with the entire HMA on a monthly basis; the purpose of the monthly visit is to assess the general condition of the entire HMA. To date, the Project area has not been targeted as a specific area for maintenance within the HMA.

⁴ Merkel & Associates, Inc. 1996. Mitigation Bank Establishment and Operating Procedures for the Otay Water District San Miguel Habitat Management Area. Prepared for the Otay Water District. 15pp + Appendix 1 - Biological Inventory of the San Miguel Habitat Management Area, Revised May 1996.

2. Describe the geographic area of the project, including adjacent surrounding properties and landowners, and the current conditions of the vegetation communities and sensitive species of the project area. Is the project area already part of an approved regional conservation plan and if so, how does the proposed project contribute to the plan?

The HMA is located within the District's 509-acre Wastewater Reclamation Use Area (Use Area) on property that was annexed into the City of Chula Vista in 1999 [Assessors Parcel Number (APN) 595-040-01, -08, -03, -04, -05, 585-140-21, and -14]. It sits within Sections 23 and 26 of Township 17 South, Range 1 West of the San Bernardino Base and Meridian, U.S. Geological Survey (USGS) 7.5' Jamul Mountains, California Quadrangle. Locally, the HMA lies at the base of Mother Miguel and San Miguel Mountains just east of State-Route 125. It is situated approximately 1.5 miles southeast of Sweetwater Reservoir and 1.5 miles northwest of the Upper Otay Reservoir. Access to the site can be obtained from Hunte Parkway, off Proctor Valley Road.

The proposed Project site within the HMA is located on the northeast and northwest side of Rickey Pond (Figure 1). This area consists of disturbed Diegan coastal sage scrub. These habitat types continue off-site to the north, west, and east where the adjacent land use is native habitat protected and owned by the USFWS. In October 2007, much of the HMA and surrounding habitat was burned as a result of the Harris Wildfire. The habitat is recovering well but the fire has opened up much of the habitat making it much easier to convert the habitat type to cactus dominated Diegan coastal sage scrub. Special status fauna detected within and/or immediately adjacent to the Project area during the 2012 surveys include Cooper's hawk (*Accipiter cooperii*), northern loggerhead shrike (*Lanius ludovicianus*), northern harrier (*Circus cyaneus*) and one pair of southern California rufous-crowned sparrow (*Aimophila ruficeps canescens*). All of the species have primarily been observed to use the area as foraging grounds. Special status plant species California adolphia (*Adolphia californica*), Otay tarplant (*Deinandra conjugens*), variegated dudleya (*Dudleya variegata*), San Diego marsh elder (*Iva hayesiana*), southwestern spiny rush (*Juncus acutus* ssp. *leopoldii*), and San Diego goldenstar (*Muilla clevelandii*), coast barrel cactus (*Ferocactus viridescens*), western dichondra (*Dichondra occidentalis*), and California adder's-tongue fern (*Ophioglossum californicum*) occur within or adjacent to the Project.

The District is not a participant in the County of San Diego MSCP; however, the HMA itself has been designated as a reserve and mitigation bank. The proposed Project would contribute to the HMA and adjacent conserved lands by providing suitable nesting and wintering habitat for coastal cactus wren. In addition, the Project would enhance the potential connection between known breeding pair within a coastal cactus wren corridor and in turn provide a healthy genetic diversity for a sustainable population.

3. Describe the stressors and/or threats to the vegetation communities and/or sensitive species in the project area. Does the area suffer from natural, human, or domestic animal disturbance (e.g., urban development, invasive/exotic species, altered fire regime, altered hydrology, herbivory/predation, pesticides/rodenticides/herbicides, parasitism and disease, powerline and windpower facilities, roads, human use)?

The proposed project area is within native habitat and therefore there are very few stressors and/or threats to the cactus wren or the vegetation community. The nearest urban housing is a 0.4 miles to the south of the project site and there is a golf course immediately adjacent to the east. Natural predators such as coyotes would be present; however, the cactus wren's habitat preference of tall, thick cactus stands is natural protection from these predators. There are a few trails within the HMA used by local hikers and bicycles. The closest trail to the Project site occurs in the Preserve land to the west on the ridgeline.

4. Describe why action is needed to prevent the vegetation communities and/or sensitive species from degrading further.

The coastal cactus wren has lost much of its habitat due to fire and urban development. The remaining specialized habitat used by the wren has become highly fragmented. The coastal cactus wren is presently listed as a California State Species of Special Concern; however, its unofficial status is more conducive to that of a threatened or endangered species. In order to maintain a viable population new habitat must be created for the species as well as a corridor to allow movement between existing populations to maintain healthy genetic diversity. These actions are required in order to prevent further decline of the species.

5. Describe the management techniques proposed and whether or not they have been successfully used previously and where. Are there any negative effects to other sensitive species and/or vegetation communities that could result from the proposed management action?

The management practices proposed for this Project have been used in other projects including the Salt Creek Coastal Cactus Wren Project being executed by M&A through the County of San Diego, Parks and Recreation Department and a TransNet Grant. This project has been very successful and is meeting all requirements. The methods used for the proposed Project will be similar to those used in the Salt Creek Project with some small changes. Initially a source site will be located for coast cholla so that cuttings can be acquired from plants that are not in cactus wren occupied habitat. Cuttings would be harvested from outside lateral branches of live cactus in order to avoid reducing the height of the affected plants and reduce the potential for nesting by cactus wren. These cuttings would be harvested in the fall and allowed to callus for a period of at least two weeks prior to planting. An estimated seven hundred to one thousand cactus cuttings would be required per acre. Prior to planting the site will require some preparation. The onsite coastal sage scrub habitat is already sparse and there should be no need to thin the current vegetation. All non-native vegetation, however, will be treated with herbicide to eliminate competition for the newly planted cuttings. The second site may require minimal thinning of Diegan coastal sage scrub to lower competition with the cholla. Plantings will be installed in a patchy manner. There will be a patch of cactus planted on 2 to 3 foot centers within an area of approximately 0.2 acres and surrounded by areas of sparse cactus plantings. This would be done throughout the two sites so that each site would be equal parts of dense cactus and sparse cactus. Native coastal sage scrub seed would be collected from the nearby area or purchased from a reputable seed company (e.g., S&S Seed) that has procured all seed from local plant populations occurring in San Diego County within 25 miles of the Project area. The seed would be hand broadcasted or hydroseeded over the site, in areas of sparse vegetation, just prior to a significant rainstorm event. Seed mix would include primarily flat-top buckwheat (*Eriogonum fasciculatum*) and California sagebrush (*Artemisia californica*) as well as a mixture of other species found in the area. Site maintenance would occur at least quarterly and may include weeding, watering, and replacement of dead cholla. Qualitative monitoring would occur quarterly for the initial year and annually for each of the following years. This will include a list of species utilizing the habitat including any cactus wren observed. Quantitative monitoring will include the establishment of six permanent transects, each 25 meters in length, within the restoration area. Data would be collected using the line intercept method. The beginning and end of each transect will be staked. Photo documentation will be taken of each transect during the monitoring event. Photo documentation would also be established for the site prior to restoration, during the thinning and planting stage and periodically during monitoring and maintenance period.

There are no anticipated negative affects to other sensitive species or habitats at this time. The locations chosen for the Project were historically occupied by cactus wren. Historically, the federally threatened coastal California gnatcatcher (*Polioptila californica californica*) was found in the vicinity; however, at that time they were documented further up slope to the west and to the north of the chosen sites. In fall 2012 gnatcatchers were recorded in the northern portion of the HMA, opposite of the proposed Project site. Both species have occupied this site simultaneously in the past (M&A 1995⁵). Currently, the area is used by one pair of southern California rufous-crowned sparrow (species of special concern) which has also shared the Project habitat with both coastal California gnatcatcher and coastal cactus wren in the past. The sensitive coastal sage scrub habitat that supports the site will only be enhanced with the addition of native coastal sage scrub seed species and addition of the cacti. Prior to the Harris Fire in 2007 the proposed sites supported dense coastal sage scrub including cholla as a component.

6. What strategic approach will be used to ensure the successful, long-term outcome of the proposed project (e.g. upstream exotic removal prior to downstream, future on-going maintenance)? Which adjacent conserved lands will not be included and why?

Annual on-going maintenance occurs within the HMA to eliminate non-native species, promote the growth of native species, and enhance the environment for all species with emphasis on sensitive species. After the 3-year monitoring and maintenance period for this Project the long term maintenance would be continued by the District.

⁵ Merkel & Associates, Inc. 1995. Draft Biological Inventory of the San Miguel Habitat Management Area, San Diego County, California. July 13, 1995.

7. What are the goals and objectives for the project? What criteria/metrics will be used to measure success? If applicable, what quantitative monitoring data will be collected to evaluate success? Who will be collecting the monitoring data and what are their qualifications?

The goal of this Project is to create a cactus dominated Diegan coastal sage scrub habitat suitable for nesting and wintering coastal cactus wren. Quantitative monitoring will be established to document the success of the vegetation growth for three years. Success for this Project includes well established cholla cactus and Diegan coastal sage scrub within the restoration site (i.e. annual increase in plant height of cholla cactus and coastal sage scrub shrub species, increase in native species coverage, and the replacement of all dead cacti within the project site). Monitoring tasks would consist of 1) a qualitative (i.e., visual) assessment of planted cholla cactus and native and non-native species establishment to define future maintenance needs, 2) a quantitative assessment from six transects using the line intercept method from which species coverage and species composition were obtained, and 3) photo-documentation at select locations best representing the current conditions of the site. All data will be collected by M&A qualified biologists. Specifically, M&A biologist, Bonnie Peterson has been a key member of the Salt Creek Cactus Wren Restoration Project and part of the sensitive species survey team at the HMA and is expected to collect the monitoring data. Ms. Peterson is a senior biologist at M&A with over 20 years of experience as a biologist in San Diego County. She has a strong avian and habitat restoration background and holds several permits to survey for threatened and endangered avian species.

After the 3-year monitoring and maintenance period for this Project the long term maintenance would be continued by the District's HMA qualified biological consultant. The ultimate success, which would be expected five to seven years after planting, would include cactus that has reached an average height of three feet and supports a viable population of two or more pairs of coastal cactus wren.

8. How would the project involve public outreach/public participation, volunteers and/or community events to highlight the land management activities being funded and promote awareness of grant-funded project? Please quantify your response as much as possible.

The HMA is not open to public use; however, hikers have been documented on the road adjacent to the Project, on the ridgeline to the east of the Project, and bikers utilize an old foot path east of the Project as access to fire roads in the preserve lands to the north and east. With this traffic and the golf course use, preserve signage stating the restoration efforts will be posted in locations at the Project site and adjacent to the Project site in locations where the public will be able to learn about the restoration efforts.

9. How will the project manage the data collected? What software will be used to house the data? Who will be responsible for compiling and transferring the data to SANDAG? Who will be preparing the required reports?

Data collected from the biological surveys (e.g., vegetation mapping and/or sensitive species locations) would be mapped on 1"=150' scale field maps (or similar as deemed appropriate) and/or mapped using a Trimble® geoexplorer unit with submeter accuracy. The data would then be digitized into current Geographical Information System (GIS) Environmental Systems Research Institute (ESRI) software platforms. Flora and fauna detections would be recorded in field notebooks. Plant identifications would either resolved in the field or later determined through verification of voucher specimens. Wildlife species would be determined through direct observation (aided by binoculars), identification of songs, call notes and alarm calls, or by detection of sign (e.g., burrows, tracks, scat, etc.). Quantitative data would be analyzed in Microsoft Excel and all reports would be generated in Microsoft Word. M&A staff would be responsible for compiling all data and submitting the required reports to the District and SANDAG. The data would be submitted in the annual report for 3 years electronically in PDF format via e-mail and/or placement onto M&A's FTP site for download by the District and SANDAG.

10. Has the project received *TransNet* EMP funds previously? If so, what was accomplished with the funds and why are additional funds being requested?

The project has never received *TransNet* EMP funds.

11. Is the proposed activity being done on land that was previously set aside as mitigation? If yes, please elaborate.

The entire HMA has been designated as a reserve and mitigation bank. It is managed in accordance with the HMA Mitigation Bank Establishment and Operating Procedures (M&A 1996) and is under the direct supervision of the Management Advisory Committee, which is composed of representatives from the District, USFWS, and CDFG.

B. Scope of Work by Task

Please break down the proposal into discrete tasks with a task name, description of each task, quantify expected results, and discrete deliverables for each task. Note: make sure to include tasks for both quarterly reporting on the status of the grant project and a final report on the outcome of the grant project. The applicant should choose one of the three eligible activities, described in the Call for Projects that best characterizes their project for consideration under this grant program. You may add or subtract rows as needed.

Exhibit A – Scope of Work

Task #	Task Name	Task Description	Deliverables
1	Procure Cuttings and Site Preparation	Non-natives will be removed from the project site. Thinning of Diegan coastal sage scrub in order to make room for planting of cactus would be conducted if required. Cuttings would be taken from outside lateral branches of existing cactus in order to avoid reducing the height of the affected plants and reduce the potential for nesting by cactus wren. These cuttings would be taken in the Fall and allowed to callus for a period of at least two weeks prior to planting. An estimated 1,000 to 1,200 cactus cuttings would be required per acre.	Results and photo documentation will be included in first quarterly report and in first annual report.
2	Planting Site	Plantings will be installed on 2 to 3-foot centers in small patches of approximately 0.2 acres and surrounded by areas of sparse cactus plantings. This would be done throughout the two sites so that each site would be equal parts of dense cactus and sparse cactus. Native coastal sage scrub seed would be collected from the nearby area or purchased from a reputable seed company (e.g., S&S Seed) that has procured all seed from local plant populations occurring in San Diego County within 25 miles of the Project area. The seed would be hand broadcasted or hydroseeded over the site, in areas of sparse vegetation, just prior to a significant rainstorm event.	Results and photo documentation will be included in first quarterly report and in first annual report
3	Site Maintenance	Maintenance would occur at least quarterly and may include weeding, watering, and replacement of dead cholla.	Results and photo documentation will be included in all quarterly report and annual reports.
4	Annual Monitoring	Qualitative monitoring would occur quarterly for the initial year and annually for each of the following years. This will include a list of species utilizing the habitat including any cactus wren utilizing the site. Quantitative monitoring will include the establishment of six permanent transects, each 25 meters in length, within the restoration area. The beginning and end of each transect will be staked. Photo documentation will be taken of each transect during the monitoring event.	Results and photo documentation will be included in annual reports.
5	Reports	Three quarterly reports and one annual report will be used to report the progress of the project. This will be done for all three years.	Three quarterly reports and one annual report for each of the three years.
6	Public Outreach	Signage	No deliverable associated with this specific task. Notable correspondence would be included within the quarterly reports.
7.	Administrative	This task includes coordination between M&A, the District, and SANDAG. It includes time for three field meetings (prior to the start of work, upon completion of container plant installation, and upon completion of the quantitative monitoring) as well as over the phone and e-mail correspondence.	No deliverable associated with this specific task. Notable correspondence would be included within the quarterly reports.

C. Budget by Task

Please include a specific budget for each task described in the Scope of Work (section B above). This should include both requested SANDAG funds and any matching funds proposed. If matching funds are proposed, please distribute the match commitment proportionately throughout the project budget to ensure that matching funds and grant funds are proportionately distributed throughout the life of the project. For projects requesting funding for more than one year, please indicate the requested funding and match for each year. Applicants are encouraged to identify phasing in their proposal in case full funding for the project is not available. You may add or subtract rows and columns as needed.

Exhibit B - Project Budget

Task #	Task Name	Year 1 Grant Request	Year 1 Matching Funds ¹	Year 2 Grant Request	Year 2 Matching Funds ¹	Year 3 Grant Request	Year 3 Matching Funds ¹	Total Project Cost	Total Grant Request	Total Matching Funds ¹
1	Procure Cuttings and Site Preparation	\$17,321.00	\$1,691.49	\$0.00	\$0.00	\$0.00	\$0.00	\$19,012.49	\$17,321.00	\$1,691.49
2	Planting Site	\$23,491.00	\$2,294.02	\$0.00	\$0.00	\$0.00	\$0.00	\$25,785.02	\$23,491.00	\$2,294.02
3	Site Maintenance	\$9,038.00	\$882.61	\$9,038.00	\$882.61	\$5,244.00	\$512.10	\$25,597.32	\$23,320.00	\$2,277.32
4	Annual Monitoring	\$1,671.00	\$163.18	\$1,671.00	\$163.18	\$1,671.00	\$163.18	\$5,502.54	\$5,013.00	\$489.54
5	Reports	\$5,292.00	\$516.79	\$5,292.00	\$516.79	\$5,292.00	\$516.79	\$17,426.37	\$15,876.00	\$1,550.37
6	Public Outreach	\$600.00	\$58.59	\$0.00	\$0.00	\$0.00	\$0.00	\$658.59	\$600.00	\$58.59
7	Administrative	\$1,073.00	\$104.78	\$1,073.00	\$104.78	\$1,073.00	\$104.78	\$3,533.34	\$3,219.00	\$314.34
Sub Total		\$58,486.00	\$5,711.46	\$17,074.00	\$1,667.36	\$13,280.00	\$1,296.85	\$97,515.67	\$88,840.00	\$8,675.67
Indirect Cost (%)		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL		\$58,486.00	\$5,711.46	\$17,074.00	\$1,667.36	\$13,280.00	\$1,296.85	\$97,515.67	\$88,840.00	\$8,675.67

¹ Throughout the Project, Matching Funds must be proportionate to TOTAL Project Costs (Grant Request and Matching Funds combined)

D. Project Schedule

Please include start date as Notice to Proceed and end date for each task described in the Scope of Work (section B above). Please include tasks for both quarterly reporting on the status of the grant project and a final report on the outcome of the grant project. You may add or subtract rows as needed.

Exhibit C - Project Schedule

Task #	Task Name	Proposed Start Date	Months Needed to Complete Task	Task End Date
1	Procure Cuttings and Site Preparation	"1" Months from NTP	"3" Months from NTP	12/31/2013
2	Planting Site	"3-6" Months from NTP	"3-6" Months from NTP	3/31/2014
3	Site Maintenance	"3" Months from NTP	"36" Months from NTP	9/30/2016
4	Annual Monitoring	"12" Months from NTP	"36" Months from NTP	9/30/2016
5	Reports	"3" Months from NTP	"36" Months from NTP	9/30/2016
6	Public Outreach	"1" Months from NTP	"12" Months from NTP	9/30/14
7	Administrative	"1" Months from NTP	"36" Months from NTP	9/30/16

NOTICE REGARDING PREVAILING WAGES

SANDAG's EMP Land Management Grants are funded with TransNet revenues consistent with the Transnet Extension Ordinance adopted by the voters in November 2004 (SANDAG Ordinance 04-01). While SANDAG does not require grantees to pay prevailing wages, recent California appellate court opinions (*Reliable Tree Experts v. Baker*, 200 Cal. App. 4th 785 (2011); *Reclamation Dist. No. 684 v. Department of Industrial Relations*, 125 Cal. App. 4th 1000 (2005)) and Department of Industrial Relations advisory opinions strongly suggest that many EMP Land Management Grant-eligible projects, especially those involving habitat restoration and maintenance or environmental remediation, will be subject to prevailing wage law. Grant applicants are encouraged to review the provisions of Labor Code §§ 1720 and 1771, and California Code of Regulations, title 8, § 16000. These outline activities constituting public works for purposes of prevailing wage law. Grant applicants are further encouraged to seek advice from an attorney to determine the applicability of the aforementioned statutory provisions and regulation to their proposed grant-funded projects. If awarded an EMP Land Management Grant, the grant agreement between SANDAG and the grantee requires grantee's compliance with all federal, state and local laws and ordinances applicable to the agreement.

REQUIRED STATEMENTS FROM GRANTEE

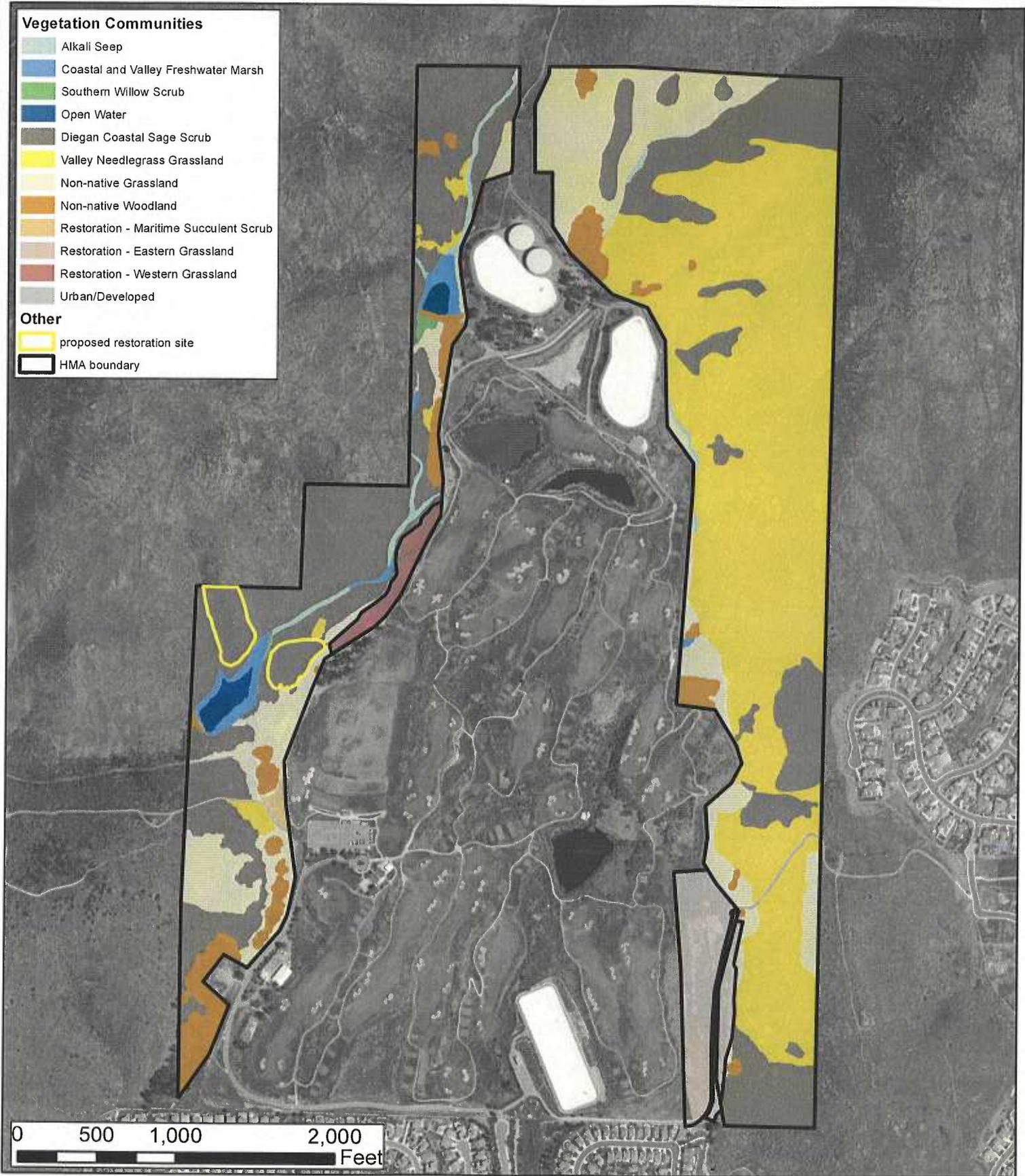
- Yes No The proposed grantee has read the standardized agreement.
- Yes No If the SANDAG Board of Directors approves the grant, the proposed grantee agrees to sign and return the standardized agreement to SANDAG, without exceptions, within 45 days of receipt.
- Yes No The proposed grantee agrees to comply with SANDAG's Board Policy 035 "Competitive Grant Program Procedures," which outlines "Use-it-or-lose-it" project milestone and completion deadlines. Board Policy 035 is included in the standardized agreement, and is also on SANDAG's website at the following link: http://www.sandag.org/organization/about/pubs/policy_035.pdf
- Yes No The proposed grantee understands that that 10% of all invoices will be retained until the completion of the project.
- Yes No The proposed grantee understands that that all invoices must be accompanied by written support of the charges for both requested reimbursement of grant funds and matching funds.
- Yes No The proposed grantee understands that that all invoices must be submitted on a quarterly basis within three weeks after period covering January 1 to March 31; within three weeks after period covering April 1 to June 30; within three weeks after period covering July 1 to September 30; and within three weeks after period covering October 1 to December 31.
- Yes No The proposed grantee understands that approval of funding by the SANDAG Board of Directors, the applicant will provide a copy of their approved indirect rate audit or their proposed methodology to SANDAG for review and approval which must occur prior to the execution of the grant agreement.
- Yes No The proposed grantee understands that a resolution including the requirements of Board Policy 035, Section 4.1, must be submitted to SANDAG at least **two weeks** prior to the recommendation by the Regional Planning Committee of the list of grant projects to be considered eligible. SANDAG will provide applicants with advance notice of the Regional Planning Committee's anticipated meeting date.
- Yes No The proposed grantee agrees to submit project data/information to SANDAG in a format compatible with the regional management database.

I have the authorization to submit this grant on behalf of my organization.

Lisa Coburn-Boyd / Environmental Compliance Specialist

Grantee Name/Title (print or type)

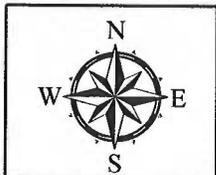
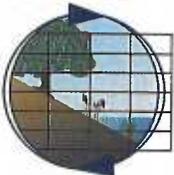
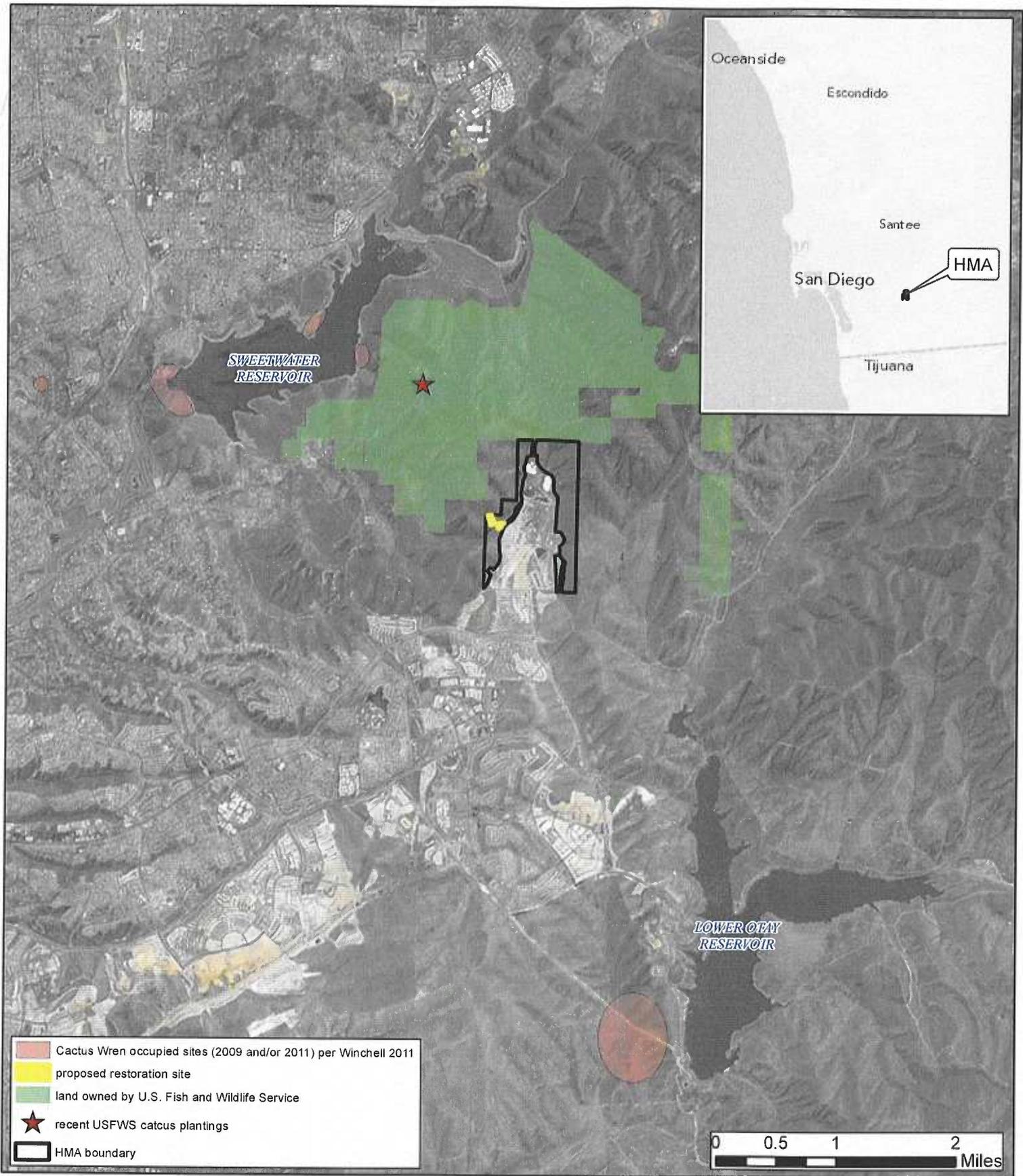
Lisa Coburn-Boyd _____ 01/28/2013
Grantee Signature Date



Proposed Habitat Restoration for Cactus Wren
Otay Water District San Miguel Habitat Management Area

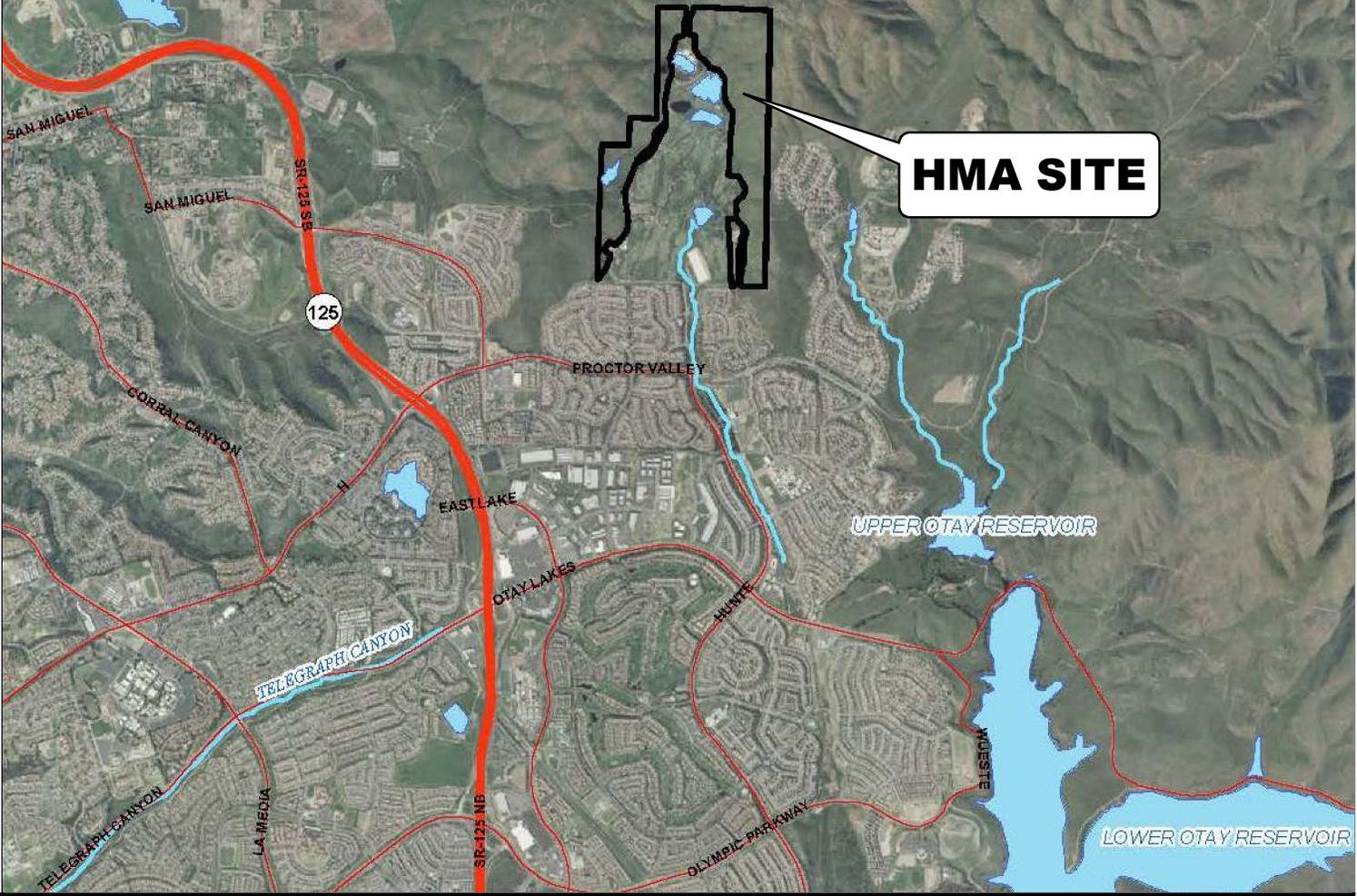
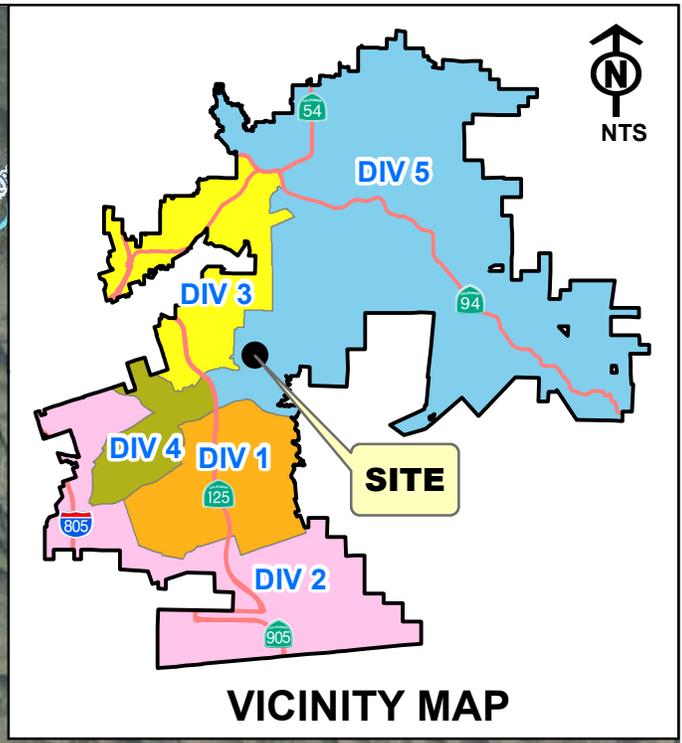
Image Source: Aerials Express 2010

Figure 1



**Proposed Project and Occupied Cactus Wren Habitat
Within the Sweetwater Reservoir/Otay Lakes Complex**
Otay Water District San Miguel Habitat Management Area

Figure 2



OTAY WATER DISTRICT
Environmental Setting Map
San Miguel Habitat Management Area



CIP P2495

P:\Working\2495-San Miguel HMA and Assoc. Mitigation Projects\Staff Reports\Exhibit A

- Vegetation Communities**
- Alkali Seep
 - Coastal and Valley Freshwater Marsh
 - Southern Willow Scrub
 - Open Water
 - Diegan Coastal Sage Scrub
 - Valley Needlegrass Grassland
 - Non-native Grassland
 - Non-native Woodland
 - Restoration - Maritime Succulent Scrub
 - Restoration - Eastern Grassland
 - Restoration - Western Grassland
 - Urban/Developed
- Other**
- proposed restoration site
 - HMA boundary

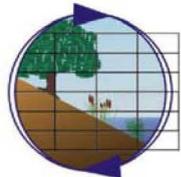
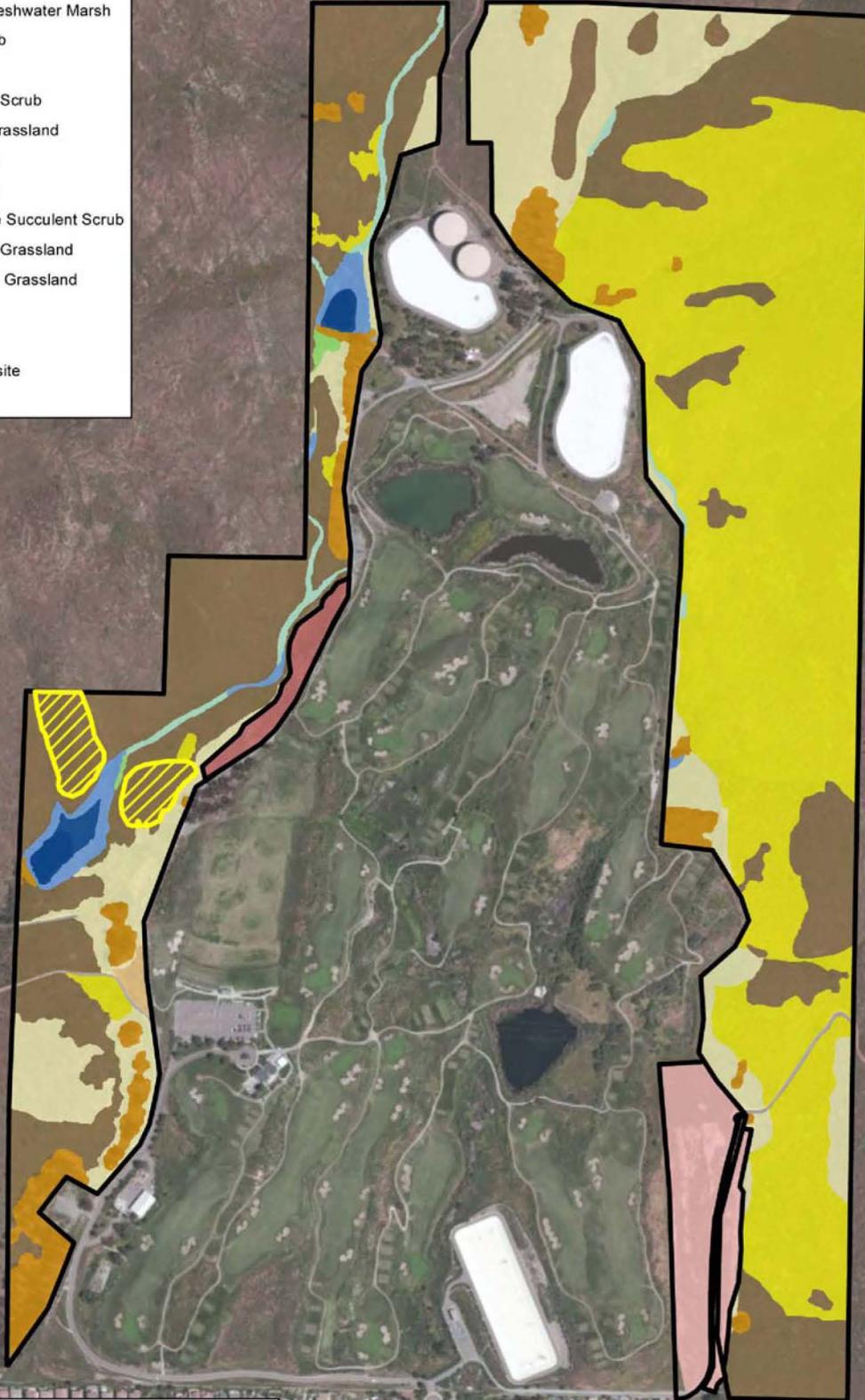


EXHIBIT B
 Proposed Habitat Restoration Site for Cactus Wren
 Otay Water District San Miguel Habitat Management Area

Image Source: Aerials Express 2010



Exhibit C



Coastal Cactus Wren

(*Campylorhynchus brunneicapillus sandiegensis*)

AGENDA ITEM 7c



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 3, 2013
SUBMITTED BY:	Dan Martin Engineering Manager	PROJECT:	Various DIV.NO. ALL
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief of Engineering <input checked="" type="checkbox"/> German Alvarez, Asst. General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Millenia Water Annexation Request to Improvement Districts (IDs) 22 and 27 (APNs 643-060-18, 23, 24, and 25-00)		

GENERAL MANAGER'S RECOMMENDATION:

Adopt Resolution No. 4208, fixing terms and conditions for the annexation of certain real property owned by SLF IV McMillin Millenia JV, LLC, APNs: 643-060-18, 23, 24, and 25-00, to the Otay Water District Improvement District Nos. 22 and 27.

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

The purpose of the proposed annexation is to provide water service to parcels owned by SLF IV McMillin Millenia, JV, LLC, located within Chula Vista, California (APNs 643-060-18, 23, 24, and 25-00)

ANALYSIS:

A written request and Petition signed by Mr. Don Mitchell, Senior Vice President of McMillin Land Development, has been received for the annexation of APNs 643-060-18, 23, 24, 25-00 into Improvement District Nos. 22 and 27 for water service. The total acreage to be annexed is 218.67 acres. The property is

within the sphere of Otay Water District and will be part of Improvement Districts 22 and 27 after the Board of Directors approve this request. The property is located at Birch Road and Eastlake Parkway in the City of Chula Vista in the County of San Diego.

FISCAL IMPACT: Joseph Beachem, Chief Financial Officer

The property owners will pay the District's processing fee of \$744, water meter annexation fees in effect at the time the meters are purchased (current fee is \$1,553.29 per EDU), any additional meter costs and annexation fees as established in the attached Resolution, and \$6,560.10 in annual availability fees.

STRATEGIC GOAL:

Provide water service to meet increasing customer needs.

LEGAL IMPACT:

No legal impact.

DM:tc

Attachments: Attachment A - Committee Action
Attachment B - Resolution
Exhibit A - Legal Description
Exhibit B - Legal Map



ATTACHMENT A

SUBJECT/PROJECT: Various	Millenia Water Annexation Request to Improvement Districts (IDs) 22 and 27 (APNs 643-060-18, 23, 24, and 25-00)
------------------------------------	---

COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on March 21, 2013 and the following comments were made:

- Staff is requesting that the board adopt Resolution No. 4208 to approve the annexation of the property identified by APN Nos. 643-060-18, 23, 24, and 25-00 into Otay's Improvement District Nos. 22 and 17 for water service.
- The property is owned by SLF IV McMillin Millenia JV, LLC and the total acreage to be annexed is 218.67 acres. The owner(s) will pay all necessary fees to hook to the District's water system following approval of their request.
- In response to a question from the Committee, staff indicated that approximately 2,983 Residential Dwelling Units (DUs) are proposed as part of this annexation.
- It was discussed that the development plans for the annexation site will include condos, hotels, parks, offices with condos on top of it, commercial area, and parks that could facilitate an open arena for concerts. It was noted that this type of development would be first of its kind in the District.

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

RESOLUTION NO. 4208

A RESOLUTION OF THE BOARD OF DIRECTORS OF OTAY WATER DISTRICT APPROVING THE ANNEXATION TO OTAY WATER DISTRICT IMPROVEMENT DISTRICT NOS. 22 and 27 OF THOSE LANDS DESCRIBED AS "MILLENIA WATER ANNEXATION" (FILE NO. ENG70-10-140/DIV. 1)

WHEREAS, a letter has been submitted by SLF IV MCMILLIN MILLENIA JV, LLC, C/O SENIOR VICE PRESIDENT DON MITCHELL, the owners and party that has an interest in the land described in Exhibit "A," attached hereto, for annexation of said land to Otay Water District Improvement District Nos. 22 and 27 pursuant to California Water Code Section 72670 et seq.; and

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

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

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

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

3. The Board finds and determines that the area proposed to be annexed to IDs 22 and 27 will be benefited by such annexation and that the property currently within IDs 22 and 27 will also be benefited and not injured by such annexation because

after the annexation a larger tax base will be available to finance the water facilities and improvements of IDs 22 and 27.

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

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

- (1) The annexation processing fee at the time of application;
- (2) State Board of Equalization filing fees in the amount of \$2,000;
- (3) The water annexation fee at the time of connection to the Otay Water District water system;
- (4) Yearly assessment fees will be collected through the County Tax Assessor's office in the amount of \$30 for APNs 643-060-18, 23, 24 and 25-00;
- (5) In the event that water service is to be provided, Petitioners shall pay all applicable water meter fees per Equipment Dwelling Unit (EDU) at the time the meter is purchased; and
- (6) Payment by the owners of APNs 643-060-18, 23, 24 and 25-00 of all other applicable local or state agency fees or charges.

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

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

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

7. The annexation of APNs 643-060-18, 23, 24 and 25-00 to the District's Improvement Districts 22 and 27 is hereby designated as the "MILLENIA WATER ANNEXATION."

8. Pursuant to Section 57202(a) of the Government Code, the effective date of the MILLENIA WATER ANNEXATION shall be the date this Resolution is adopted by the Board of Directors of the Otay Water District.

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

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 3rd day of April, 2013.

President

ATTEST:

District Secretary

EXHIBIT "A"

**LEGAL DESCRIPTION
OTAY RANCH MILLENIA
(EASTERN URBAN CENTER)**

**ANNEXATION PARCEL
OTAY WATER DISTRICT I.D. 22 & 27**

Parcel 3 of Parcel Map no. 18481, in the City of Chula Vista, County of San Diego, State of California, filed May 31, 2000 in the Office of the County Recorder of San Diego County, excepting therefrom the land described in that certain Irrevocable Offer of Dedication of fee interest recorded May 22, 2003 as Instrument no. 2003-0604602 and accepted by that certain acceptance of Irrevocable Offer of Dedication of fee interest recorded May 22, 2003 as Instrument no. 2003-0604603 and conveyed to the State of California by grant deed recorded May 22, 2003 as Instrument no. 2003-0604607, also excepting therefrom that portion of land granted to the State of California on August 12, 2011 as Document no. 2011-0415116, together with portions of land granted to McMillin Otay Ranch, LLC on August 6, 2010 as File no. 2010-0403982; all of Official Records of San Diego County, California.


GARY L. HUS
LS 7019

1-24-2013
DATE



0 600'
SCALE: 1"=600'

EXHIBIT "B"



MAP 14432

LOT 2
LOT 3
LOT 1
MAP 15037

MAP 14780

LOT 8

STATE RTE. 125

BIRCH ROAD

LOT 3

MAP 15479

APN 643-060-23
PORTION GRANTED TO MCMILLIN
OTAY RANCH, LLC ON AUG. 6, 2010
AS DOCUMENT NO. 2010-0403982

NOTE

TOTAL AREA WITHIN HEAVY
BOUNDARY: 218.667 ACRES

LOT 1

PORTION GRANTED TO THE STATE
OF CALIFORNIA ON AUG. 12, 2011
AS DOCUMENT NO. 2011-0415116,
RIGHT OF WAY PARCEL 34750-1

EASTLAKE
PARKWAY

CROSSROADS
STREET

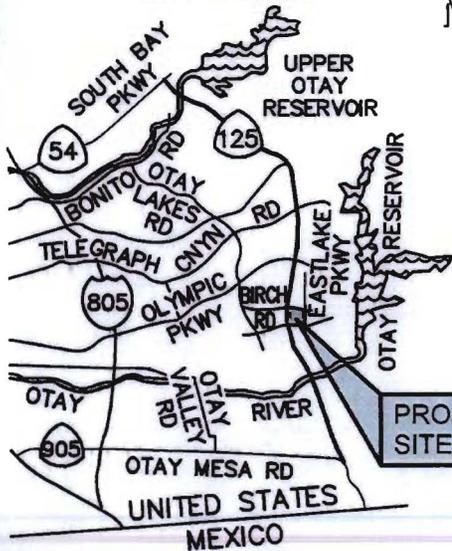
VICINITY MAP

NOT TO SCALE

LOT 2

MAP 15014

PORTION GRANTED TO THE STATE
OF CALIFORNIA ON MAY 22, 2003
AS DOCUMENT NO. 2003-0604607,
RIGHT OF WAY PARCEL 32019-2



**BOB
PLETCHER
WAY**

APN 643-060-25

PARCEL 3

PM 18481

LOT 8

15771

APN 643-060-24
PORTION GRANTED TO MCMILLIN
OTAY RANCH, LLC ON AUG. 6, 2010
AS DOCUMENT NO. 2010-0403982

ROS

LOT 9

PARCEL 1
PM 20411

HUNTE
PARKWAY

LOT 18

OTAY RANCHO



**OTAY WATER DISTRICT
ANNEXATION TO I.D. 22 & 27**

PREPARED BY: PROJECT DESIGN CONSULTANTS

701 B STREET SUITE 800

SAN DIEGO, CALIFORNIA 92101

GARY L. HUS
L.S. NO. 7019

DATE

1-27-2013

SHEET 1 OF 1

AGENDA ITEM 7d



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 3, 2013	
SUBMITTED BY:	Dan Martin Engineering Manager	PROJECT:	R2094-006000 P2496-001103	DIV. NO. 4
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:	Authorization to Execute a Reimbursement Agreement Between the City of Chula Vista and the Otay Water District for Phase II of the Otay Lakes Road 12-Inch Recycled Water Pipeline and Potable Utility Relocation Project			

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) authorize the General Manager to execute an Agreement between the City of Chula Vista (City) and the District for reimbursement to the City for construction costs associated with Phase II of the Otay Lakes Road 12-Inch Recycled Water Pipeline and Potable Utility Relocation Project in an amount not to exceed \$97,350 (see Exhibit A for Project location).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to execute an Agreement (Exhibit B) with the City of Chula Vista for costs associated with construction of the Recycled and Potable Utility Relocations. The Agreement provides that the District will reimburse the City for up to \$97,350.

ANALYSIS:

The City of Chula Vista plans to continue its work to complete roadway widening improvements on portions of Otay Lakes Road in Chula Vista as part of its goal to maintain and improve City streets. The work is being constructed in phases. Phase I work which constructed improvements on Otay Lakes Road from Ridgeback Road to approximately 750 feet south of East "H" Street was completed in March 2011. During Phase I, District staff and City staff coordinated their efforts and combined contract documents for the Recycled Pipeline, Potable Utility Relocations, and the Road Improvement work into the City's bid package in order to minimize impacts to the Chula Vista community. The District entered into a reimbursement agreement with the City to fund the water infrastructure improvements. These improvements included the construction of the recycled pipeline in Otay Lakes Road which brought a source of recycled water to customers including Southwestern College.

The City's construction for Phase II work which will construct roadway widening improvements from approximately 750 feet south of East "H" Street to Telegraph Canyon Road is scheduled to begin in April 2013. The water infrastructure work included in Phase II consists of relocating existing recycled and potable water facilities including meters and appurtenances to support the roadway widening work. The construction cost associated with the recycled and potable utility relocations is estimated at \$97,350. The attached agreement (Exhibit B) provides for reimbursement to the City to cover the actual "as-bid" construction cost plus a 10% contingency for the purpose of reimbursing the City for progress payments to the contractor.

FISCAL IMPACT: Joseph Beachem, Chief Financial Officer

Funding for the overall Project comes from two CIP projects, P2496 - Otay Lakes Road Utility Relocations and R2094 - Potable Irrigation to Recycled.

The total budget for CIP P2496, as approved in the FY 2013 budget, is \$275,000. Expenditures to date are \$204,332. Total expenditures, plus outstanding commitments and forecast, is \$272,482 as shown in Attachment B1 - Budget Detail for P2496.

The total budget for CIP R2094, as approved in the FY 2013 budget, is \$3,100,000. Expenditures to date are \$1,522,228. Total expenditures, plus outstanding commitments and forecast, is \$1,679,428 as shown in Attachment B2 - Budget Detail for P2094.

Based on a review of the financial budgets, the Project Manager anticipates that each budget is sufficient to support the Project.

The Finance Department has determined that 100% of the funding is available from the Expansion Fund for CIP R2094 and that 100% of the funding is available from the Replacement Fund for CIP P2496.

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:

The District's General Council and the City's City Attorney have reviewed and accepted the Agreement as to form and legality.

DM:jf

P:\WORKING\CIP P2496 Otay Lakes Rd Utility Relocations\Phase II\Staff Reports\BD 04-03-13\BD 04-03-2013, Staff Report, Otay Lakes Road Phase II Reimbursement Agreement, (DM-RP).docx

Attachments: Attachment A - Committee Action
Attachment B1 - P2496 Budget Detail
Attachment B2 - R2094 Budget Detail
Exhibit A - Location Map
Exhibit B - Agreement



ATTACHMENT A

SUBJECT/PROJECT: R2094-006000 P2496-001103	Authorization to Execute a Reimbursement Agreement Between the City of Chula Vista and the Otay Water District for Phase II of the Otay Lakes Road 12-Inch Recycled Water Pipeline and Potable Utility Relocation Project
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee (Committee) reviewed this item at a meeting held on March 21, 2013. The following comments were made:

- Staff requested that the Board authorize the General Manager to execute an Agreement between the City of Chula Vista (City) and the District for reimbursement to the City for construction costs associated with Phase II of the Otay Lakes Road 12-Inch Recycled Water Pipeline and Potable Utility Relocation Project in an amount not-to-exceed \$97,350.
- Staff indicated that the City of Chula Vista has been working to complete roadway widening improvement on portions of Otay Lakes Road as part of its goal to maintain and improve City streets. It was noted that work is being constructed in different phases, which Phase I was completed in March 2011.
- Staff stated that during Phase I, District and City staff coordinated their efforts and combined contract documents for the Recycled Pipeline, Potable Utility Relocations, and the Road Improvement work into the City's bid package. This action was taken to help minimize impacts to the Chula Vista community.
- The District entered into a reimbursement agreement with the City to fund the water infrastructure improvements that included construction of the recycled pipeline in Otay Lakes Road.
- It was indicated that the City's construction for Phase II work will begin in April 2013, which will construct roadway widening improvements from approximately 750 feet south of East "H" Street to Telegraph Canyon Road. Page 2 of the staff report provides details of the work included in Phase II.

- Details of the agreement are provided in Exhibit B of the staff report that include reimbursement to the City to cover the actual "as-bid" construction cost plus a 10% contingency for the purpose of reimbursing the City for progress payments to the contractor.
- In response to a question by the Committee, staff stated that the District has informed Bonita Vista High School about the Recycled Pipeline Project but the school has not submitted a request for recycled water services at this time.

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



ATTACHMENT B1 – Budget Detail

SUBJECT/PROJECT:	Authorization to Execute a Reimbursement Agreement Between the City of Chula Vista and the Otay Water District for Phase II of the Otay Lakes Road 12-Inch Recycled Water Pipeline and Potable Utility Relocation Project
R2094-006000	
P2496-001103	

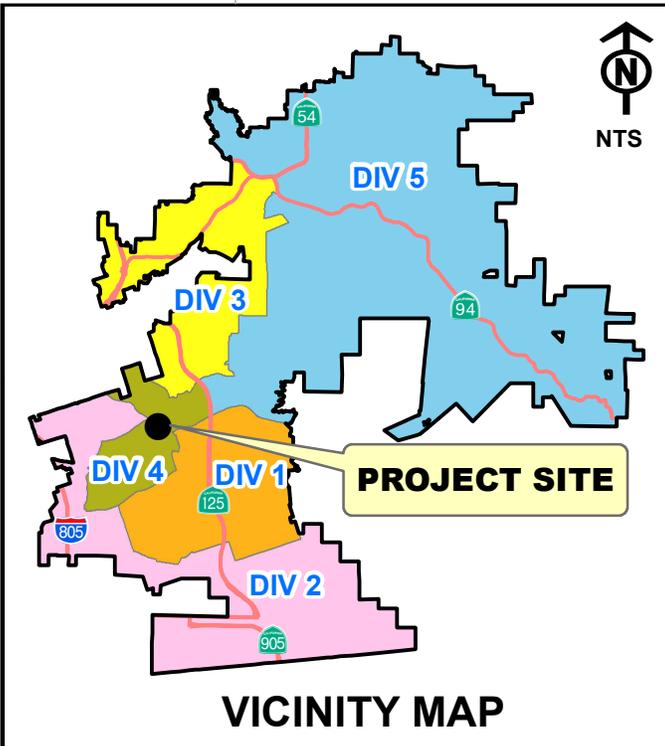
Otay Water District					Date Updated: - 3/1/2013
P2496-Otay Lakes Road Utility Relocations					
<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment & Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor/Comments</i>
275,000					
Planning					
Professional Legal Fees	229	229	-	229	GARCIA CALDERON & RUIZ LLP
Regulatory Agency Fees	50	50	-	50	PETTY CASH CUSTODIAN
Standard Salaries	2,198	2,198	-	2,198	
Total Planning	2,476	2,476	-	2,476	
Design					
Consultant Contracts	29,148	29,148	-	29,148	LEE & RO INC
Standard Salaries	33,058	33,058	-	33,058	
Total Design	62,206	62,206	-	62,206	
Construction					
Construction Contracts	125	125	-	125	CLARKSON LAB & SUPPLY INC
Consultant Contracts	890	890	-	890	CPM PARTNERS INC
	200	200	-	200	LEE & RO INC
OTHER AGENCY FEES	50,000	50,000	-	50,000	CITY OF CHULA VISTA
Standard Salaries	88,436	88,436	-	88,436	
OTHER AGENCY FEES	68,150	-	68,150	68,150	CITY OF CHULA VISTA
Total Construction	207,801	139,651	68,150	207,801	
Grand Total	272,482	204,332	68,150	272,482	



ATTACHMENT B2 – Budget Detail

SUBJECT/PROJECT:	Authorization to Execute a Reimbursement Agreement Between the City of Chula Vista and the Otay Water District for Phase II of the Otay Lakes Road 12-Inch Recycled Water Pipeline and Potable Utility Relocation Project
R2094-006000 P2496-001103	

Otay Water District R2094-Potable Irrigation Meters to Recycled Water					Date Updated: - 3/1/2013
Budget	Committed	Expenditures	Outstanding Commitment & Forecast	Projected Final Cost	Vendor/Comments
3,100,000					
Planning					
Meals and Incidentals	22	22	0	22	PETTY CASH CUSTODIAN
Professional Legal Fees	2,413	2,413	0	2,413	GARCIA CALDERON & RUIZ LLP
	545	545	0	545	STUTZ ARTIANO SHINOFF
Service Contracts	983	983	0	983	JONES & STOKES ASSOCIATES
Standard Salaries	78,771	78,771	0	78,771	
Total Planning	82,733	82,733	0	82,733	
Design					
Consultant Contracts	30,035	30,035	0	30,035	SOUTHERN CALIFORNIA SOIL
	72,204	72,204	0	72,204	LEE & RO INC
	3,850	3,850	0	3,850	MWH CONSTRUCTORS INC
Regulatory Agency Fees	1,042	1,042	0	1,042	DEPARTMENT OF PUBLIC HEALTH
Standard Salaries	27,379	27,379	0	27,379	
Total Design	134,510	134,510	0	134,510	
Construction					
Consultant Contracts	16,554	16,554	0	16,554	LEE & RO INC
Standard Salaries	62,606	54,606	8,000	62,606	
Total Construction	79,160	71,159	8,000	79,159	
Tapestry & Mosaic					
Consultant Contracts	1,478	1,478	0	1,478	AEGIS ENGINEERING MANAGEMENT
	20,171	20,171	0	20,171	AEGIS ENGINEERING MGMT INC
For Ops Only - Contracted Services	1,763	1,763	0	1,763	KIRK PAVING INC
	200	200	0	200	PENHALL COMPANY
INFRASTRUCTURE EQUIPMENT & MATERIALS	102	102	0	102	C W MCGRATH INC
	300	300	0	300	CITY OF CHULA VISTA
OTHER AGENCY FEES	1,751	1,751	0	1,751	DEPARTMENT OF PUBLIC HEALTH
Professional Legal Fees	40	40	0	40	STUTZ ARTIANO SHINOFF
Agreements	21,000	0	21,000	21,000	TAPESTRY & MOSAIC HOA
Stop Meter	24,041	24,041	0	24,041	
Total Tapestry & Mosaic	70,847	49,847	21,000	70,847	
Aspire					
Consultant Contracts	16,160	14,160	2,000	16,160	AEGIS ENGINEERING MGMT INC
	375	375	0	375	PENHALL COMPANY
For Ops Only - Contracted Services	3,340	3,340	0	3,340	KIRK PAVING INC
	116	116	0	116	C W MCGRATH INC
ASTRUCTURE EQUIPMENT & MATERIA	495	495	0	495	CITY OF CHULA VISTA
OTHER AGENCY FEES	265	265	0	265	DEPARTMENT OF PUBLIC HEALTH
Professional Legal Fees	81	81	0	81	STUTZ ARTIANO SHINOFF
Agreements	25,500	0	25,500	25,500	ASPIRE HOA
Union 3 Part	24,861	24,861	0	24,861	
Total Aspire	71,192	43,692	27,500	71,192	
City of Chula Vista					
Consultant Contracts	144	144	0	144	CLARKSON LAB & SUPPLY INC
Consultant Contracts	4,950	4,950	0	4,950	VALLEY CONSTRUCTION MANAGEMENT
	2,488	2,488	0	2,488	AEGIS ENGINEERING MGMT INC
OTHER AGENCY FEES	979,589	979,589	0	979,589	CITY OF CHULA VISTA
OTHER AGENCY FEES	29,200	0	29,200	29,200	CITY OF CHULA VISTA
Service Contracts	27	27	0	27	CARMEL BUSINESS SYSTEMS INC
Standard Salaries	94,025	91,025	3,000	94,025	
Total City of Chula Vista	1,110,422	1,078,222	32,200	1,110,422	
Aristata					
Consultant Contracts	473	473	0	473	AEGIS ENGINEERING MANAGEMENT
	18,104	13,604	4,500	18,104	AEGIS ENGINEERING MGMT INC
OTHER AGENCY FEES	2,268	2,268	0	2,268	DEPARTMENT OF PUBLIC HEALTH
Service Contracts	296	296	0	296	CARMEL BUSINESS SYSTEMS INC
Agreements	20,000	0	20,000	20,000	ARISTATA HOA
Standard Salaries	7,473	6,473	1,000	7,473	
Total Aristata	48,614	23,113	25,500	48,613	
Agave & Saguaro					
Consultant Contracts	528	528	0	528	AEGIS ENGINEERING MANAGEMENT
Consultant Contracts	20,046	18,016	2,000	20,016	AEGIS ENGINEERING MGMT INC
OTHER AGENCY FEES	731	731	0	731	DEPARTMENT OF PUBLIC HEALTH
Service Contracts	296	296	0	296	CARMEL BUSINESS SYSTEMS INC
Agreements	40,000	0	40,000	40,000	AGAVE & SAGUARO HOA
Standard Salaries	13,593	12,593	1,000	13,593	
Total Agave & Saguaro	75,193	32,164	43,000	75,164	
Phase					
Standard Salaries	3,353	3,353	0	3,353	
	3,342	3,342	0	3,342	AECOM USA INC
	92	92	0	92	
Total Phase	6,787	6,787	0	6,787	
Grand Total	1,679,458	1,522,228	157,200	1,679,428	



OTAY WATER DISTRICT
OTAY LAKES ROAD UTILITY RELOCATIONS - PHASE II
LOCATION MAP



P:\WORKING\CIP P2496 Otay Lakes Road Utility Relocations\Phase II\Staff Reports\Exhibit A

EXHIBIT B

REIMBURSEMENT AGREEMENT FOR PAYMENT OF COSTS OF RELOCATION AND ADJUSTMENT OF CERTAIN WATER FACILITIES BY AND BETWEEN THE OTAY WATER DISTRICT AND THE CITY OF CHULA VISTA, CALIFORNIA (OTAY LAKES ROAD WIDENING PROJECT, PHASE 2)

THIS REIMBURSEMENT AGREEMENT FOR THE PAYMENT OF COSTS FOR RELOCATION AND ADJUSTMENT OF OTAY WATER DISTRICT FACILITIES, dated _____, 2013, is entered into by and between the Otay Water District (“District”) and the City of Chula Vista, a municipal corporation, (“City”) to establish terms and conditions pursuant to which City will bid and cause to be constructed certain District Facilities, defined herein below, and District will reimburse City for all expenses related thereto. District and City may be referred to herein individually as “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, District has approved, within its Capital Improvement Program (“CIP”), the relocation and adjustment of certain existing, reclaimed and potable water facilities (“Existing District Facilities”) within the City of Chula Vista; and

WHEREAS, District is authorized, pursuant to applicable laws, to contract and to pay for all or part of the cost of the installation, relocation, adjustment, and construction of any building, facility, structure or other improvements required by District in connection with a District service; and

WHEREAS, City is constructing improvements to Otay Lakes Road between East H Street and Telegraph Canyon Road. These improvements include, but are not limited to, roadway widening, construction of curb, gutter, sidewalk, and median islands, construction of retaining walls, relocation of utilities, and reconfiguration of traffic signals and street lighting (“City Improvements”); and

WHEREAS, the relocation and adjustment of District Facilities (“District Project”) concurrently with City Improvements would constitute a substantial benefit to District and the City, which benefits include, but are not limited to, reductions or savings in terms of time, money, construction hazards, and traffic impacts; and

WHEREAS, in order to achieve such benefits, District desires that City incorporate the relocation and adjustment Existing District Facilities into the construction documents and contract for City Improvements; and

WHEREAS, City is willing to incorporate the District Project into the contract for City Improvements, provided District submits complete plans and specifications for the District Project and agrees to reimburse City for all associated costs; and

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the Parties hereto, as follows:

ARTICLE I. DEFINITIONS

1.1 Definitions. Unless the context otherwise requires, the terms defined in this Section 1 shall, for all purposes of this Reimbursement Agreement and of any amendment hereto, and of any certificate, opinion, estimate or other document herein mentioned, have the meanings herein specified.

“District” means the Otay Water District, a municipal water district duly organized and existing under the Municipal Water District Law of 1911, as set forth in the California Water Code.

“City” means the City of Chula Vista, California, a chartered municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State of California.

“City Improvements” means, collectively, the improvements to Otay Lakes Road between East H Street and Telegraph Canyon Road (Phase 2 of City CIP Project No. STM-355).

“District Costs” means the total dollar amount of costs associated with the District Project, including, but not limited to, costs of materials, labor, oversight, bidding, permits, change orders, and the fair share of Joint Costs. “District Project” means the relocation and adjustment of District’s potable and recycled water facilities within Otay Lakes Road between East H Street and Telegraph Canyon Road and are fully funded in District’s CIP as “CIP P2496, Otay Lakes Road Utility Relocations” and “CIP R2094, Potable Irrigation Meters to Recycled Conversion.”

“Existing District Facilities” means the following potable and recycled water facilities to be relocated or adjusted:

	Sta. 33+00	Sta. 36+73	Sta. 42+33	Sta. 42+40	Sta. 42+47	Sta. 42+57	Sta. 43+30	Sta. 44+70	Sta. 46+70	Sta. 47+05	Sta. 47+30	Sta. 49+00	Sta. 49+25	Sta. 49+30	Sta. 49+45	Sta. 49+90	Sta. 50+18	Sta. 51+40	Sta. 51+60	Sta. 51+75	Sta. 51+78	Sta. 52+32	Totals
Potable Water																							
Adjust valve gate well lids to new grade		1		2	2	1						1				2				3			12
Relocate meter (1" service)to behind new sidewalk	1								1	1	5												8
Relocate meter (2" service)to behind new sidewalk														4									4
Relocate 2-inch blowoff to behind new sidewalk							1									1							2
Relocate 4-inch blowoff to behind new sidewalk																				1			1
Relocate fire hydrant to behind new sidewalk												1											1
Adjust vault to new sidewalk grade				1	1																		2
Recycled Water																							
Adjust valve gate well lids to new grade			2											1					2				5
Relocate meter (2" service)to behind new sidewalk												1										2	3
Relocate 2-inch air vac to behind new sidewalk													1										1
Relocate 2-inch blowoff to behind new sidewalk																1							1
Install vault and RW meter on 6" service (vault and meter provided by OWD)							1																1

“Joint Costs” means those costs of relocations and adjustment of the Project, which, due to their nature, cannot be attributed solely to District Project or City Improvements, yet

from which both derive benefit or those costs that both Parties would have incurred had their respective facilities been constructed independently of each other (e.g. slurry seal would have been necessary to cover the District's trench and would also have been required for the City's street).

"Project" means, collectively, District Facilities and City Improvements.

ARTICLE II. PRECONSTRUCTION

2.1 Design and Specifications - Generally. Prior to advertisement of a Request for Proposals ("RFP") for the construction and installation of Project, District shall submit designs and all associated plans and specifications (collectively "Construction Documents") for the District Project to the City.

2.1.1 Approval. Prior to submission, an authorized representative of District shall approve the Construction Documents, submittal of which shall indicate such approval and grant to the City permission to include the Construction Documents in the RFP.

2.1.2 Design and Preparation Costs. All costs associated with the design of a Party's facilities and the preparation of Construction Documents shall be borne solely by such Party.

2.1.3 Bidding and Award –City shall be responsible for all aspects of bidding and award of a contract for the construction and installation of the Project ("Construction Agreement").

2.1.3.1 Bid Package. City shall be responsible for preparing and circulating the bid package.

2.1.3.2 Meetings. City shall organize all pre-bid meetings and shall inform the District of the time and date of such meeting, so that a representative of the District may be present to clarify any issues related to and prepare addenda for the construction of the District Facilities.

a. Additional Costs. Any additional costs associated with the failure of District to attend meetings, clarify issues, or submit addenda to City for distribution shall be the obligation of the District.

2.1.3.3 Selection of Lowest Responsible Bidder. City, at its sole discretion, shall determine the lowest responsible bidder, which determination shall be binding on the District.

2.1.3.4 Execution of Construction Agreement. City shall be responsible for executing the Construction Agreement on the behalf of itself and the District and ensure that the District is identified as a third-party beneficiary of such agreement with the same rights and remedies as the City.

ARTICLE III. CONSTRUCTION

- 3.1 Compliance with Specifications. City will include provisions in the Construction Contract that require that the relocations and adjustments associated with the District Project by City's contractor shall be in strict compliance with the approved plans and specifications provided by District, that all materials furnished by City's contractor shall conform to District's approved material list, and that any and all deviations from said plans and specifications must be approved by District, in writing, prior to being incorporated into the work.
- 3.1.1 Right to Enforce. District shall have the right to enforce the terms of Section 3.1 against the City's contractor in the same manner as the City, and pursuant to Section 11.17 such rights shall be written into the Construction Contract.
- 3.2 Project Completion and Warranty. District and City anticipate that Project will be completed on or about December 31, 2013. Project, however, will not be deemed completed or accepted until both City and District have accepted their respective facilities or improvements. The City's contractor shall warrant all work for a period of no less than one year from the date of acceptance, which shall be deemed to be the latter of the dates District and City accept their work performed and facilities constructed pursuant to the Construction Agreement. Acceptance will be evidenced by the filing of a Notice of Completion by the City with the County of San Diego Recorder. The Construction Contract shall include this definition of project completion and acceptance.

ARTICLE IV. REIMBURSEMENT OF COSTS

- 4.1 Deposit Account. Within thirty (30) calendar days of the Construction Agreement award, District shall deposit with the City an amount equal to one hundred (100) percent of the bid amount attributable to the relocation and adjustment of District Facilities, plus a ten (10) percent contingency ("District Deposit") for the purpose of reimbursing the City for progress payments made by City to City's contractor associated with the District Project.
- 4.2 Invoice. City shall invoice the District for District Costs ("City Invoice") following the receipt of an invoice from City's contractor on which such District Costs appear. The City Invoice shall:
- 4.2.1 Include a copy of the contractor's invoice.
- 4.2.2 Identify those costs attributable to the District's Project.
- 4.2.3 Show calculations apportioning the District's fair share of Joint Costs.
- 4.2.3.1 Apportionment of Joint Costs. Joint Costs may be apportioned as follows:
- a. When a percentage of use can be determined, Joint Costs shall be apportioned based on the respective percentages of use.

- b. When work is equally necessary for both the installation and construction of City Improvements and the District Project, Joint Costs shall be divided equally.
- c. Based on the respective percentages of Total Project Costs.
- d. Other methods to which the Parties mutually agree.

4.2.4 Provide a net total charge payable by District.

4.3 District Approval. District shall review and approve the City Invoice within thirty (30) calendar days of its receipt (“Review Period”). If District determines that all relevant documents have not been submitted, District shall inform the City of the need for additional information and specify the documents/information necessary to permit review and approval.

4.3.1 Failure to Approve. If District fails to approve the City Invoice or request additional information within the Review Period, the charges on the City Invoice shall be deemed approved.

4.4 Reimbursement. Following District approval of a City Invoice, City shall deduct the invoice amount from the District Deposit for the purpose of reimbursing the City for District Costs invoiced by and paid to City’s contractor. District approval of a City Invoice shall be deemed District’s authorization for such reimbursement in the amount of the City Invoice.

4.4.1 Withholding/Retention. From each payment to the contractor, City shall withhold a minimum of five (5) percent of the amount of the contractor’s invoice. Payment thereof shall not be made until final approval and acceptance. A similar retention shall be withheld from the reimbursement to the City from District Deposit.

4.5 Use of Project Contingency. The Project Contingency may be used for unforeseen changes in work; however it shall not be used for: (i) work required due to contractor’s failure to perform work or services according to the terms of the Construction Agreement and/or in compliance with the Construction Documents; or (ii) uninsured losses resulting from the negligence of contractor.

ARTICLE V. CHANGE ORDERS

5.1 Written Approval of Construction Changes and Change Orders. With the exception of Emergencies, prior to the approval of a construction change or change order concerning or affecting District Project, including any changes to City Improvements that might affect District Project in any way, City shall obtain the written consent of District.

5.1.1 Approval of Change Orders. District shall respond to a change order request within five (5) working days of the date it is received by District.

5.1.2 Additional Costs. District will bear any increased costs due to a delay in approving a properly submitted construction change and/or change order request.

- 5.2 Changes in Emergencies. City may authorize contractor to proceed with any proposed construction changes and or change orders, without consulting with District or obtaining the District's written approval, if failure to act immediately would pose a danger to the public, as determined in the sole discretion of the City, or result in delays and cost overruns (collectively "Emergency"); however, the City shall use best efforts to immediately, or as soon as reasonably possible, inform the district the changes. The District shall be responsible for any increased costs of construction of their portion of Project due to an Emergency.
- 5.3 Errors and Omissions. City shall not make payment to contractor or charge District for any costs or expenses of a Change Order resulting from an error or omission for which the contractor is solely responsible.

ARTICLE VI. INSPECTION

- 6.1 Inspection Team. District shall appoint an individual or team responsible for inspections and approving installation of District Facilities.
- 6.2 Inspection Stages and Obligations. District shall have the right to conduct inspections of the District Project and construction methods pertaining thereto as deemed necessary by District. District shall provide copies of all District inspections to City within five (5) working days of an inspection. District shall be responsible for verifying that all work on District Project is completed in accordance with the approved plans and specifications. It is specifically understood that District's inspectors shall have the authority to enforce District's plans and specifications for District Project, which authority shall include the authority to require that any and all unacceptable materials, workmanship, and/or installation be replaced, repaired, or corrected by City's contractor without cost to District and/or City.
- 6.3 Inspection Costs. All inspection costs incurred by District will be borne by District.
- 6.4 Notification. The Parties agree to develop mutually acceptable procedures for notification of inspections required or deemed necessary by either Party.

ARTICLE VII. INSURANCE

- 7.1 Contractor's Insurance. City shall ensure that its contractor provides evidence of insurance coverage, as required by City, for the entire construction and, if applicable, warranty period. Such insurance shall, at a minimum, include a comprehensive general liability policy in an amount sufficient to cover all contractual obligations of the contractor under the construction contract, and no less than \$2,000,000. The policy of insurance shall name District and City, and their respective employees, officers, governing body members, and agents as additional insureds, require a waiver of subrogation, and be primary insurance. Furthermore, City shall obtain evidence that the contractor maintains worker's compensation insurance in accordance with applicable requirements of law.
- 7.2 Parties' Insurance. District and City shall maintain insurance as customary in connection with their respective facilities.

ARTICLE VIII. INDEMNITY

- 8.1 Indemnity. Each Party hereto agrees to defend, indemnify, protect, and hold harmless (“Indemnitor”) the other Party, its agents, officers, and employees (“Indemnitees”) from and against any and all claims asserted or liability established for damages or injuries to any property or person, including death or dismemberment, which arise from or are caused by the negligent acts or omissions or willful misconduct of the Indemnitor’s agents, officers or employees, in performing the work or services herein and all expenses of investigation and defending against same; provided, however, that each Party’s duty to defend, indemnify and hold harmless the other shall not include any claims or liability arising from the sole negligence or willful misconduct of the other Indemnitee, its agents, officers or employees. District and City agree that in the event of any joint or concurrent negligence, they will apportion any established or agreed upon liability proportionate to their respective degree of fault. For the purposes of this provision, the City’s contractor shall not be considered an agent of the City or District. Claims related to the actions or omissions of the City’s contractor shall be address through provisions in the Construction Contract, which provisions shall include indemnity, defense, and hold harmless provisions from the City’s contractor in favor of both the City and District.
- 8.2. Enforcement Costs. Indemnitor agrees to pay any and all costs City incurs enforcing the indemnity and defense provisions set forth in Article V.
- 8.3. Survival. Indemnitor’s obligations under Article V shall survive the termination of this Agreement.

ARTICLE IX. RECORDS

- 9.1 Retention of Records. City shall require contractor to maintain data and records related to this Construction Agreement for a period of not less than three (3) years following receipt of final payment.
- 9.2 Audit of Records. City shall make available and shall require that its contractor make available to District for examination at reasonable locations within the County of San Diego and at any time during normal business hours and as often as the District deems necessary, all of the data and records with respect to all matters covered by this Agreement and the Construction Agreement. City and contractor will permit the District to make audits of all invoices, materials, payrolls, records of personnel, and other data and media relating to all matters covered by this Agreement and the Construction Agreement.

ARTICLE X. NOTICES

- 10.1 Writing. Any demand upon or notice required or permitted to be given by one Party to the other Party shall be in writing.
- 10.2 Effective Date. Except as otherwise provided by law, any demand upon or notice required or permitted to be given by one Party to the other Party shall be effective: (i) on personal delivery, (ii) on the second business day after mailing by certified or registered U.S. Mail, return receipt requested, (iii) on the succeeding business day after

mailing by Express Mail or after deposit with a private delivery service of general use (e.g., Federal Express) postage or fee prepaid as appropriate, or (iv) upon successful transmission of facsimile.

10.3 Recipients. All demands or notices required or permitted to be given shall be sent to all of the following:

10.3.1 District:

Otay Water District
2554 Sweetwater Springs Boulevard
Spring Valley, California 91978
Fax: 619-670-8920
Attention: District Project Manager

10.3.2 City:

City of Chula Vista, Public Works – Engineering, 276
Fourth Avenue
Chula Vista, California 91910
Fax: (619) 691-5171
Attention: City Project Manager and Director of Public Works.

10.4 Change of Address(es). Notice of change of address shall be given in the manner set forth in this Article.

ARTICLE XI. MISCELLANEOUS

11.1 Headings. All article headings are for convenience only and shall not affect the interpretation of this Agreement.

11.2 Gender & Number. Whenever the context requires, the use herein of (i) the neuter gender includes the masculine and the feminine genders and (ii) the singular number includes the plural number.

11.3 Reference to Paragraphs. Each reference in this Agreement to a section refers, unless otherwise stated, to a section of this Agreement.

11.4 Incorporation of Recitals. All recitals herein are incorporated into this Agreement and are made a part hereof.

11.5 Covenants and Conditions. All provisions of this Agreement expressed as either covenants or conditions on the part of the City or the District, shall be deemed to be both covenants and conditions.

11.6 Integration. This Agreement and the Exhibits and references incorporated into this Agreement fully express all understandings of the Parties concerning the matters covered in this Agreement. No change, alteration, or modification of the terms or conditions of this Agreement, and no verbal understanding of the Parties, their officers,

agents, or employees shall be valid unless made in the form of a written change agreed to in writing by both Parties or an amendment to this Agreement agreed to by both Parties. All prior negotiations and agreements are merged into this Agreement.

- 11.7 Severability. The unenforceability, invalidity, or illegality of any provision of this Agreement shall not render any other provision of this Agreement unenforceable, invalid, or illegal.
- 11.8 Drafting Ambiguities. The Parties agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of this Agreement, and the decision of whether or not to seek advice of counsel with respect to this Agreement is a decision that is the sole responsibility of each Party. This Agreement shall not be construed in favor of or against either Party by reason of the extent to which each Party participated in the drafting of the Agreement.
- 11.9 Conflicts Between Terms. If an apparent conflict or inconsistency exists between the main body of this Agreement and the Exhibits, the main body of this Agreement shall control. If a conflict exists between an applicable federal, state, or local law, rule, regulation, order, or code and this Agreement, the law, rule, regulation, order, or code shall control. Varying degrees of stringency among the main body of this Agreement, the Exhibits, and laws, rules, regulations, orders, or codes are not deemed conflicts, and the most stringent requirement shall control. Each Party shall notify the other immediately upon the identification of any apparent conflict or inconsistency concerning this Agreement.
- 11.10 Prompt Performance. Time is of the essence of each covenant and condition set forth in this Agreement.
- 11.11 Good Faith Performance. The parties shall cooperate with each other in good faith, and assist each other in the performance of the provisions of this Agreement.
- 11.12 Further Assurances. City and District each agrees to execute and deliver such additional documents as may be required to effectuate the purposes of this Agreement.
- 11.13 Exhibits. Each of the following Exhibits is attached hereto and incorporated herein by this reference:
- None.
- 11.14 Controlling Law. The laws of the State of California shall govern and control the terms and conditions of this Agreement.
- 11.15 Jurisdiction, Venue, and Attorney Fees. The venue for any suit or proceeding concerning this Agreement, the interpretation or application of any of its terms, or any related disputes shall be in the County of San Diego, State of California. The prevailing Party in any such suit or proceeding shall be entitled to a reasonable award of attorney fees in addition to any other award made in such suit or proceeding.

- 11.16 Agency/Municipal Powers. Nothing contained in this Agreement shall be construed as a limitation upon the powers of the District or the City as a chartered city of the State of California.
- 11.17 Third Party Relationships. Nothing in this Agreement shall create a contractual relationship between City or District and any third party; however, the City shall ensure that the District is an intended third party beneficiary of the Construction Agreement and shall share all of the rights and benefits of the City with respect to the contractor.
- 11.18 Limitation on District Remedies and Waiver of Claims. District understands that the sole purpose of this Agreement is to establish a method to reimburse the City for obligations of the District for payment of the costs of the installation and construction of District Facilities, which costs would otherwise be due directly to the City's contractor. In accordance with such purpose, the District agrees that its sole remedy for construction defects, breach by City Contractor, damage to property or persons, including death, to district personnel or any third parties, or other claims arising out of or related to the work performed to install and/or construct District Facilities shall be against the City's contractor or its subcontractors and agents, and, hereby, waives any and all claims it may hereafter have against the City, arising out of the same, except for those claims arising out of the sole negligence or sole willful misconduct of the City.

District, hereby, expressly waives all claims against the City identified in Section 11.18:

DISTRICT REPRESENTATIVE: _____.

DATE: _____

- 11.19 Non-Assignment. Except as relates to the Construction Agreement, the City shall not assign the obligations under this Agreement.
- 11.20 Successors in Interest. This Agreement and all rights and obligations created by this Agreement shall be in force and effect whether or not any Parties to the Agreement have been succeeded by another entity, and all rights and obligations created by this Agreement shall be vested and binding on any Party's successor in interest.
- 11.21 No Waiver. No failure of either the City or the District to insist upon the strict performance by the other of any covenant, term or condition of this Agreement, nor any failure to exercise any right or remedy consequent upon a breach of any covenant, term, or condition of this Agreement, shall constitute a waiver of any such breach of such covenant, term or condition. No waiver of any breach shall affect or alter this Agreement, and each and every covenant, condition, and term hereof shall continue in full force and effect to any existing or subsequent breach.
- 11.22 Administrative Claims Requirements and Procedures. No suit or arbitration shall be brought arising out of this agreement, against the City unless a claim has first been presented in writing and filed with the City and acted upon by the City in accordance with the procedures set forth in Chapter 1.34 of the Chula Vista Municipal Code, as

same may from time to time be amended, the provisions of which are incorporated by this reference as if fully set forth herein, and such policies and procedures used by the City in the implementation of same. Upon request by City, District shall meet and confer in good faith with City for the purpose of resolving any dispute over the terms of this Agreement.

11.23 Dispute Resolution. If a dispute arises out of or relates to this Agreement, or the breach thereof, the Parties, following the procedures required by Section 11.22, agree to engage in good faith negotiations to attempt to resolve the dispute. In the event of any action at law or in equity, including an action for declaratory relief, between the Parties arising out of or relating to this Agreement, then the prevailing party in such action will be entitled to recover from the other party a reasonable sum as attorneys' fees and costs. The prevailing party will be determined in accordance with Civil Code Section 1717(b)(1) or any successor statute. The prevailing party will also be entitled to its reasonable attorneys' fees and costs in any post-judgment proceedings to collect or enforce the judgment. This provision is separate and will survive the merger of this Agreement into any judgment on this Agreement.

11.24 Administration of Contract. City hereby designates Kirk Ammerman, Principal Civil Engineer, as City Project Manager for the construction of Project and as the primary contact for all matters relating to this Agreement, including the submittal of City invoices for reimbursement.

District hereby designates Ron Ripperger as District Project Manager for District Facilities and as the primary contact for all matters relating to this Agreement, including the processing, documenting, and approval of City invoices.

11.25 Signing Authority. The representative for each Party signing on behalf of such Party hereby declares that authority has been obtained to sign on behalf of the City and/or District, as applicable and agrees to hold the other Party or Parties hereto harmless if it is later determined that such authority does not exist.

IN WITNESS WHEREOF, City and District have executed this Agreement thereby indicating that they have read and understood same, and indicate their full and complete consent to its terms:

City of Chula Vista

Otay Water District,

Dated: _____

By: _____

By: _____

Cheryl Cox, Mayor

Attest:

Donna Norris, City Clerk

Approved as to form:

Approved as to form:

Bart Miesfeld, City Attorney

District Counsel

Dated: _____

Dated: _____

IN WITNESS HEREOF, City and District have executed this Reimbursement Agreement to be effective as of the day and year first above written.

CITY OF CHULA VISTA

OTAY WATER DISTRICT

By: _____

By: _____

Cheryl Cox, Mayor

Mark Watton, General Manager

Attest:

Donna Norris, City Clerk

Approved as to form:

Approved as to form:

City Attorney

Legal Counsel



STAFF REPORT

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	April 3, 2013
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 2013 Calendar of Meetings		

GENERAL MANAGER'S RECOMMENDATION:

At the request of the Board, the attached Board of Director's meeting calendar for 2013 is being presented for discussion.

PURPOSE:

This staff report is being presented to provide the Board the opportunity to review the 2013 Board of Director's meeting calendars 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.

Attachments: Calendar of Meetings for 2013

**Board of Directors, Workshops
and Committee Meetings
2013**

Regular Board Meetings:

January 8, 2013
February 6, 2013
March 6, 2013
April 3, 2013
May 1, 2013
June 5, 2013
July 3, 2013
August 7, 2013
September 4, 2013
October 2, 2013
November 6, 2013
December 4, 2013

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

January 16, 2013
February 20, 2013
March 20, 2013
April 17, 2013
May 15, 2013
June 19, 2013
July 17, 2013
August 21, 2013
September 18, 2013
October 16, 2013
November 20, 2013

SPECIAL BOARD MEETINGS:

BOARD WORKSHOPS:

Budget Workshops:

Tuesday, May 14, 2013 at 3:00 p.m.

Board Workshop:

Monday, March 18, 2013 at 3:30 p.m.

AGENDA ITEM 9a



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 3, 2013
		PROJECT:	DIV. NO.
SUBMITTED BY:	Geoffrey Stevens Chief, Information Technology and Strategic Planning		
APPROVED BY:	<input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	FY13 MID-YEAR STRATEGIC PLAN AND PERFORMANCE MEASURES REPORT		

GENERAL MANAGER'S RECOMMENDATION:

No recommendation. This is an informational item only.

COMMITTEE ACTION:

See "Attachment A".

PURPOSE:

To provide a fiscal mid-year report on the District's Strategic Performance Plan for FY 2013.

ANALYSIS:

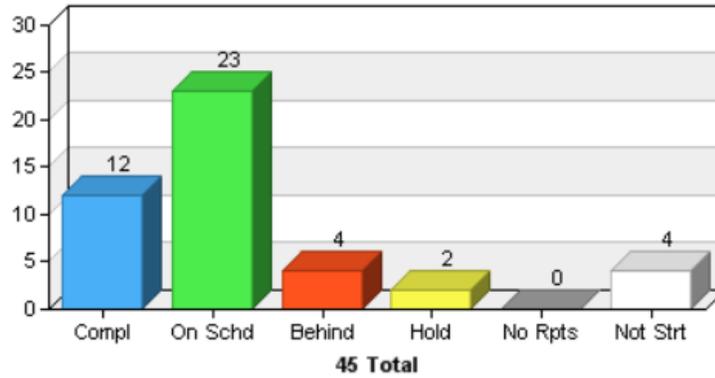
Overall, FY13 Quarter 2 results for Performance Measures continue to be positive with the District achieving its target of 90% for Strategic Plan Objectives and just below its target for Performance Measures (at 73% vs. target of 75%).

Strategic Plan Objectives

Strategic Plan Objectives are designed to ensure we are making the appropriate high-level changes necessary to move the District in the planned direction to meet new challenges and opportunities. Objective results are on target at 90% complete, ahead or on schedule. These results are slightly higher than the previous year.

Two items are on hold and are thus excluded from the calculation, and four items have not started as they are planned to begin in FY 2014.

FY13 Q2 Objectives

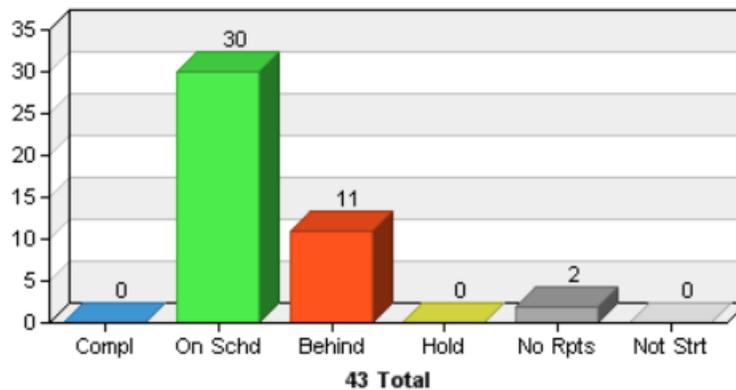


**35 of 39 Objectives On or Ahead of Schedule (90%)
Target is 90%**

Performance Measures

Performance measures are designed to track the day-to-day performance of the District. These items measure the effectiveness and efficiency of daily operations. The overall goal is that at least 75% of these measures be rated "on target". FY13 Quarter 2 District results are near target with 30 of 41 (73%) items achieving the desired level or better.

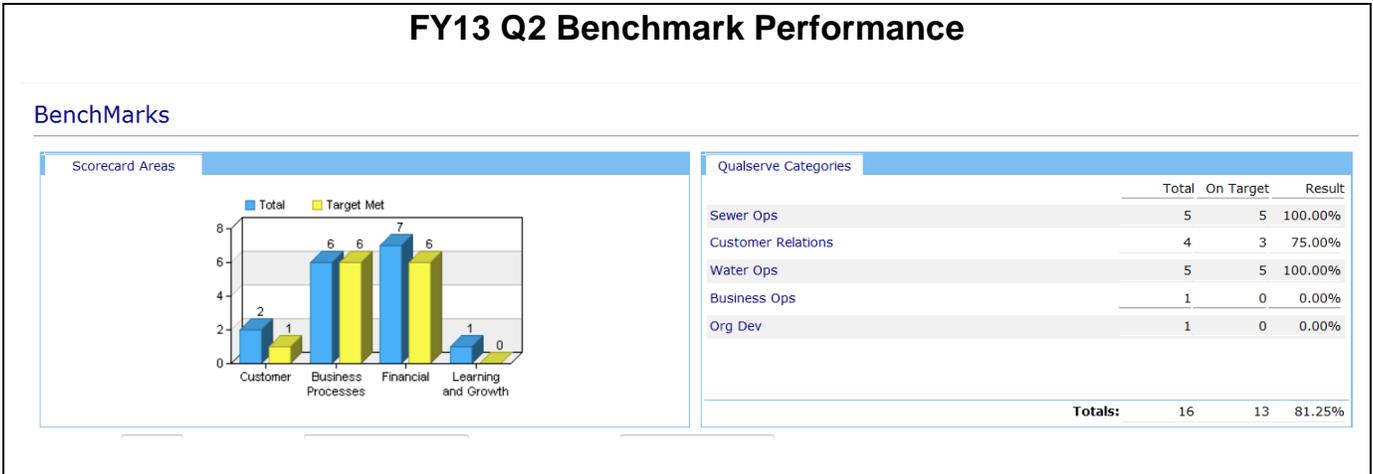
FY13 Q2 Performance Measures



**30 of 41 Performance Measures Are on Target (73%)
Target is 75%**

Benchmarks - Peer Comparisons

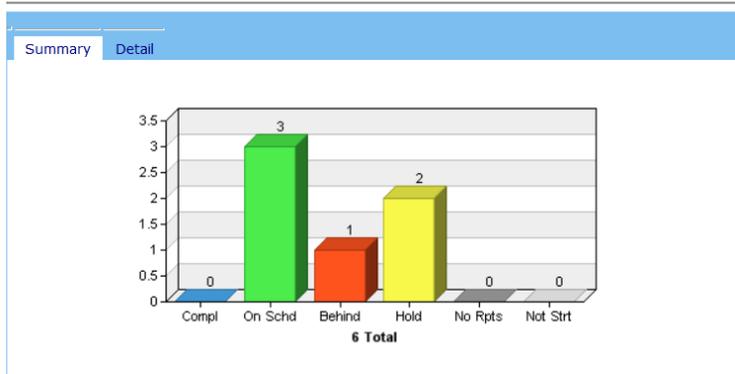
The District participates in the AWWA QualServe Benchmarking Study and has selected a subset of measures that help us measure how our performance compares to other water industry organizations. Overall, the District is above target on 13 of 16 items (81%). While we do not have a specific combined target for benchmarks, we do consider 81% a good indication of quality performance compared to our peers.



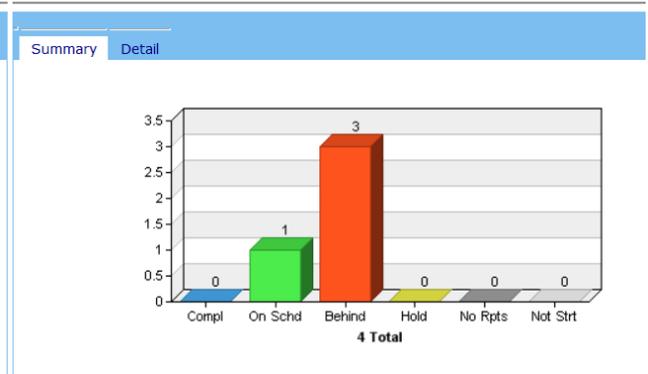
Department Specific Results

The following FY13 Quarter 2 charts provide an overview of Department performance. Staff will focus on presentations for Engineering and Operations at the EO&WR Committee meeting and with Finance, Administrative Services, and IT at the FA&C Committee meeting.

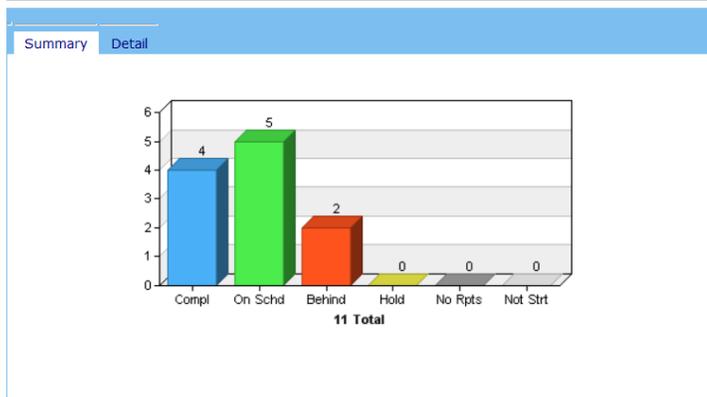
Objectives: 2-Engineering



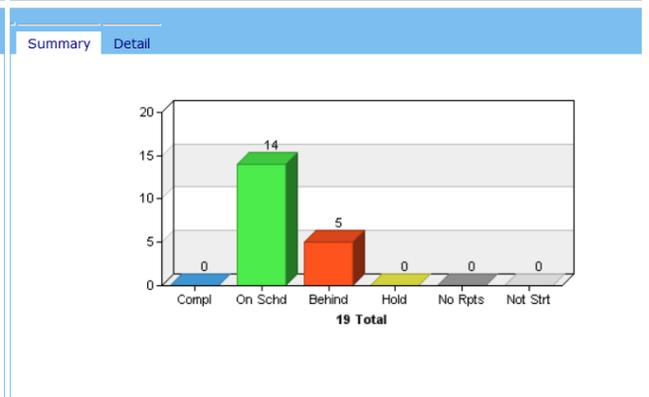
Measures: 2-Engineering



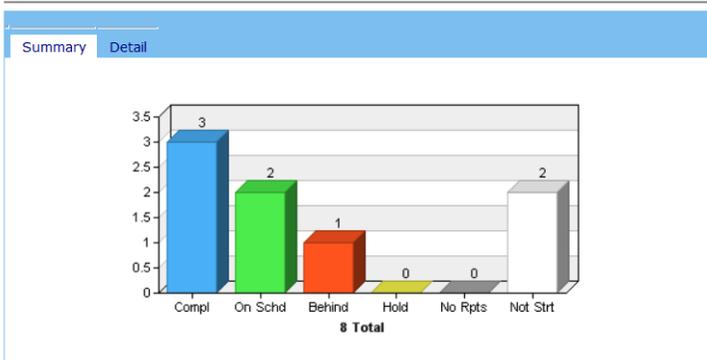
Objectives: 5-Operations



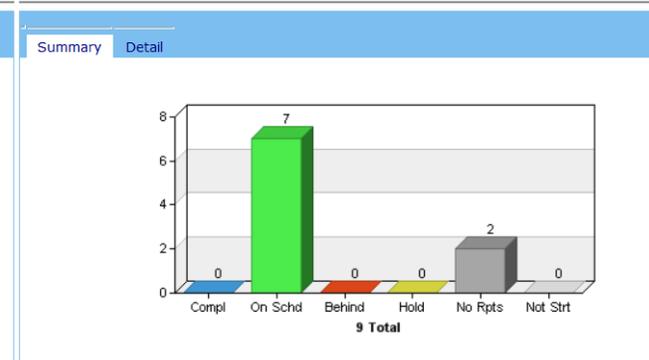
Measures: 5-Operations



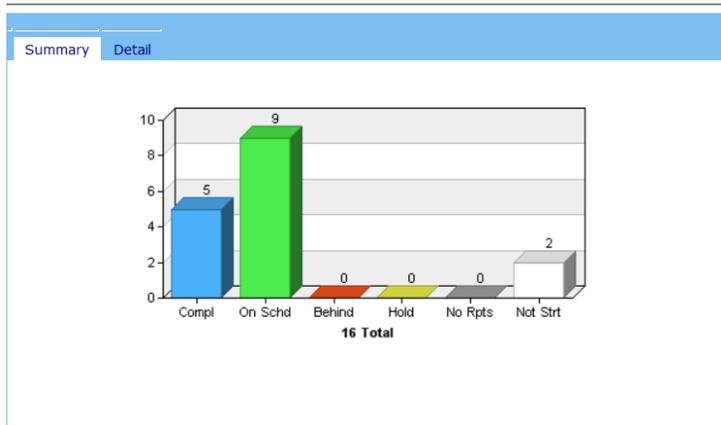
Objectives: 3-Finance



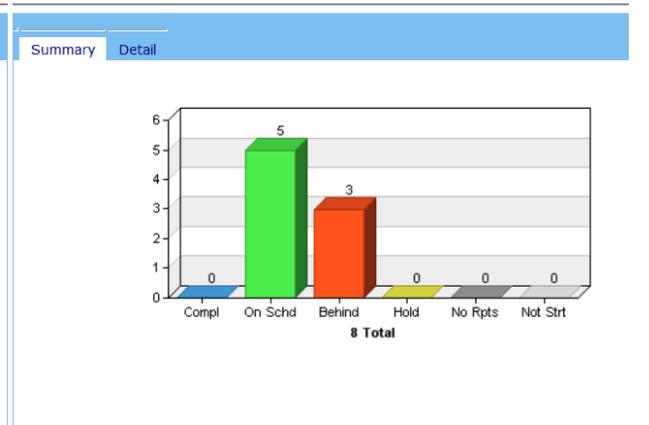
Measures: 3-Finance



Objectives: 1-Administrative Services

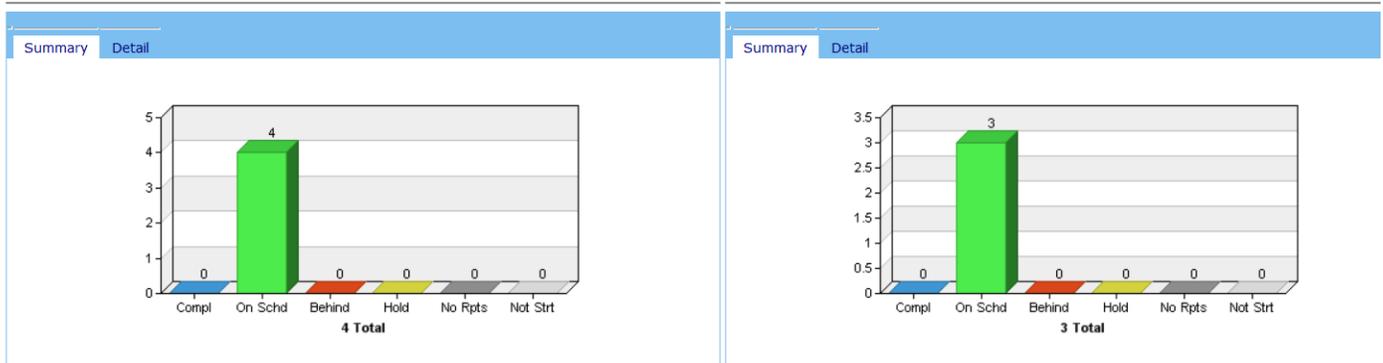


Measures: 1-Administrative Services



Objectives: 4-Information Technology

Measures: 4-Information Technology



Next Steps

Staff is currently evaluating changes to the FY14 Strategic Plan in advance of presentation of the FY14 budget to the Board. In addition, as the new FY15-17 will be presented to the Board this time next year, staff will begin the necessary preparation in September of this year to allow an opportunity to consider the next set of critical issues and decisions the District will face in the next three to four years.

Strategic Plan on the Board Extranet

All of the current and past strategic plan results and associated details are provided in a real time, interactive web-based application available to the Board on the Board Extranet.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

Informational item only, no fiscal impact.

STRATEGIC GOAL:

Strategic Plan and Performance Measure reporting is a critical component in providing performance reporting to the Board and staff.

LEGAL IMPACT:

None.

Attachments: Attachment A - Committee Action Report
Attachment B - PowerPoint Presentation



ATTACHMENT A

SUBJECT/PROJECT:	FY13 MID-YEAR STRATEGIC PLAN AND PERFORMANCE MEASURES REPORT
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COMMITTEE ACTION:

The Finance, Administration and Communications Committee and the Engineering, Operations and Water Resources Committee discussed this item at a meeting held on March 20, 2013 and March 21, 2013, respectively, and the following comments were made:

- The District is currently in the middle of its three-year plan (FY 2012 - 2014) and staff is presenting the Strategic Plan Fiscal Year 2013 mid-year results.
- Staff indicated that the last time the Strategic Plan update was presented, staff focused more on the departmental objectives. Today, staff would like to focus more on the performance measures.
- Staff noted a correction in the PowerPoint Presentation, which overall 35 of the 39 Objectives (or 90%) are on or ahead of schedule (not 25 of 29 Objectives (or 86%) as indicated in the presentation). This meets the District's target of 90%. With regard to Performance Measures, 30 of 41 (or 73%) are on target. The target is 75%.
- The AWWA QualServ Study identifies benchmarks that is representative of overall industry trends. Staff reviewed all benchmarks available from AWWA and selected those that were the most relevant to the District's business. Staff then compared the District's results to industry standards. The graph within staffs' report was presented showing the FY 2013 2nd Quarter Benchmark Performance results. Overall, the District is above target on 13 of the 16 benchmark items (81%) selected as the most relevant to the District. The three that did not meet target are items that are difficult to control.

One of the items is *Planned Outages*. Staff explained that if the District had a planned outage and compared its results with the metric that AWWA utilizes, the District would likely be over the quota for the entire year as the metric fits more with small

rural areas. The District outage would impact a very large number of customers versus the smaller number of customers that would be impacted in a small rural area. Staff, however, did not wish to throw the metric out as it was felt that it still provides a good assessment in how the District compares with the industry.

- Staff reviewed the results of the Performance Measures:
 - **Blanket Order Activity:** The goal is to have no less than 15% of material purchases acquired via blanket Purchase Orders per quarter in a single year as this is the most efficient way to purchase goods. The District is on target with approximately 25% of materials purchased via blanket purchase orders.
 - **Total Customer Water Saved:** The target is to save more than 100 AF of water in a single year. The District is not meeting this target due to a slowdown in the Water Conservation Program. It was discussed that this measure is getting outdated as many homes are already equipped with water saving devices or a majority of homeowners have already updated their homes. The measure represents total AF saved based on the number of water savings devices installed by businesses/homeowners. Each device saves a certain amount of water and the savings are totaled based on the number of each installed device. As there is less and less installed devices, the AF savings is not being realized.
 - **Customer Satisfaction:** This item is measured once per year. The Customer Satisfaction surveys will be completed in the third quarter and represents the results for the fiscal year. This item is on target.
 - **Gallons Per Capita per Day:** The District's per Capita target is to be below 172 gallons per person per day. This was not measured in the 1st Quarter as staff was determining how to improve it. In the 2nd Quarter, the District's customer per Capita use was 154 GPD. It was indicated that the District is in good shape to meet the State's mandatory 20/20 savings per capita by 2020.
 - **Health & Safety Severity Rate:** This measure indicates the number of days an employee is out due to a work accident. The goal is to have no more than a 30% Severity Rate. The rate is a ratio; number of work hours versus number of lost day accidents. The measure was under target in the 1st Quarter and it is expected it will be above the target level at fiscal year-end. The measure provides the District

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visibility and the ability to address/review work accidents if the level rises.

- **Employee Turnover:** The goal of this measure is to have less than 5% turnover in a single fiscal year. Turnover includes resignations and terminations, but does not include retirements. The 2nd Quarter results indicates that the District is within target at 1.42 in the 2nd Quarter.
- **Training Hours per Employee:** The target is to have more than 12 hours of training per employee in a single year. The District is above target in the 2nd Quarter of the fiscal year.
- **Safety Training Program:** The District's goal is to have no less than 8 hours of training per field employee per quarter in a single year. The District was under target in the 1st Quarter, but has taken corrective action and the District is now above target in the 2nd Quarter. It was noted that some measures do not lend themselves to being equally divided over the four quarters. Training is one such item and, depending on when training is scheduled, the District may be behind in one quarter and highly over target in the next.
- **Answer Rate:** The target is to have an average customer service answer rate of no less than 97% of all calls. The District is above target at nearly 99% answer call rate. It was noted that this measure represents those customers who opt to not use the automated system and wish to speak to a live person. It excludes calls in the automated system.
- **O&M Cost per Account:** This measure represents the average operating cost per account. The goal is to be below \$510.40 per account in a single year. The District is meeting its target with \$117 and \$118 per account in the 1st and 2nd Quarter respectively. It was indicated that \$510.40 represents the level that was budgeted in the fiscal year.
- **Billing Accuracy:** The District's goal is to have no less than 99.8% billing accuracy per quarter in a single year. The District is more accurate than its target and is meeting this measure's target.
- **Overtime Percentage:** The goal is to keep expenditures below the budgeted amount in a single year. The District's expenditures for overtime is divided equally among the four quarters and this amount represent 100% in each quarter. The District's expenditure in the 2nd Quarter is 74% of the budget for the quarter or 26% below budget and, thus, the District is meeting the goal of the measure.
- **Sewer Rate Ranking:** This measure is reported on an annual basis in the 1st Quarter. The District's goal is to be in the bottom 50% (lowest cost) and the results indicate that the District's sewer rate is in the bottom 18%.

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- **Water Rate Ranking:** The Water Rate Ranking is also a once yearly survey that is reported in the first quarter. The District's goal is to be within the bottom 50% (lowest cost) and the District ranks in the bottom 30%.
 - **Debt Coverage Ratio:** This measure is reported on once yearly at the close of the fiscal year and represents a year-to-date calculation. The results will be reported following the 4th Quarter.
 - **Reserve Level:** This measure is also reported on once yearly at the close of the fiscal year. The results will be reported following the 4th Quarter.
 - **Distribution System Loss:** The target for water system loss is to have less than 4.5% of unaccounted water in a single year. Staff noted that the 2nd Quarter loss is shown as 2% in the attached powerpoint presentation, however, it is actually 2.6%. The reason for the change is a customer's meter was "changed out" and the water use was read as 99,999. This read was incorrect and represents water that was sold, but was never purchased which reduced the water loss percentage.
 - **Customer Satisfaction with Website:** This measure is reported on once yearly in the 2nd Quarter and is slightly above target.
 - **Network Availability:** The goal is to have an average of no less than 99.2% network availability per quarter in a single year. The District is above target with 99.99% network availability.
 - **Website Hits:** Website hits are above the target of 12,100 hits/visits per quarter. It was noted that the reason for the increase in hits from 12,200 in the first quarter to 13,500 in the second quarter, is the second quarter results includes hits to the areas of the website that are outsourced like bill pay and District job opportunities.
- The committee indicated that they would like to see some further refinement in some of the targets based more on historic findings as opposed to dividing the results over four (4) quarters on a straight line, i.e. 25% in each of the four quarters. Staff indicated that that has been done with some of the measures. Similar to one related to the treatment plant. Staff knows the water processed varies by season - winter, spring, summer and fall - and determines the measure accordingly.
 - The Committee inquired about the importance of including Unplanned Disruptions (QualServe) in the District's Strategic Plan. Staff stated that they believe this information is

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important because it helps the District maintain a record of any breaks in its water system and questions why they are occurring. With this information, the District can make improvements to decrease the number of breaks.

- With regard to the Direct Cost of Treatment per MGD (QualServe), staff indicated that the target changes by quarter because of the different seasons. Customers tend to use more water during the summer and less water during the winter. Therefore the District must adjust the target by quarter to reflect hot versus cold. It was noted that the District is above target in the 2nd Quarter for Direct Cost of Treatment per MGD (QualServe).
- Staff stated that the measure, PMs Completed - Reclamation Plant, was off target in the 1st Quarter and above target in the 2nd Quarter, but overall, the District is close to its target. It was noted that staff had to change their process to coordinate with the new upgrades that were performed on the Reclamation Plant.
- In response to a question by the Committee with regard to %PMs Completed - Pump/Electric Section, staff indicated that the District's quarterly results were higher than the quarterly target because the District performed more preventive maintenance work orders than targeted, which is good.
- Staff indicated that the Valve Exercising Program had no activity because of the shifting of staff resources in Operations and Utility. It was noted that this program is currently on hold.
- Staff stated that the District completed its *Replace Manual Read Meters with Automated Meters Program* and that the performance measures for the program are no longer needed. With the program completed, the Committee inquired about the presentation's graph showing a performance measure projection of 5,429 for the 4th Quarter. Staff concluded that that data was carried over from last year's 4th Quarter and this year's 4th Quarter data should have indicated zero.
- Currently, staff is evaluating changes to the FY14 Strategic Plan before the presentation of the FY14 budget to the Board. Staff indicated as the new FY 15-17 will be presented to the Board next year, staff will begin preparation in September 2013 to allow for an opportunity to consider the next set of critical issues and decisions that is anticipated in the next 3-4 years.

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- Staff stated that the District's Strategic Plan is a very important tool that helps guide the District and provides a history of its performance measures. Staff stated that performance measures are important because it helps the District determine where improvements are needed.
- It was noted that all the information presented is available on the District's extranet.

Following the discussion, the committee supported presentation to the full board as an informational item.

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Strategic Planning

FY 2013 – Mid Year Report

(Halfway There!)

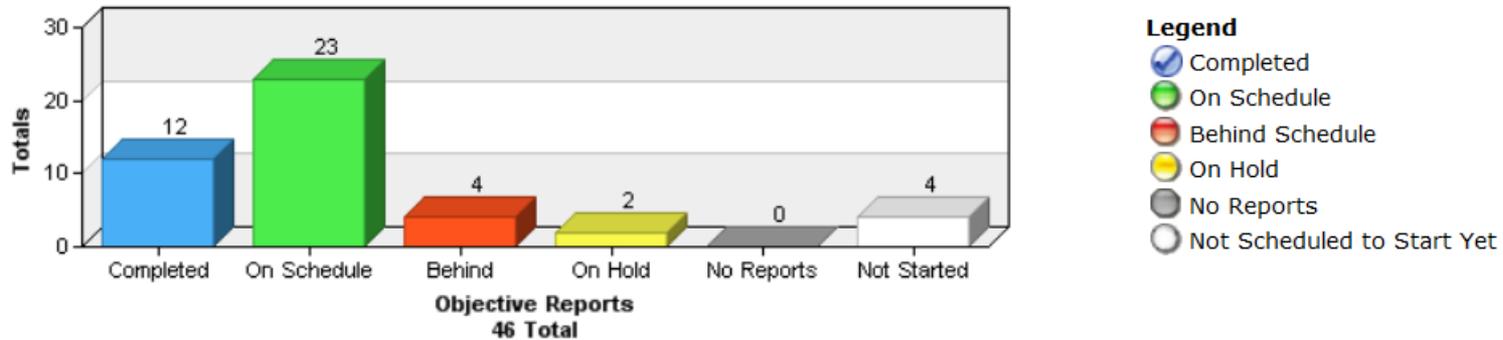


FY2013 Objectives – 2nd Quarter

25 of 29 objectives complete, ahead or on target (86%)

Target is 90%

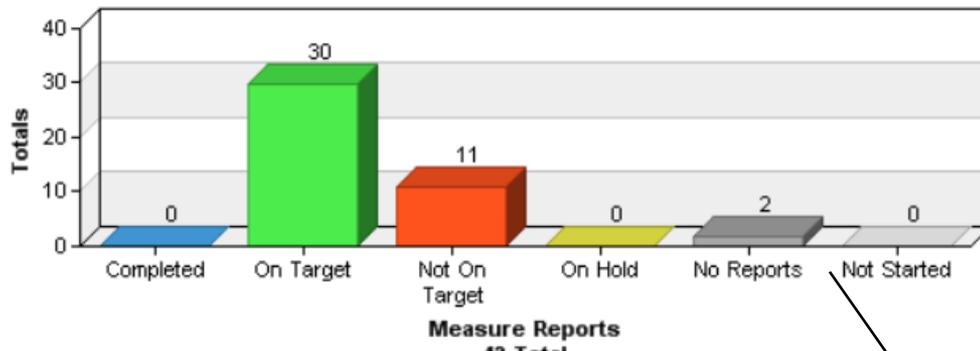
Objectives: All Departments



FY2013 2nd Quarter Performance Measures

30 of 41 performance measures complete, ahead or on target (73%)
Target is 75%

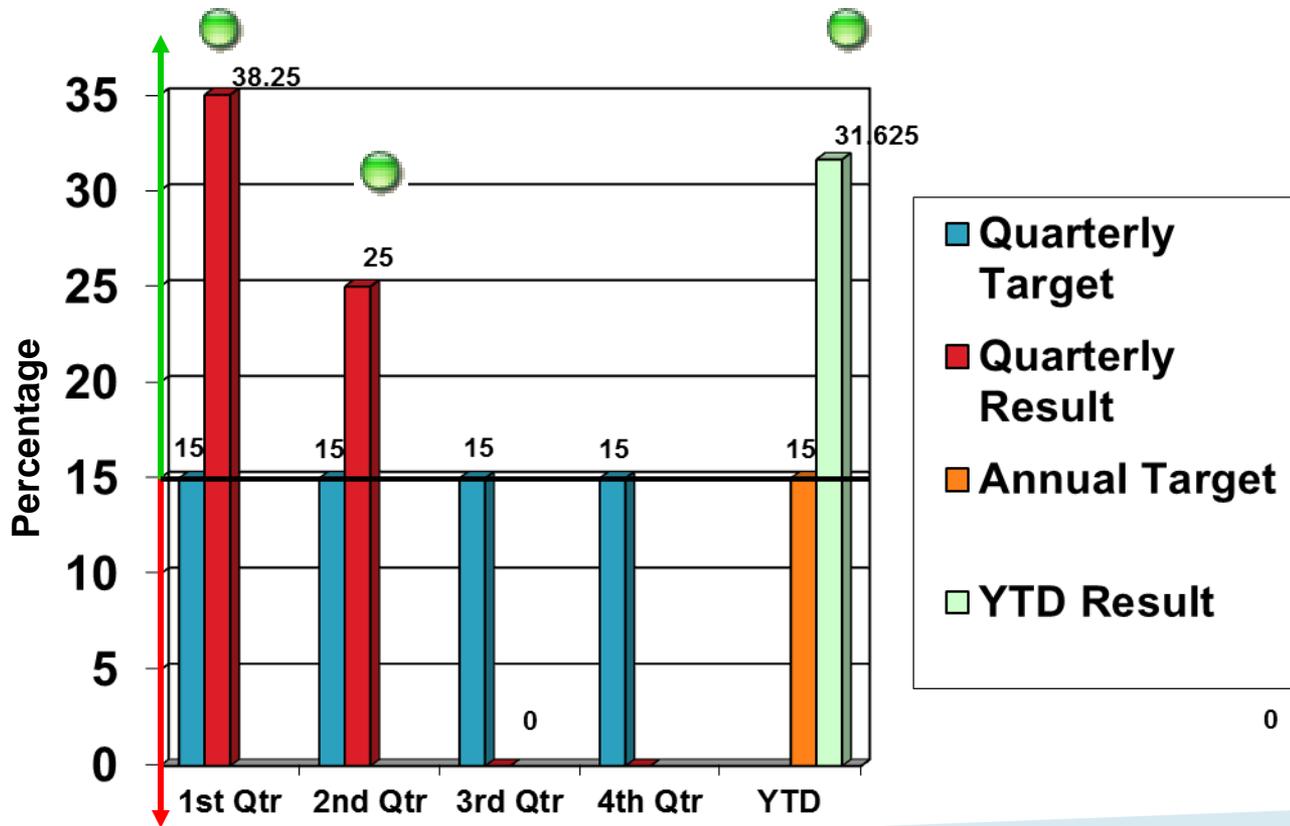
YTD Measures: All Departments



Legend

- Completed
- On Target
- Not on Target
- On Hold
- No Reports
- Not Scheduled to Start Yet

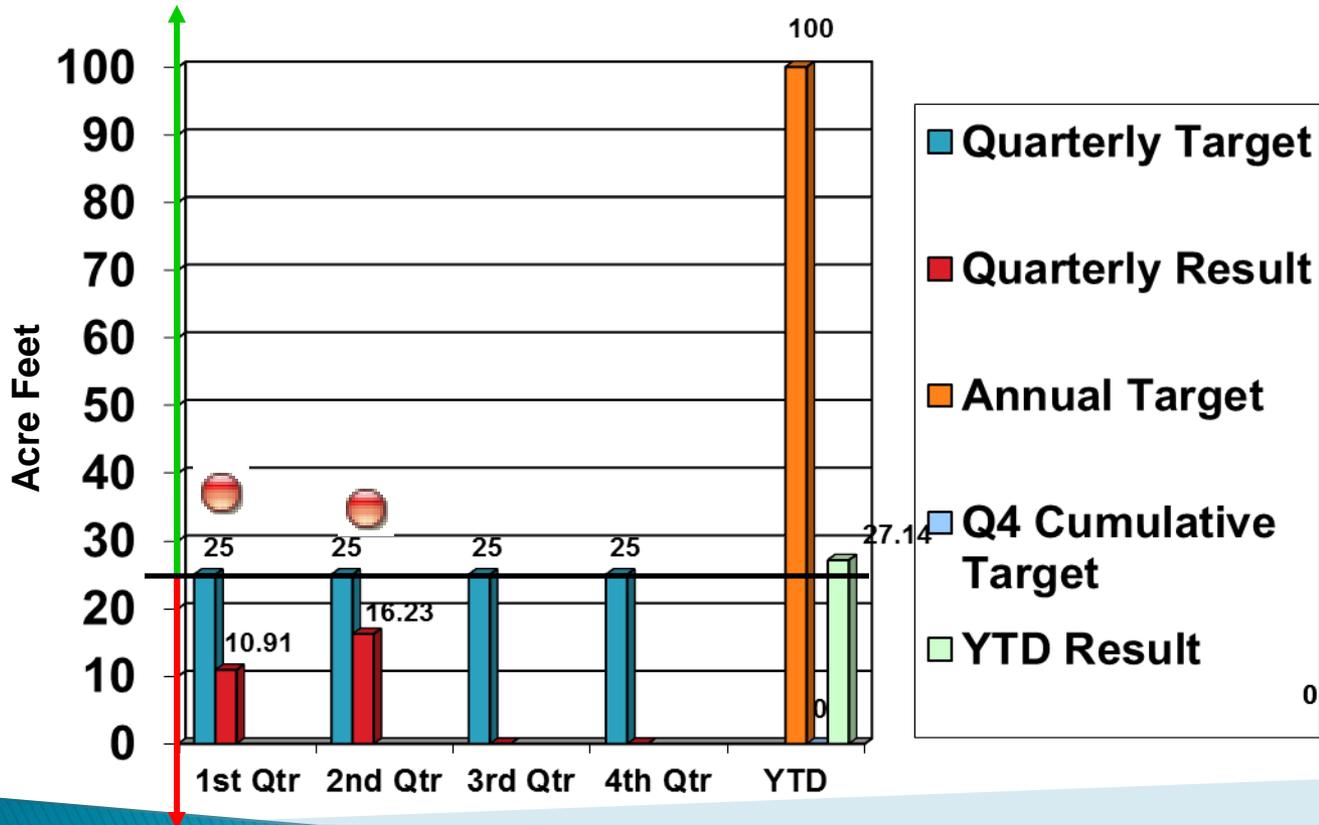
Measured Once per Year at Year End



Measure 1.2.101, Blanket Order Activity, aims to be above all set targets in order to have no less than 15% of material purchases acquired via blanket POs per quarter in a single year.

Total Customer Water Saved

1.3.102



Measure 1.3.102, Total Water Saved, aims to be above all set targets in order to save more than 100 acre feet of water in a single year.

Customer Satisfaction

Measured Once per Fiscal Year

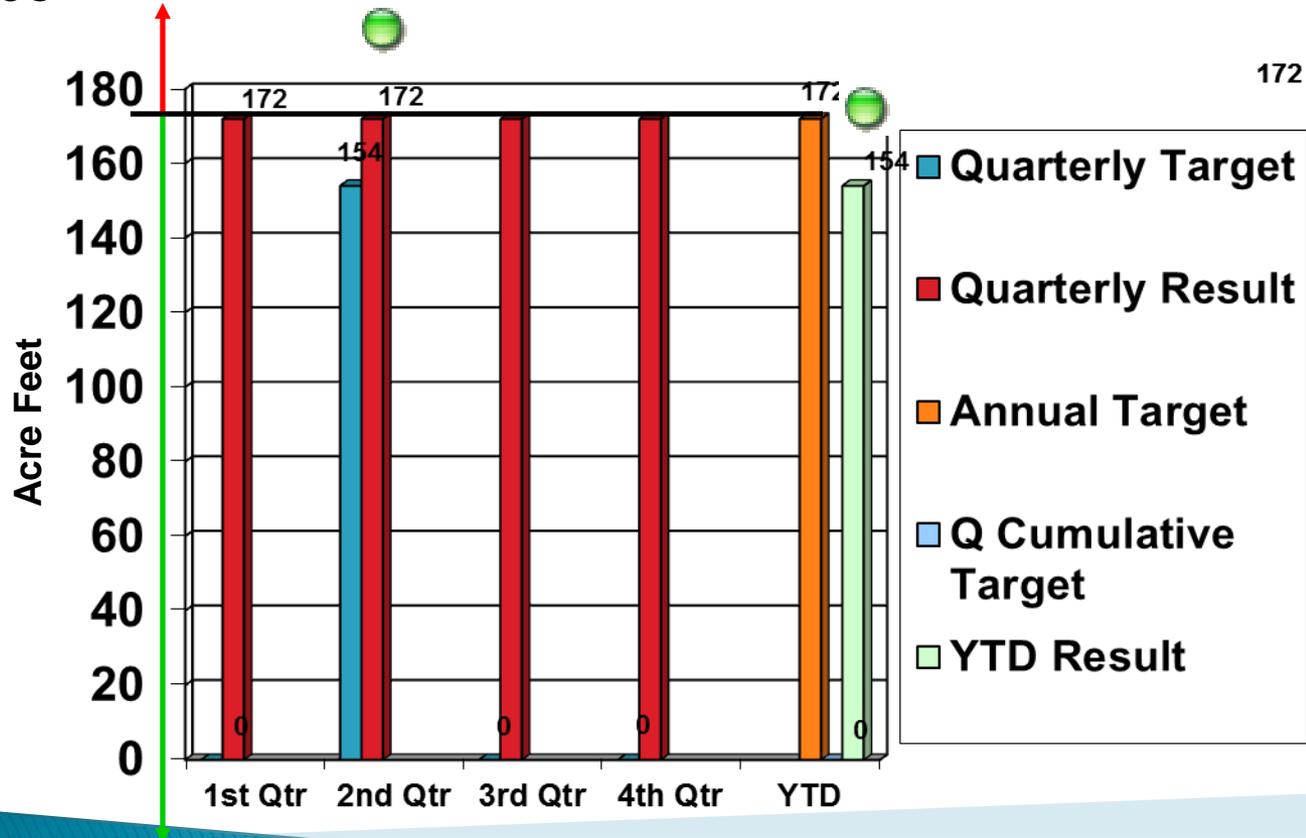
1.1.100



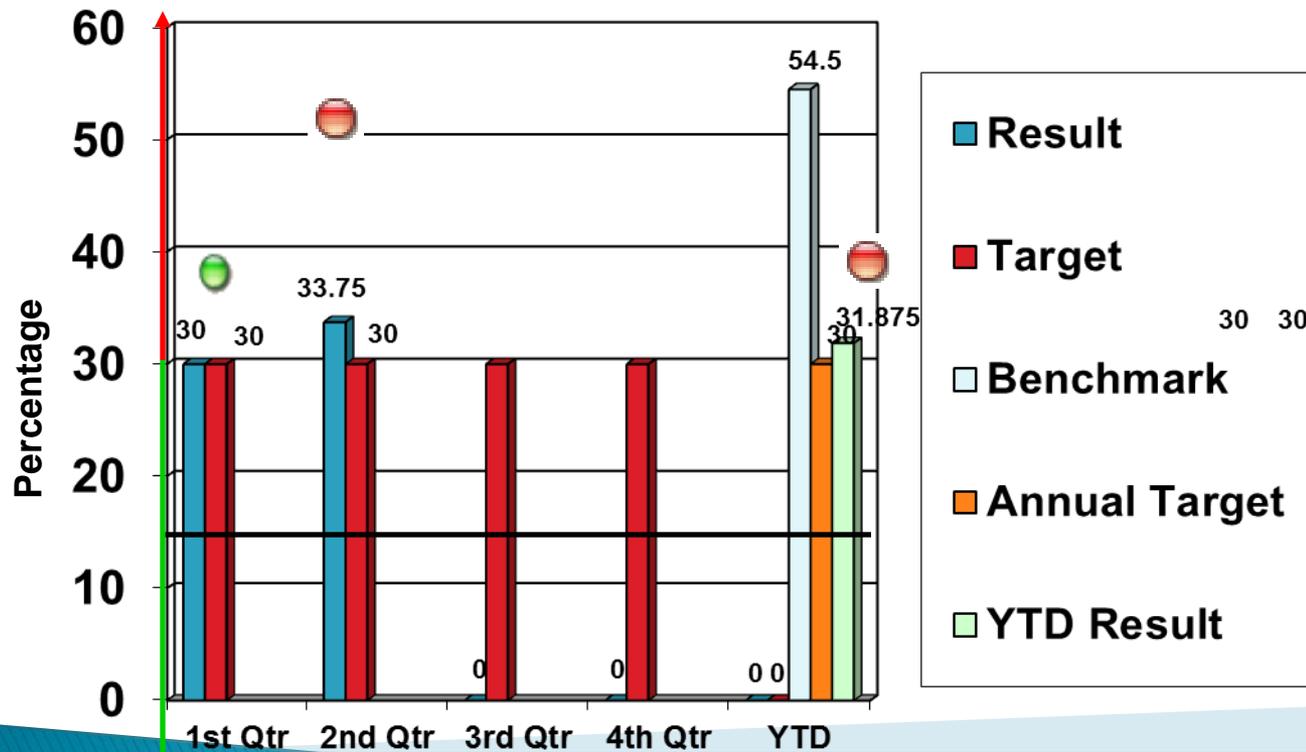
Measure 1.1.100, Customer Satisfaction, is a once yearly survey that is reported on annually in the third quarter and represents the results for the given fiscal year.

Gallons Per Capita per Day

1.3.103

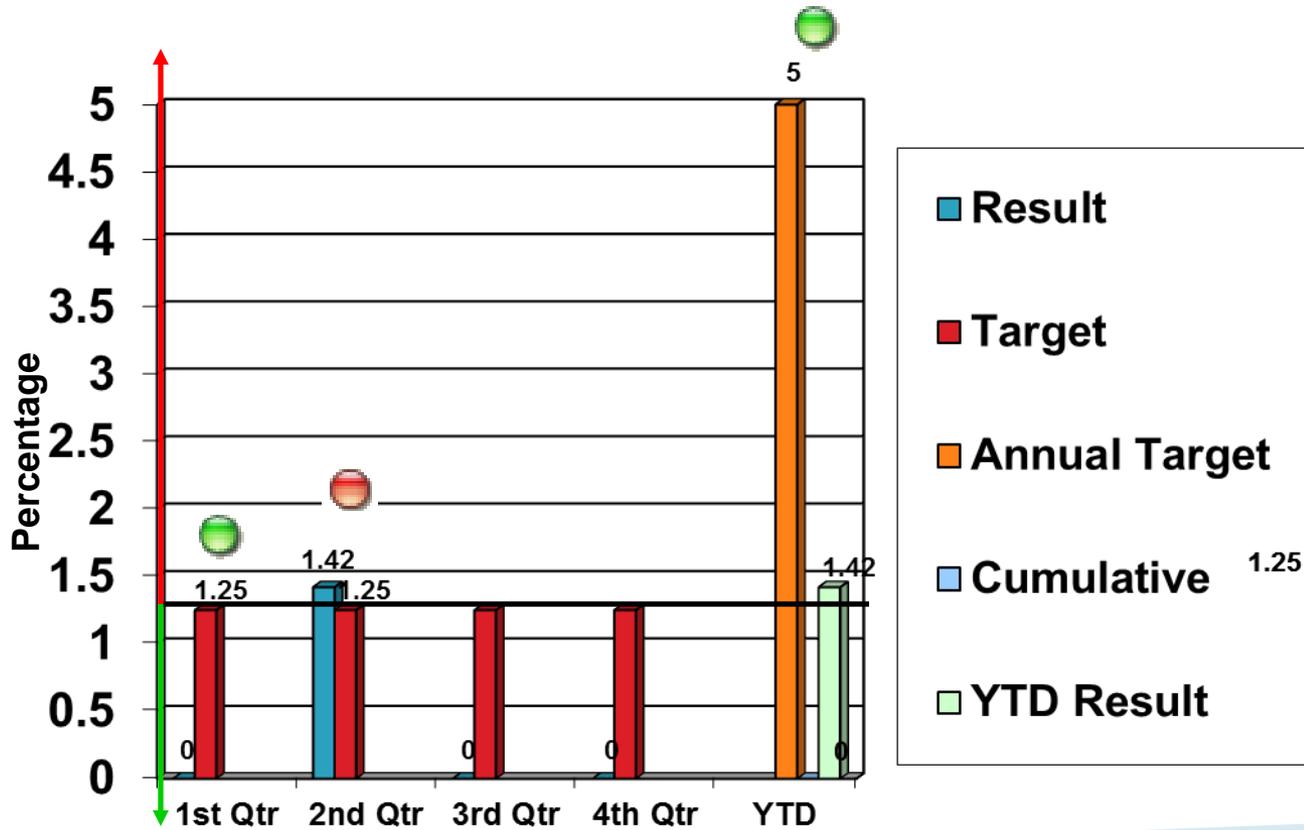


Measure 1.3.103, Otay Water Use, aims to be below 172 Gallons Per Day.



Measure 1.4.104, H & S Severity Rate, aims to be below all set targets in order to have no more than 30% severity rate per quarter in a single year.

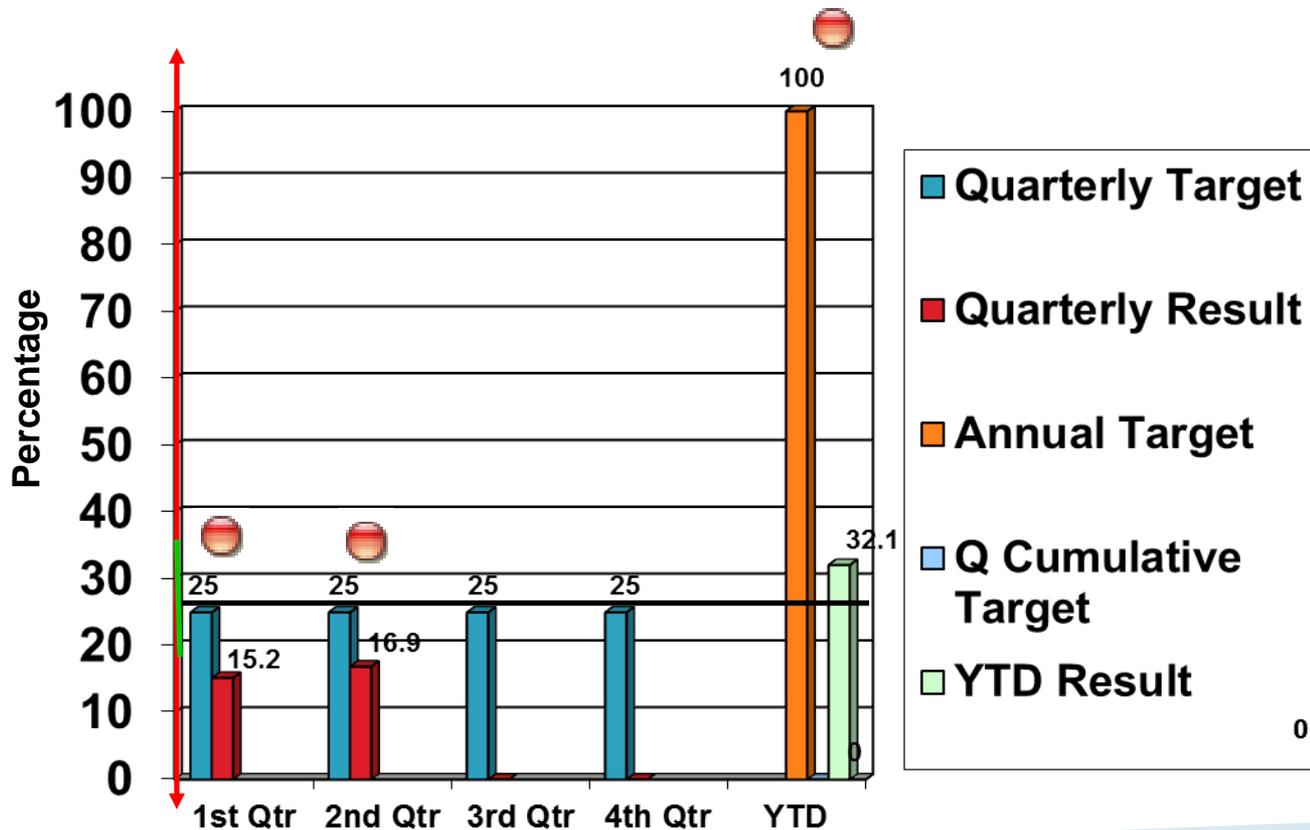
Employee Turnover Rate 1.4.105



Measure 1.4.105, Turnover Rate, aims to be below all set targets in order to have less than 5% turnover in a single year.

CIP Project Expenditure vs. Budget

2.2.200

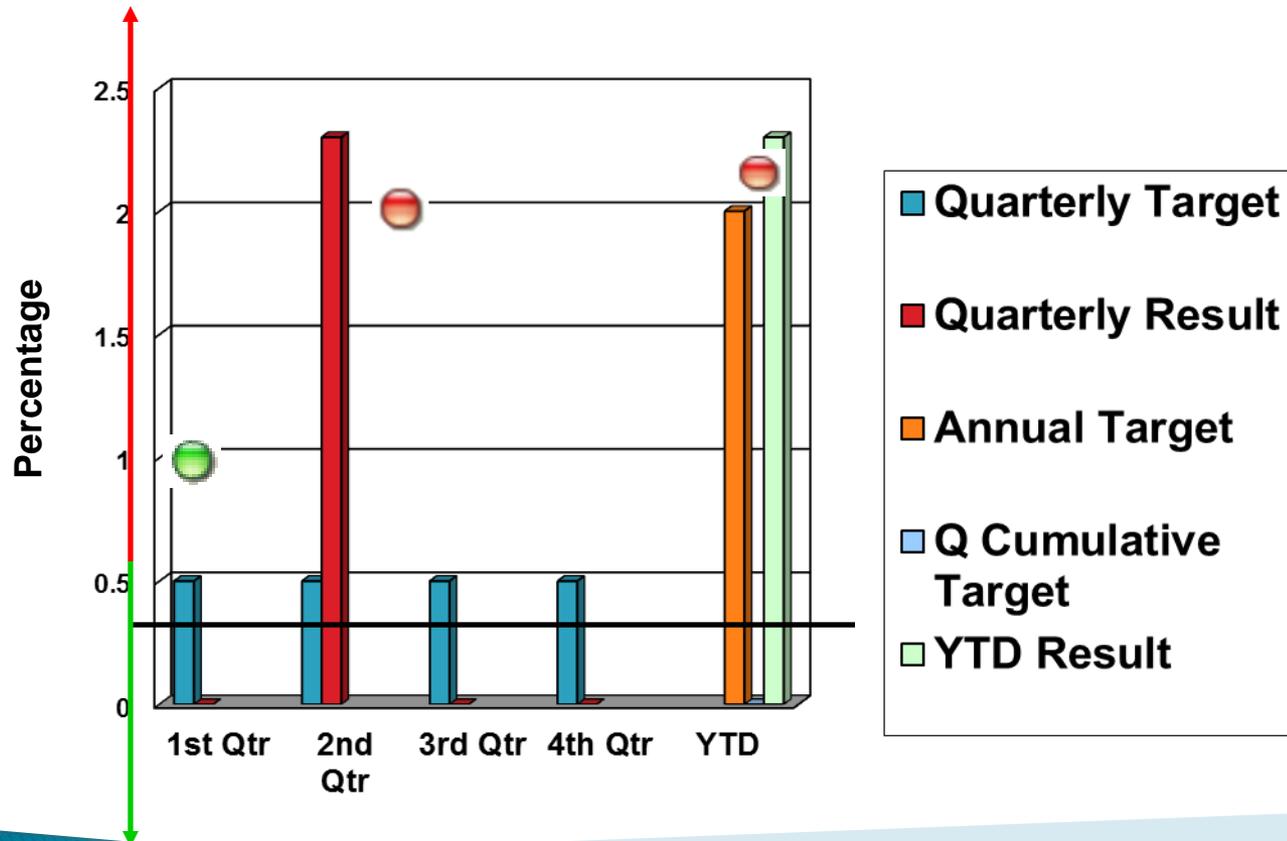


Measure 2.2.200, CIP Project Expenditure vs. Budget, aims to be below all set targets in order to keep expenditures below 100% of the budgeted amount for a single year. Note: Annual result aims to be between 95-100% but is not to exceed 100%. Being significantly below target also gives the measure a “not on target” status.



Measure 1.4.107, Safety Training Program, aims to be above all set targets in order to have no less than 8 hours of training per field employee per quarter in a single year.

Construction Change Order Incidence (without allowances) 2.2.201

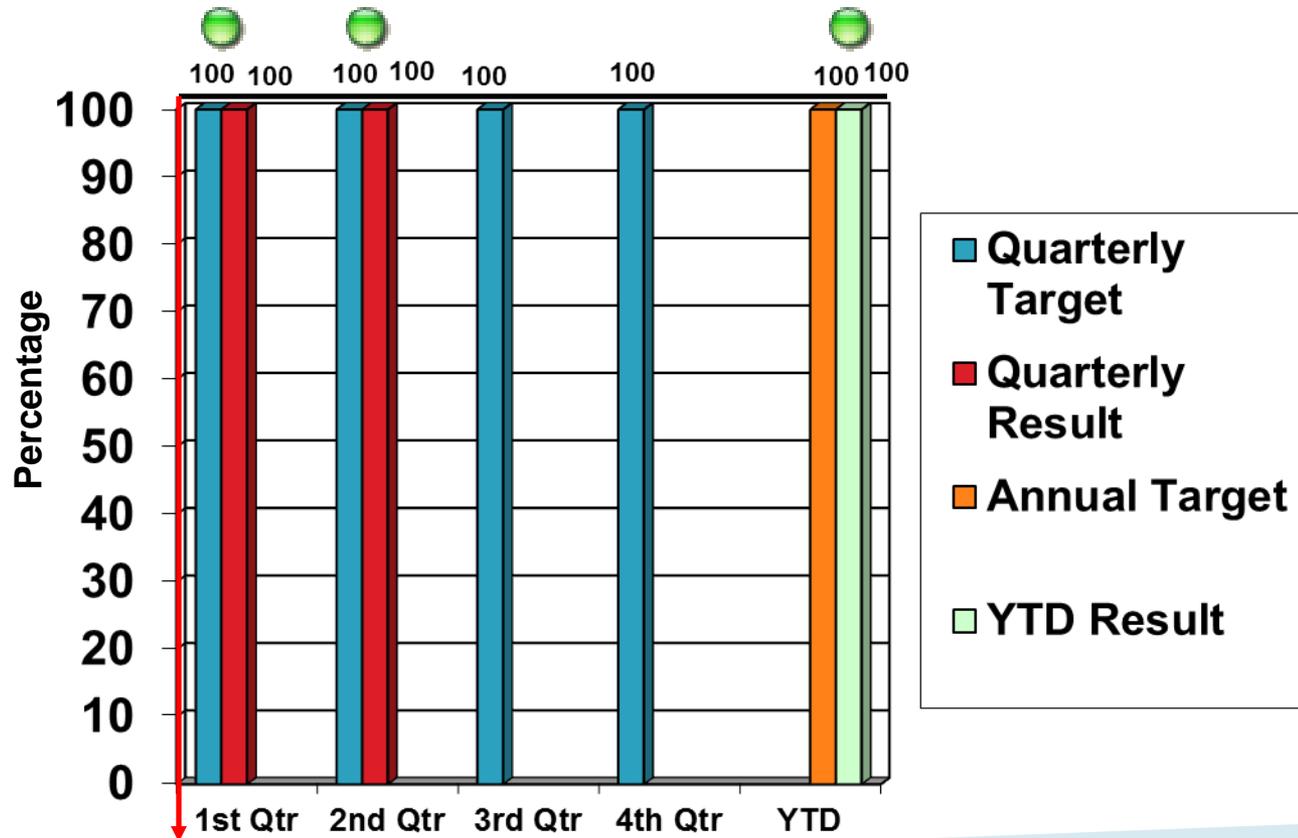


Measure 2.2.201, Construction Change Order Incidence, aims to be below all set targets in order to have no more than 2 % in one year.

% rate of change orders in a single year.

Mark Out Accuracy

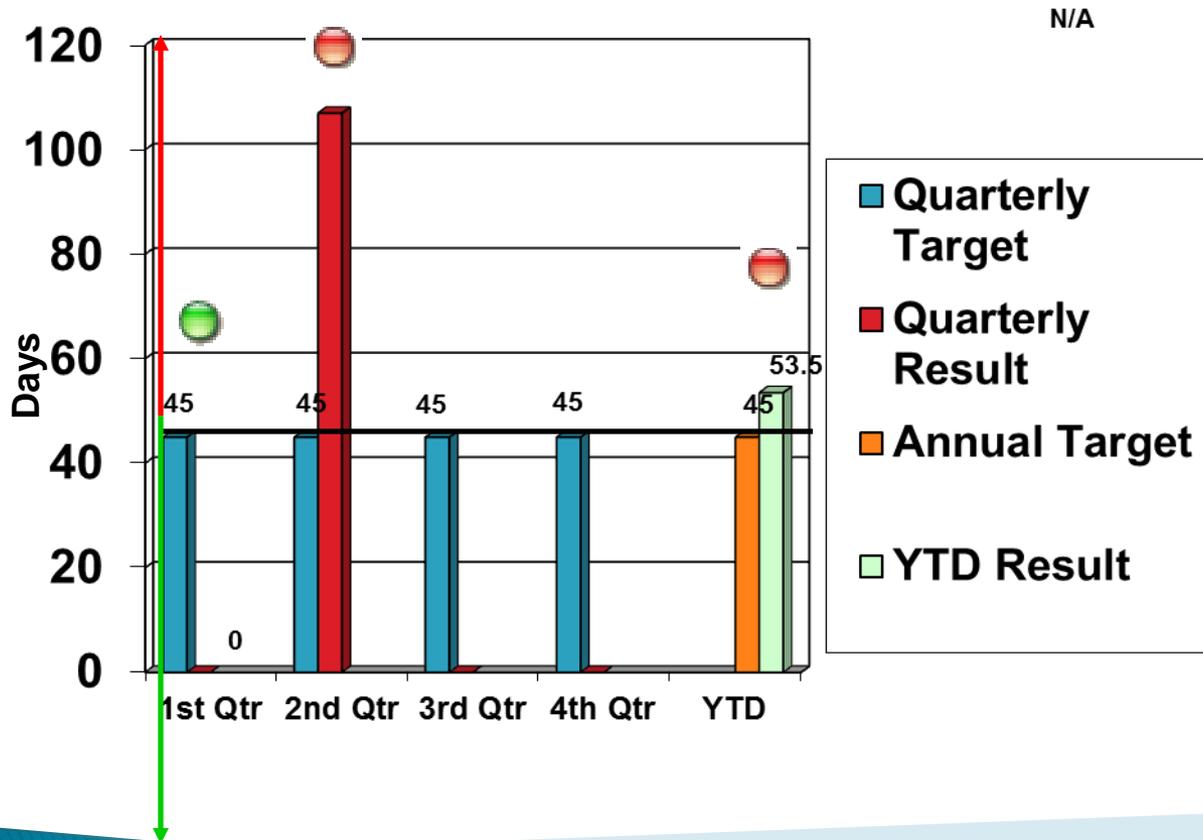
2.3.202



Measure 2.3.202, Mark Out Accuracy, aims to have no less than 100% mark out accuracy every quarter in a single year.

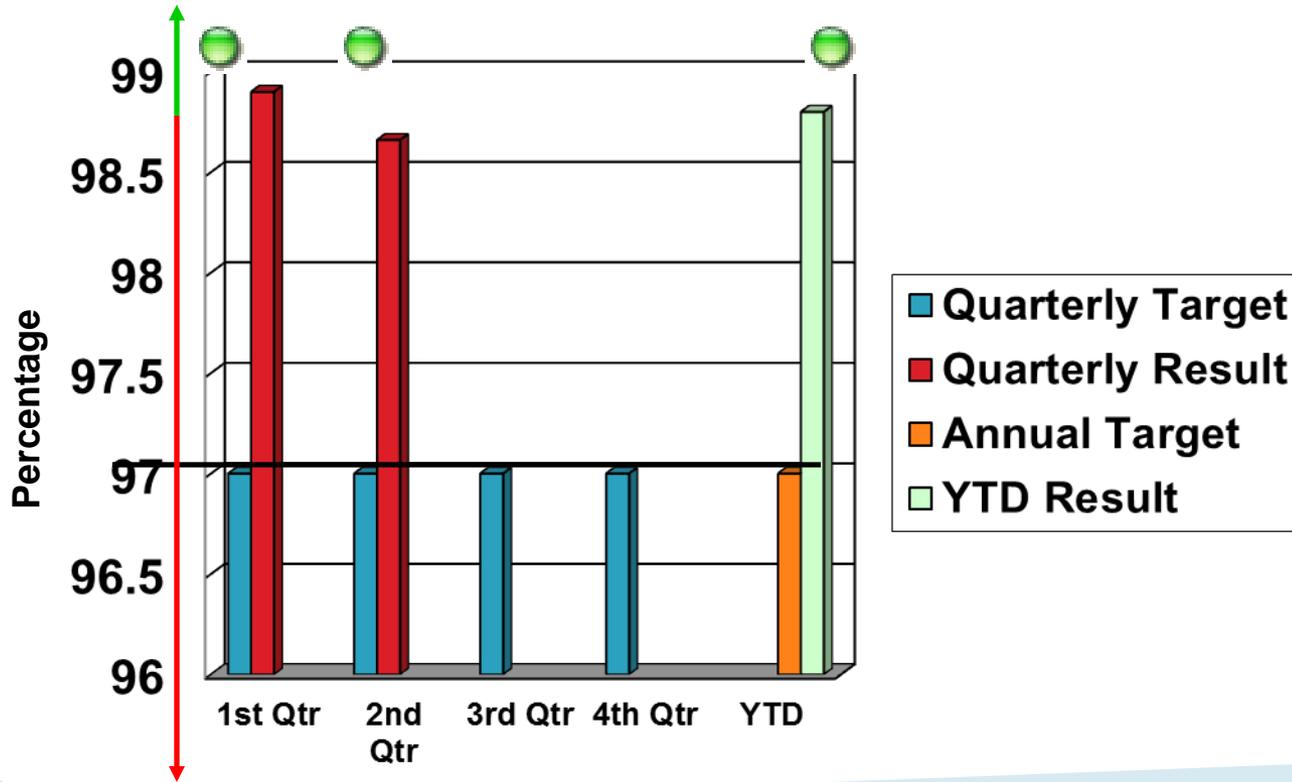
Project Closeout Time

2.3.203



Measure 2.3.203, Project Closeout Time, aims to be below all set targets in order to have an average closeout time of no more than 45 days per quarter in a single year.

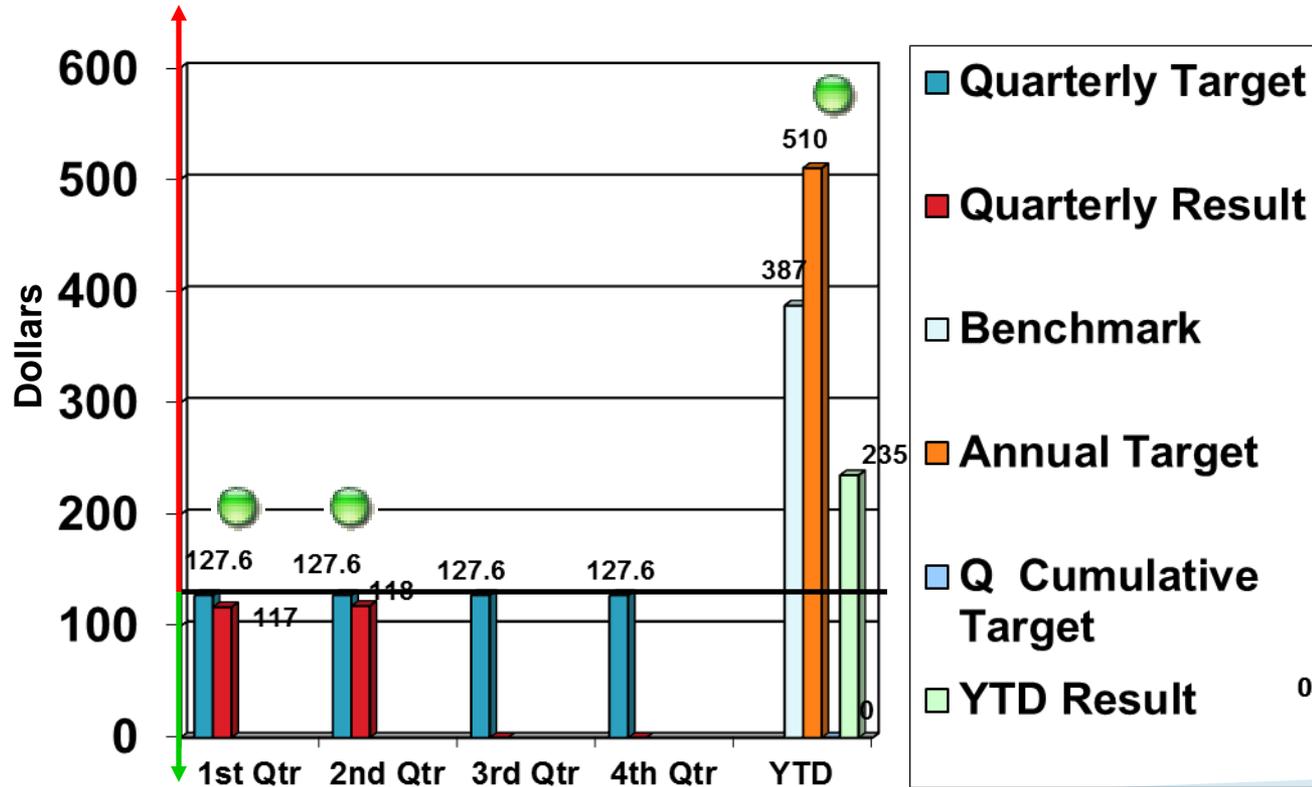
Note: No projects closed out in the 1st, quarter.



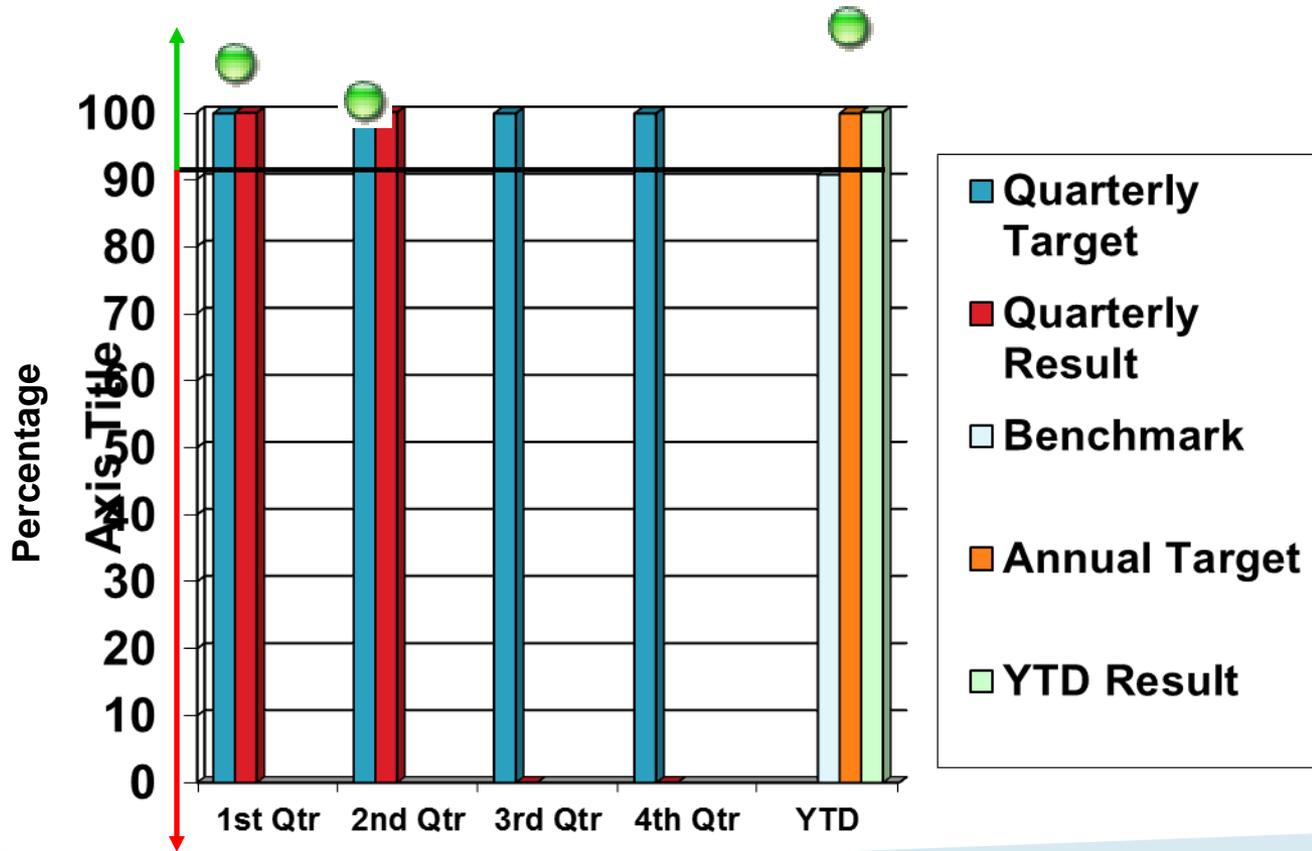
Measure 3.1.300, Answer Rate, aims to be above all set targets in order to have an average answer rate of no less than 97% .

O & M Cost per Account (QualServe)

3.2.301



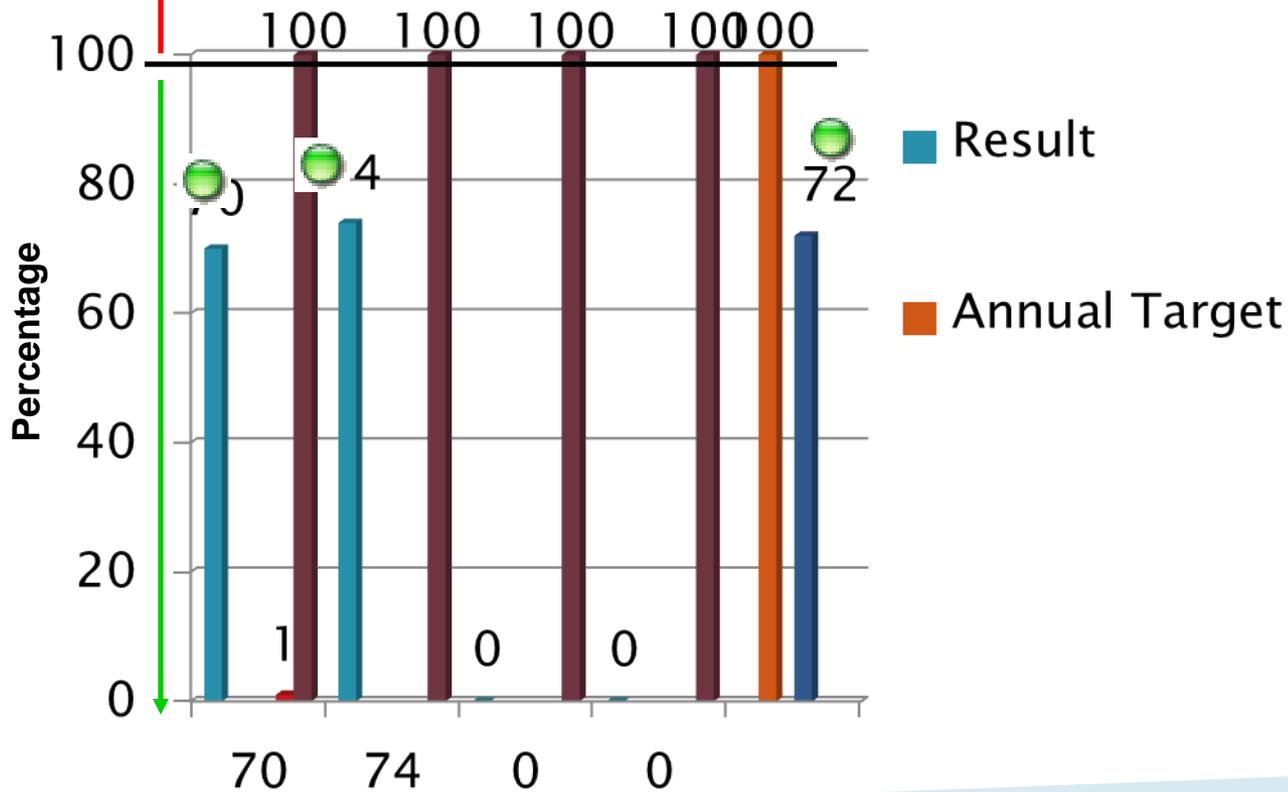
Measure 3.2.301, O & M Cost per Account, aims to be below all set targets in order to keep O & M cost per account less than \$510.40 in a single year.



Measure 3.2.302, Billing Accuracy, aims to be above all set targets in order to have no less than 99.8% billing accuracy per quarter in a single year.

Overtime Percentage

3.2.303

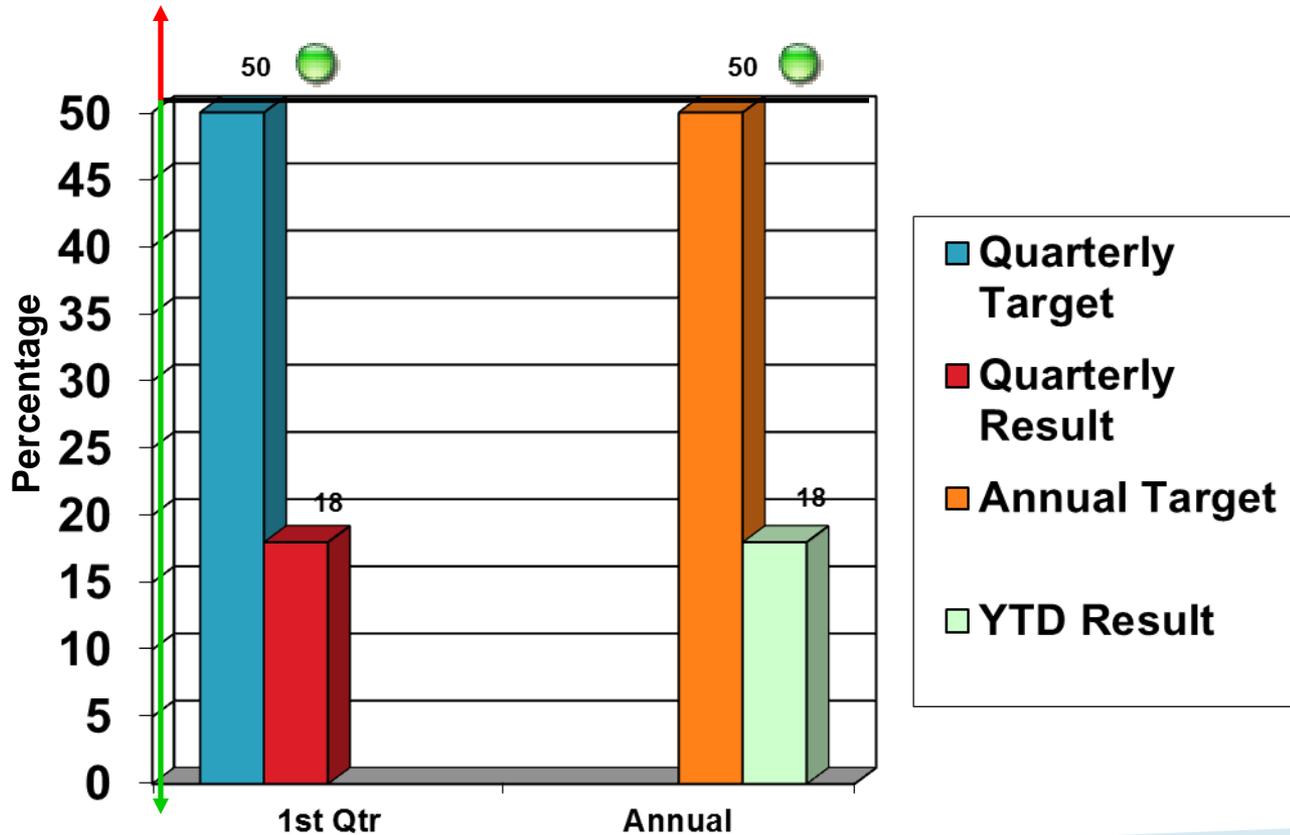


Measure 3.2.303, Overtime Percentage, aims to be below all set targets in order to keep expenditures below the budgeted amount for a single year.

Sewer Rate Ranking

Measured Once per Fiscal Year

3.2.304

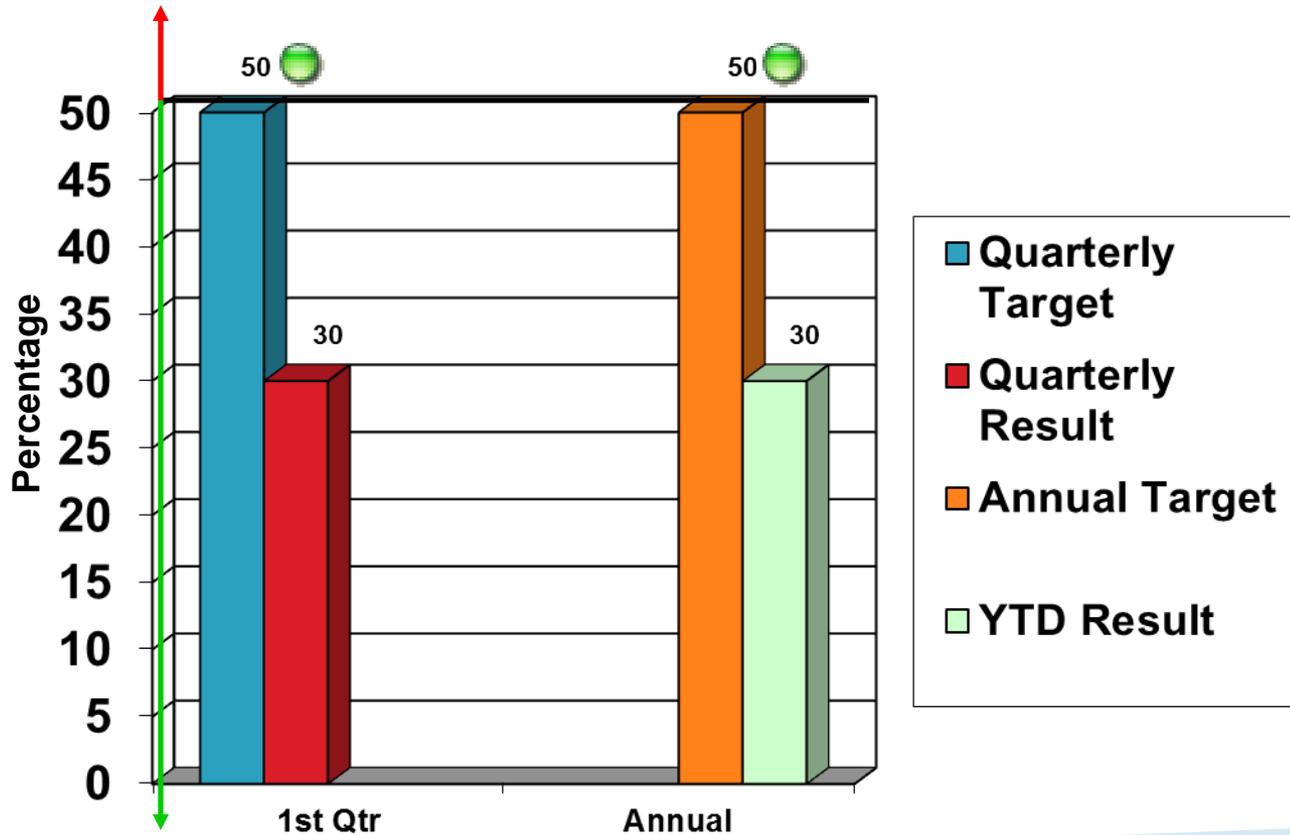


Measure 3.2.304, Sewer Rate Ranking, is a once yearly survey that is reported on annually in the first quarter and represents the results for the given fiscal year. The District's goal was to be in the top 50.

Water Rate Ranking

Measured Once per Fiscal Year

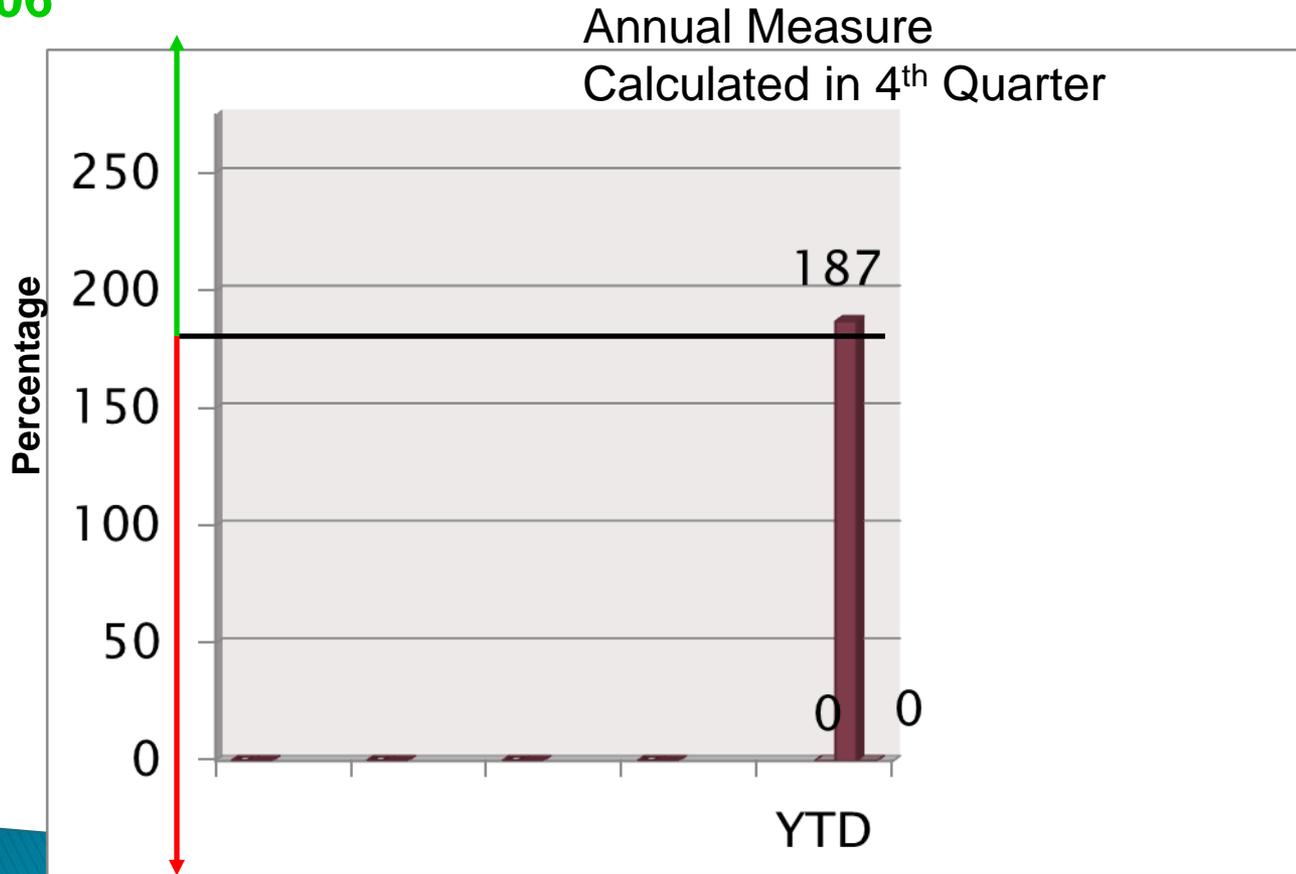
3.2.305



Measure 3.2.305, Water Rate Ranking, is a once yearly survey that is reported on annually in the first quarter and represents the results for the given fiscal year. The District's goal was to be in the top 50.

Debt Coverage Ratio (QualServe) – YTD

3.2.306



Measure 3.2.306, Debt Coverage Ratio, aims to be above all set targets in order to have sufficient debt coverage.

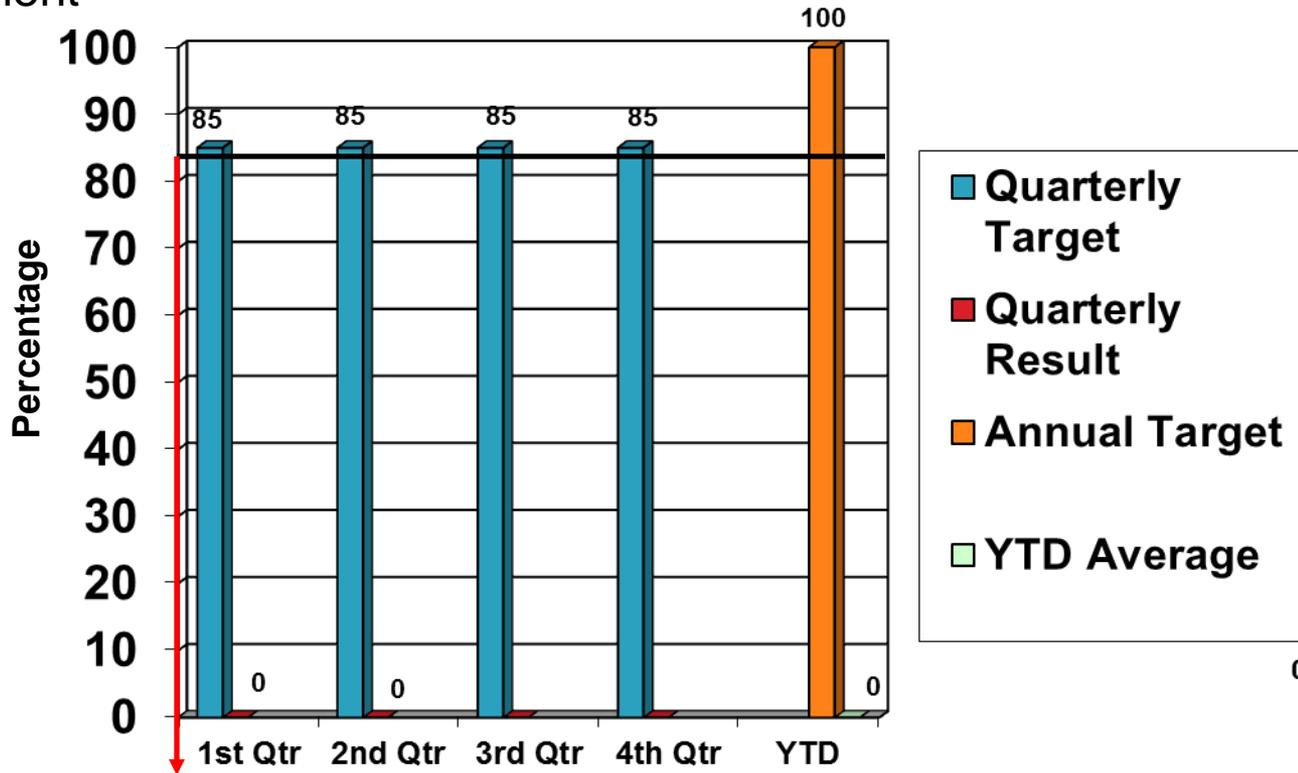
*The calculation is a year-to-date calculation, so Qtr Result = YTD Result.

Reserve Level

Annual Measure
Calculated in 4th Quarter

3.2.307

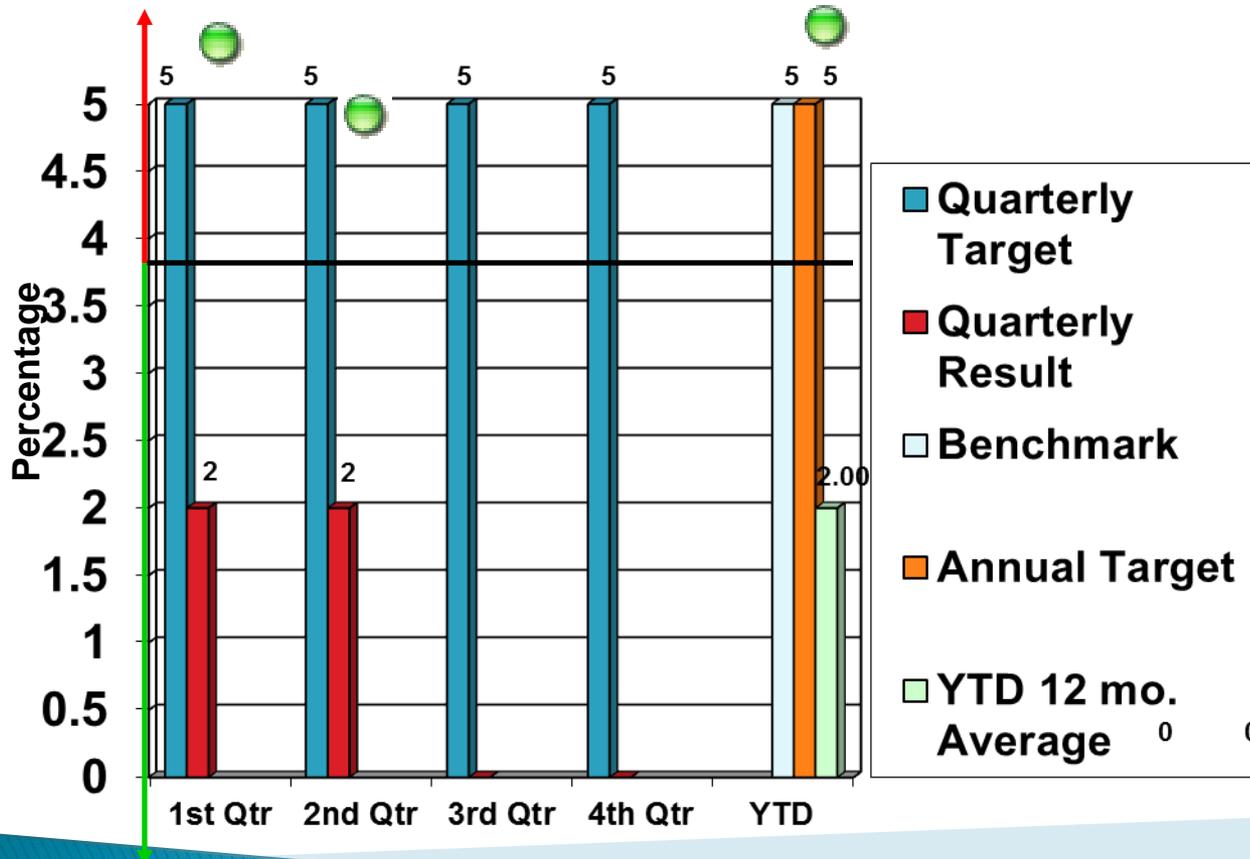
In Development



Measure 3.2.307, Reserve Level, aims to be no less than 100%. It is measured annually.

Distribution System Loss (QualServe)

3.3.308



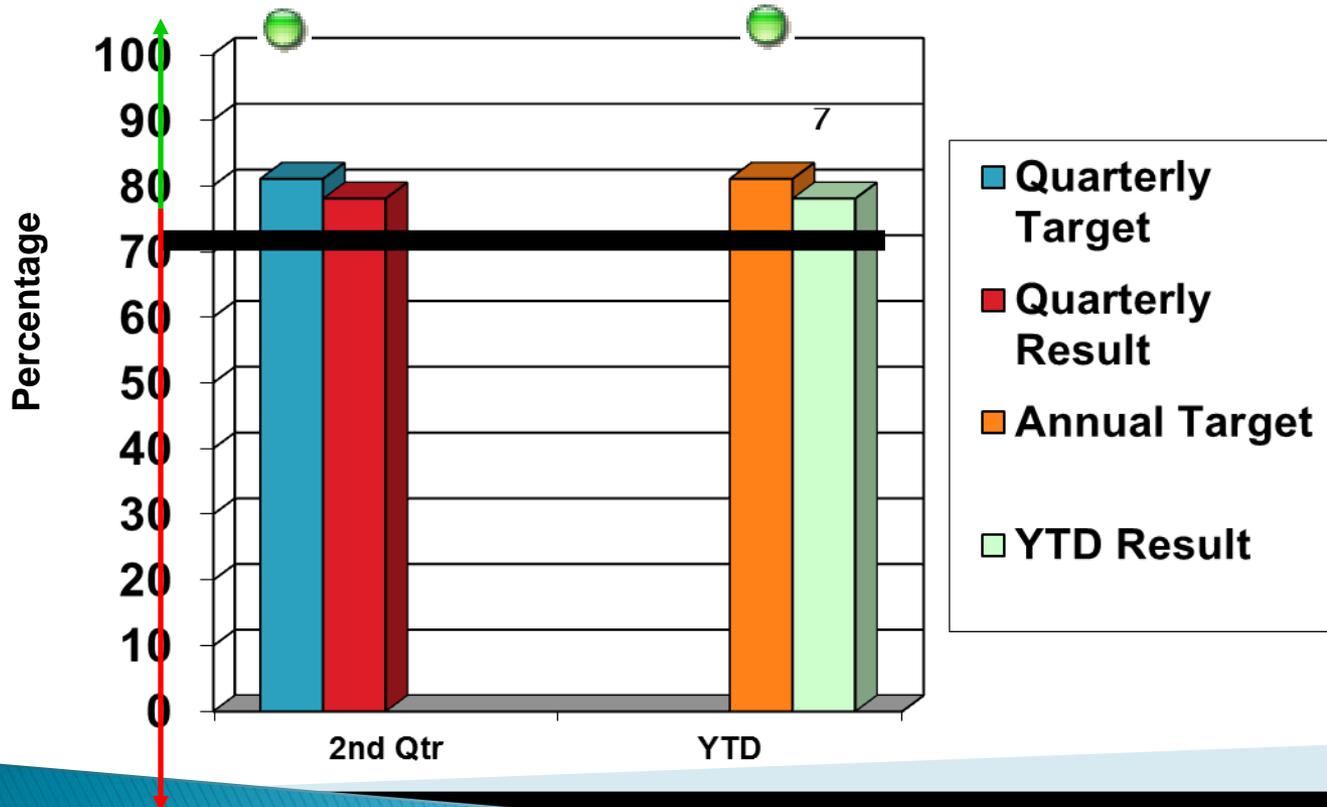
Measure 3.3.309, Distribution System Loss, aims to be below all set targets in order to ensure less than 4.5% of unaccounted water in a single year.

*The calculation is a year-to-date calculation, so Qtr Result = YTD Result.

Customer Satisfaction with Website

4.1.400

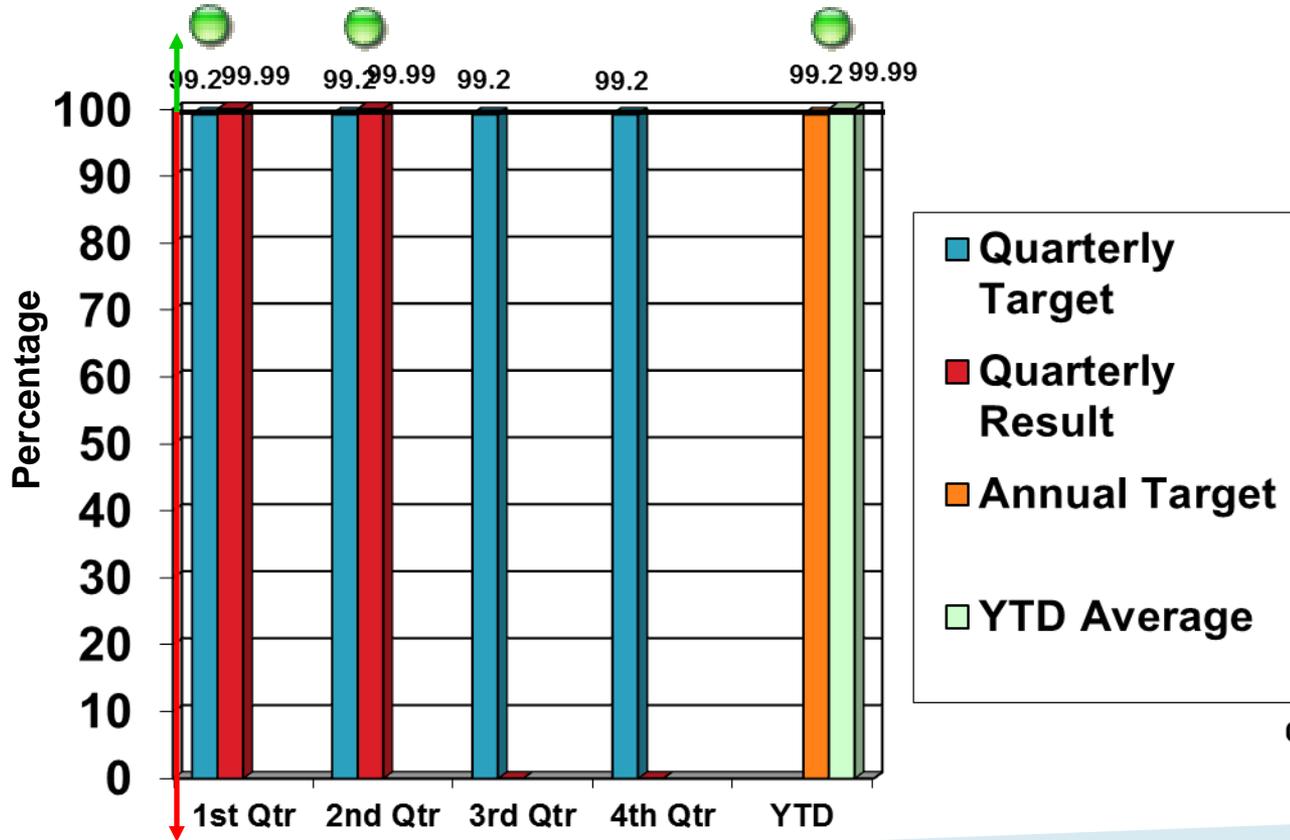
Measured Once per Fiscal Year



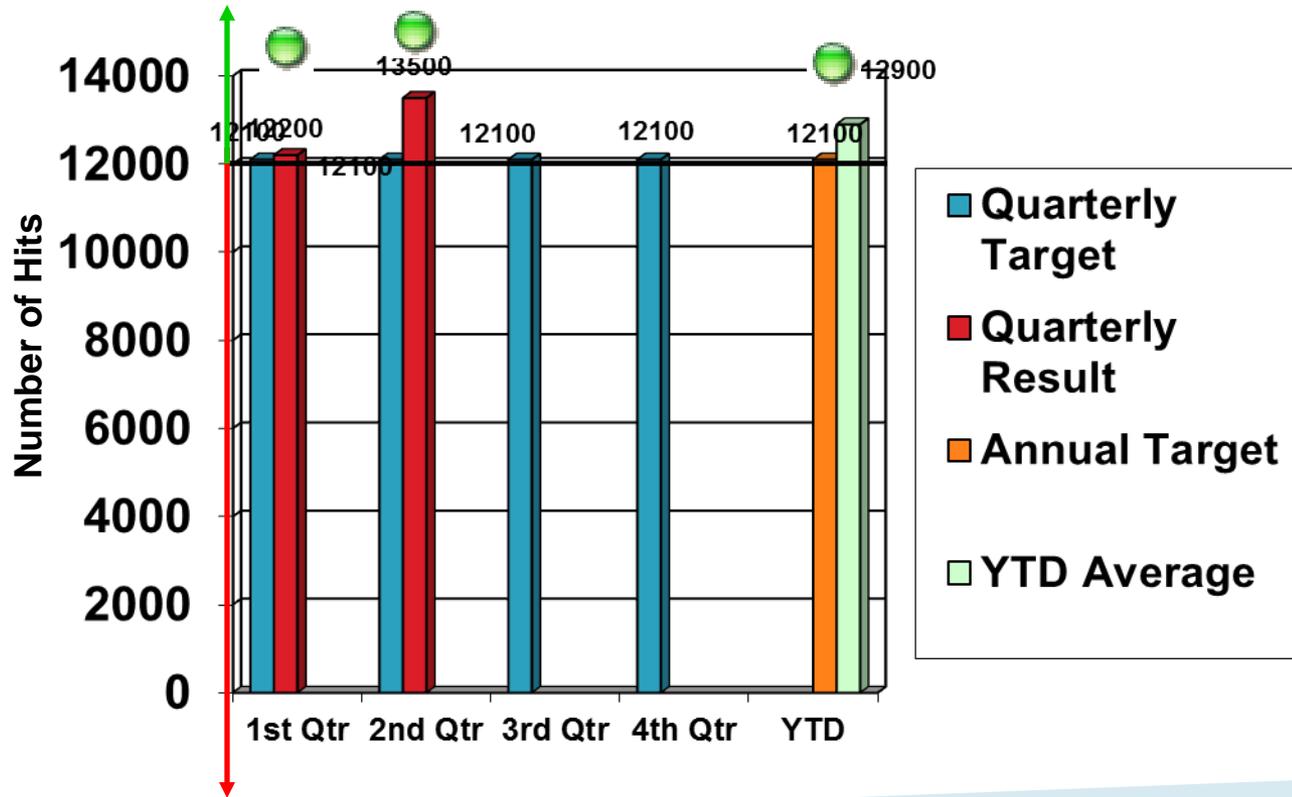
Measure 4.1.400, Customer Satisfaction with Website, is a once yearly survey that is reported on annually in the second quarter and represents the results for the given fiscal year.

Network Availability

4.3.401



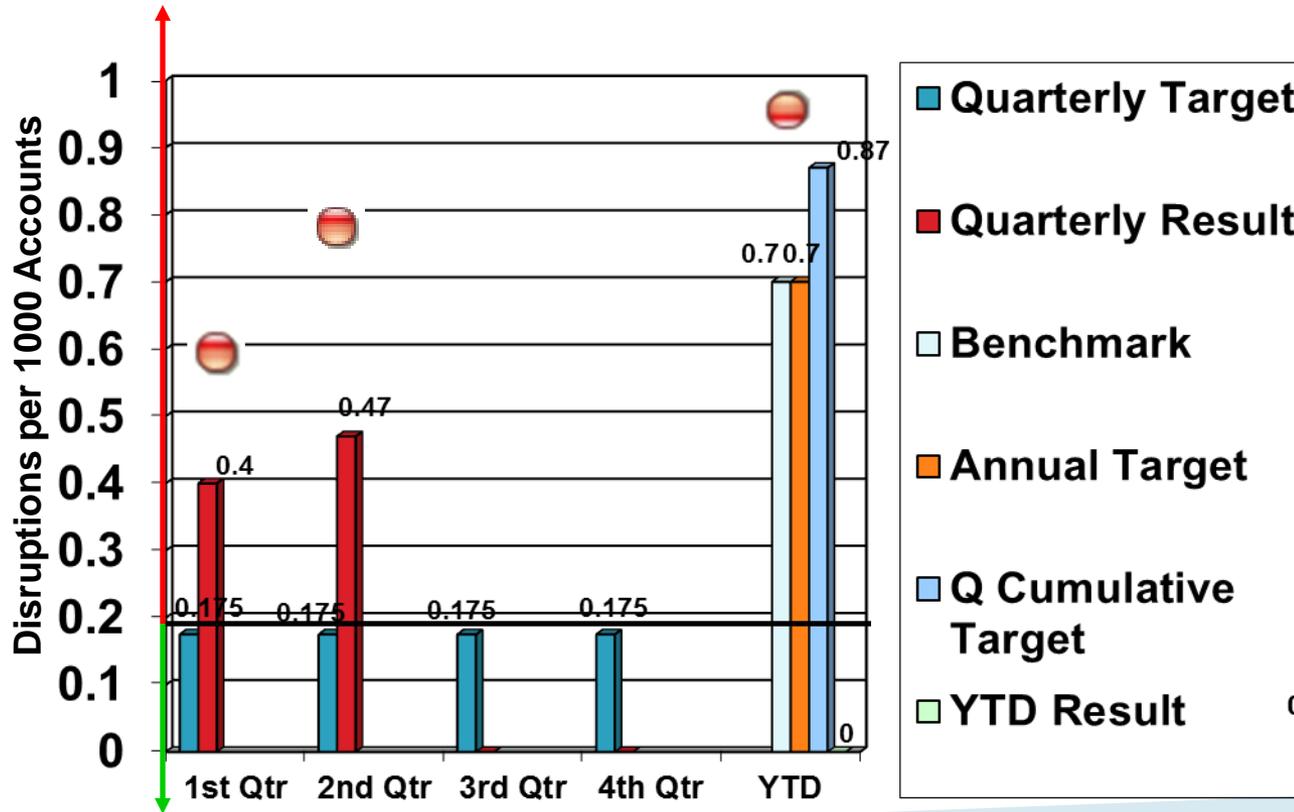
Measure 4.3.401, Network Availability, aims to be above all set targets in order to have an average of no less than 99.2% network availability per quarter in a single year.



Measure 4.4.402, Website Hits, aims to be above all set targets in order to have an average of no less than 12,100 website hits per quarter in a single year.

Unplanned Disruptions (QualServe)

5.1.500

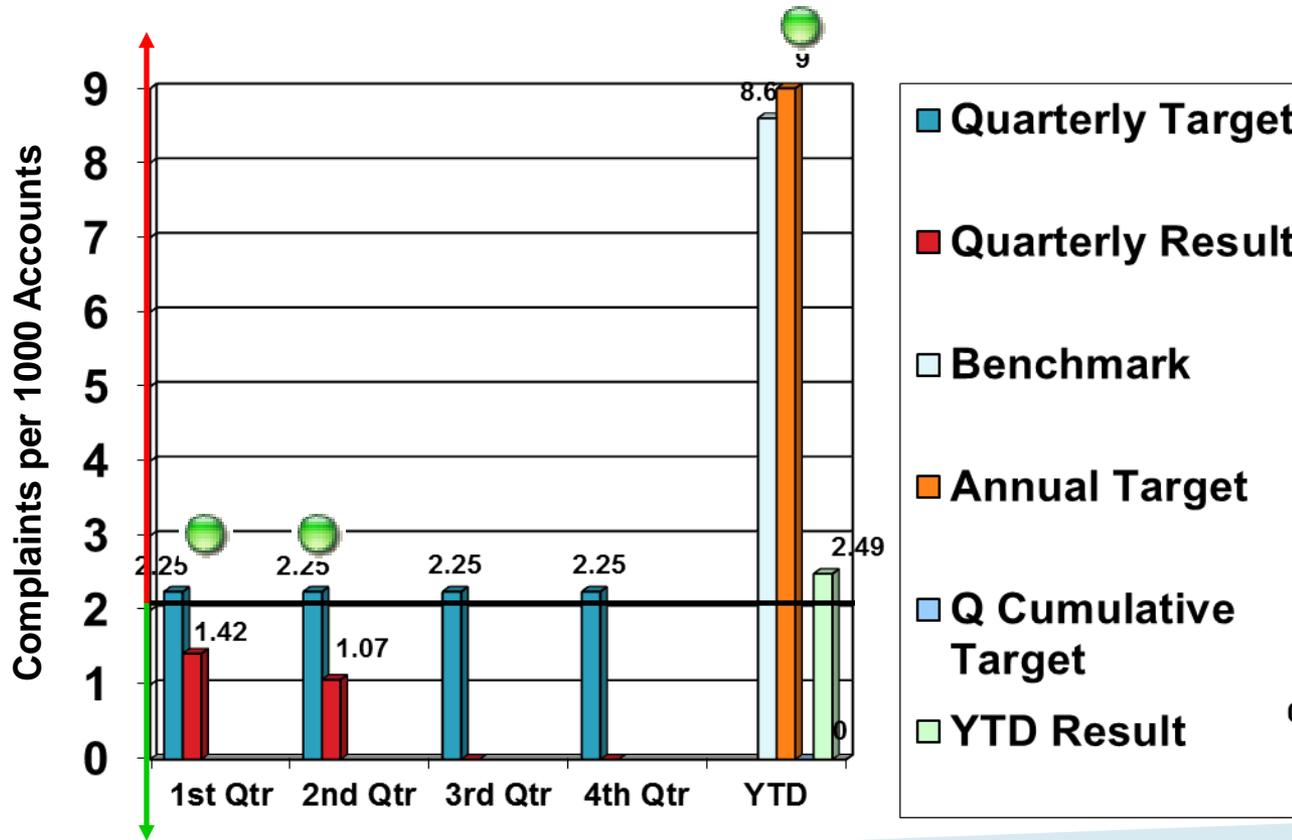


Measure 5.1.500, Unplanned Disruptions, aims to be below all set targets in order to have no more than .7 disruptions per 1000 accounts in a single year.

Note: Target is expressed as number of disruptions per 1000 accounts

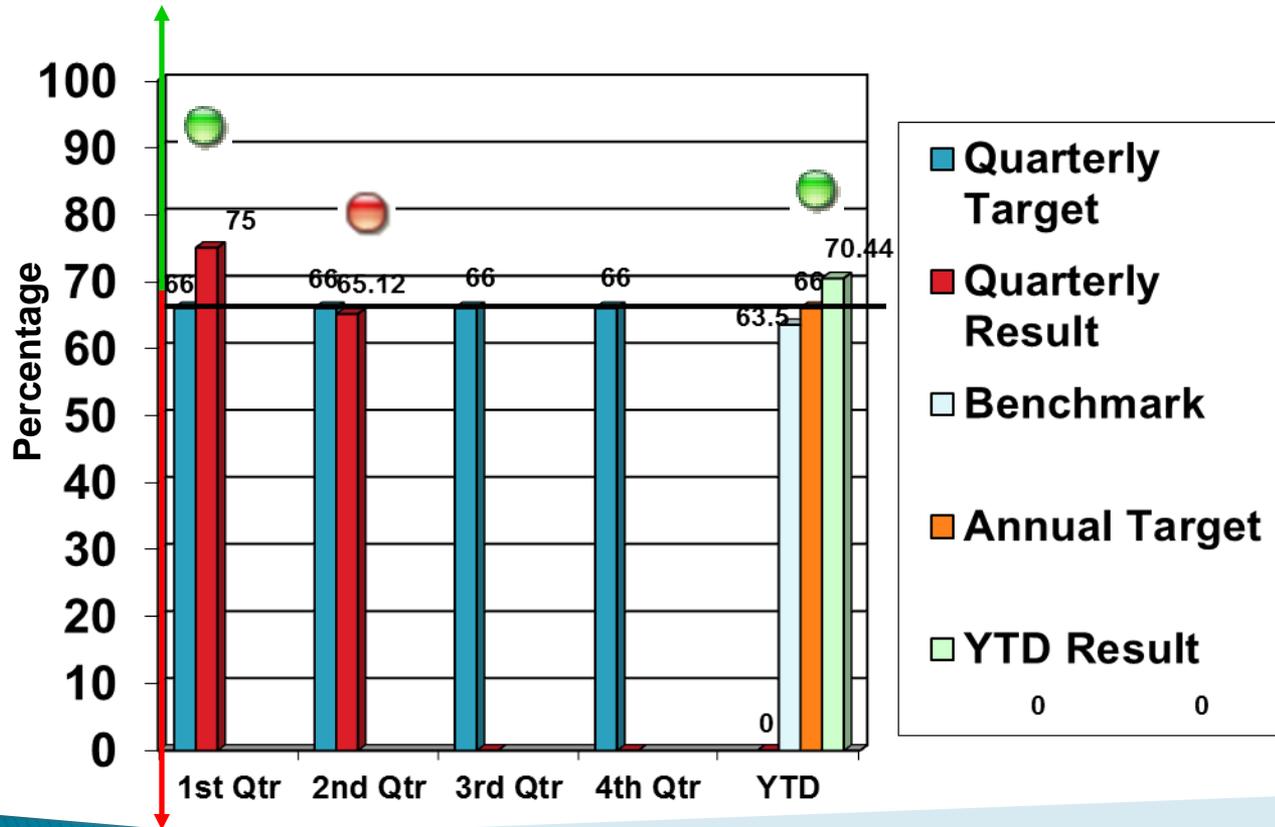
Technical Quality Complaint (QualServe)

5.1.501



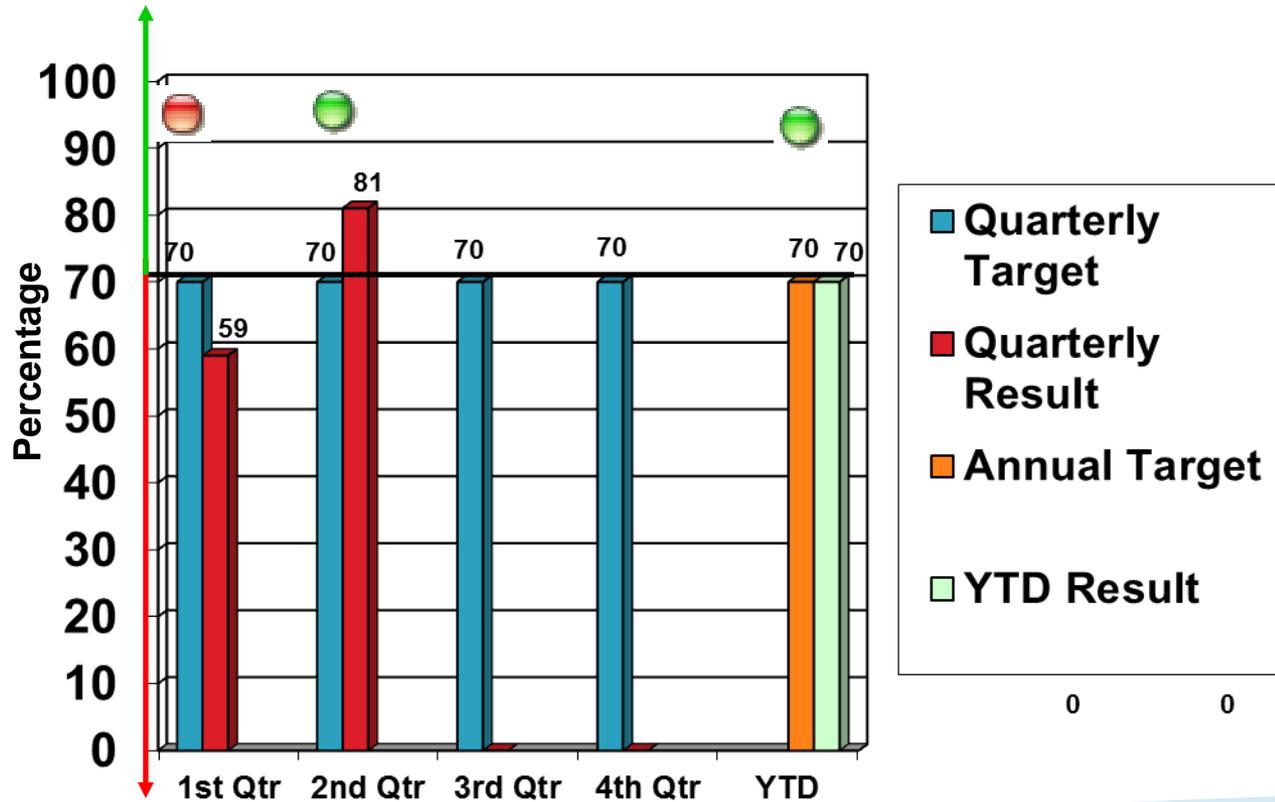
Measure 5.1.501, Technical Quality Complaint, aims to be below all set targets in order to have no more than 9 complaints per 1000 customer accounts in a single year.

Planned Potable Water Maintenance Ratio in \$ (QualServe) 5.2.502



Measure 5.2.502, Planned Drinking Water Maintenance Ratio in \$, aims to be above all set targets in order to have no less than 66% of all labor dollars spent on preventative maintenance per quarter in a single year.

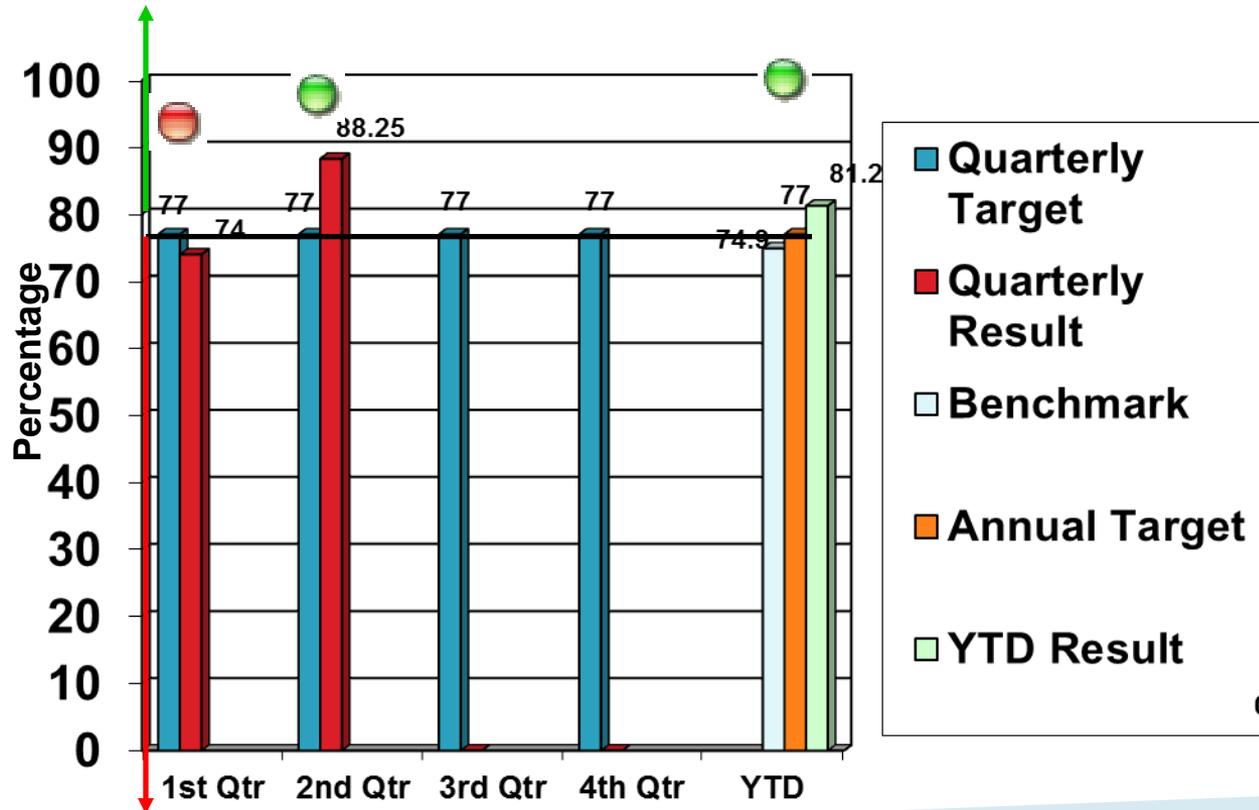
Note: Quarterly results are subject to change.



Measure 5.2.503, Planned Recycled Water Maintenance Ratio in \$, aims to be above all set targets in order to have no less than 70% of all labor dollars spent on preventative maintenance per quarter in a single year.

Note: Quarterly results are subject to change.

Planned Wastewater Maintenance Ratio in \$ (QualServe) 5.2.504

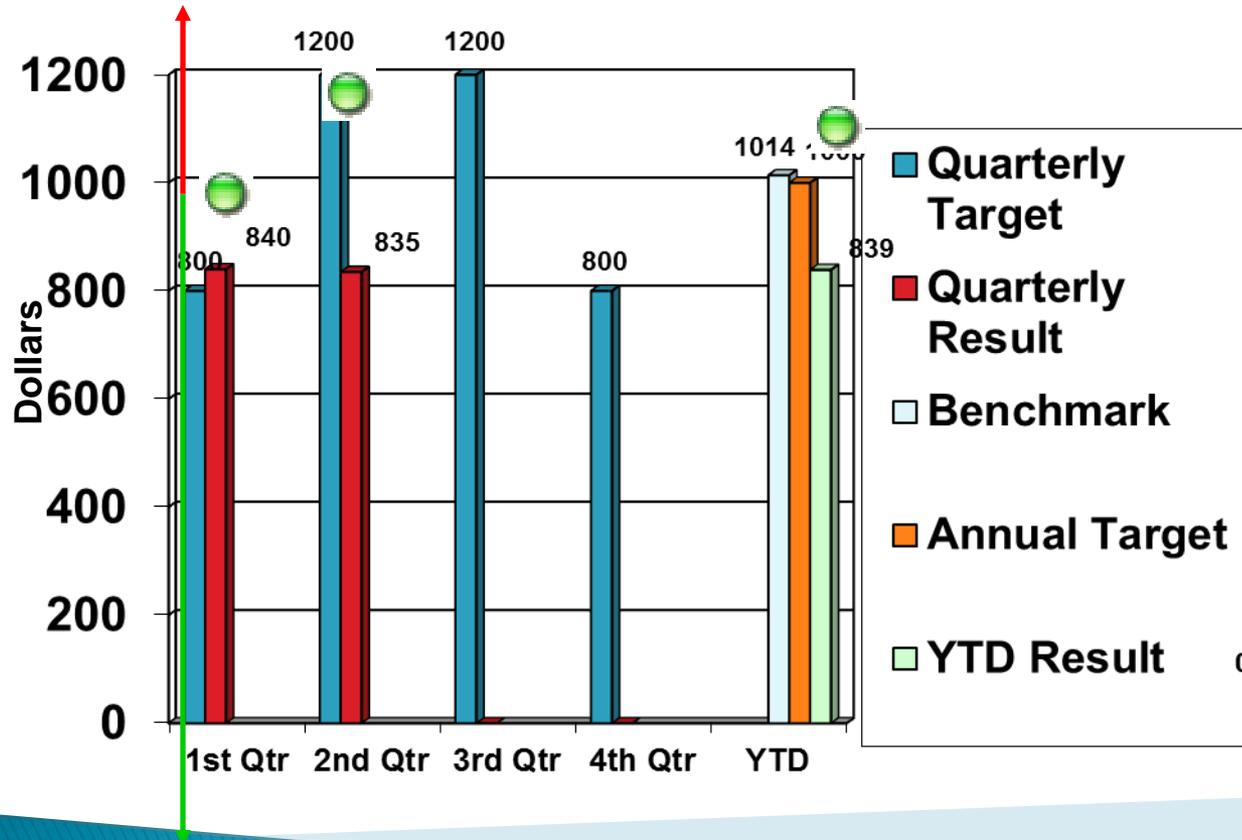


Measure 5.2.504, Planned Wastewater Maintenance Ratio in \$, aims to be above all set targets in order to have no less than 77% of all labor dollars spent on preventative maintenance per quarter in a single year.

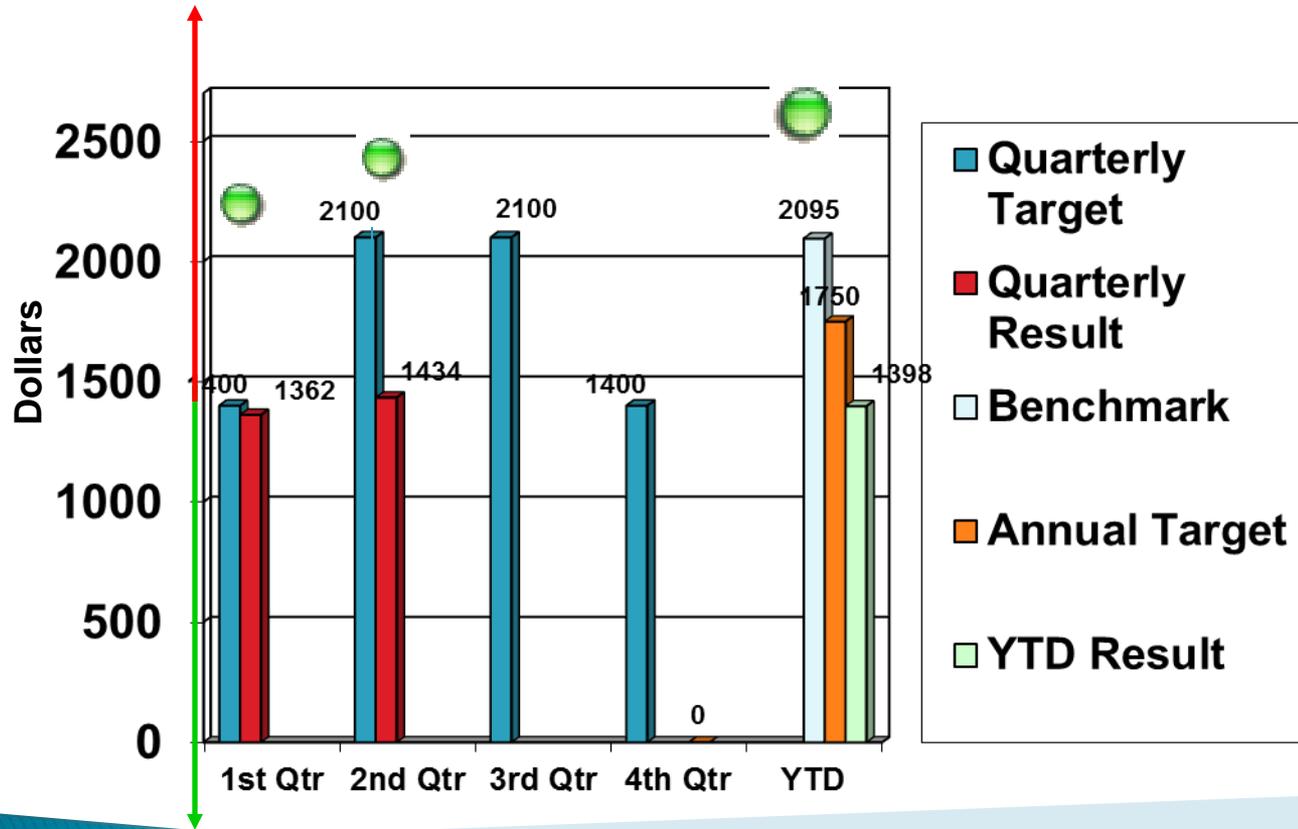
Note: Quarterly results are subject to change.

Direct Cost of Treatment per MGD (QualServe)

5.2.505



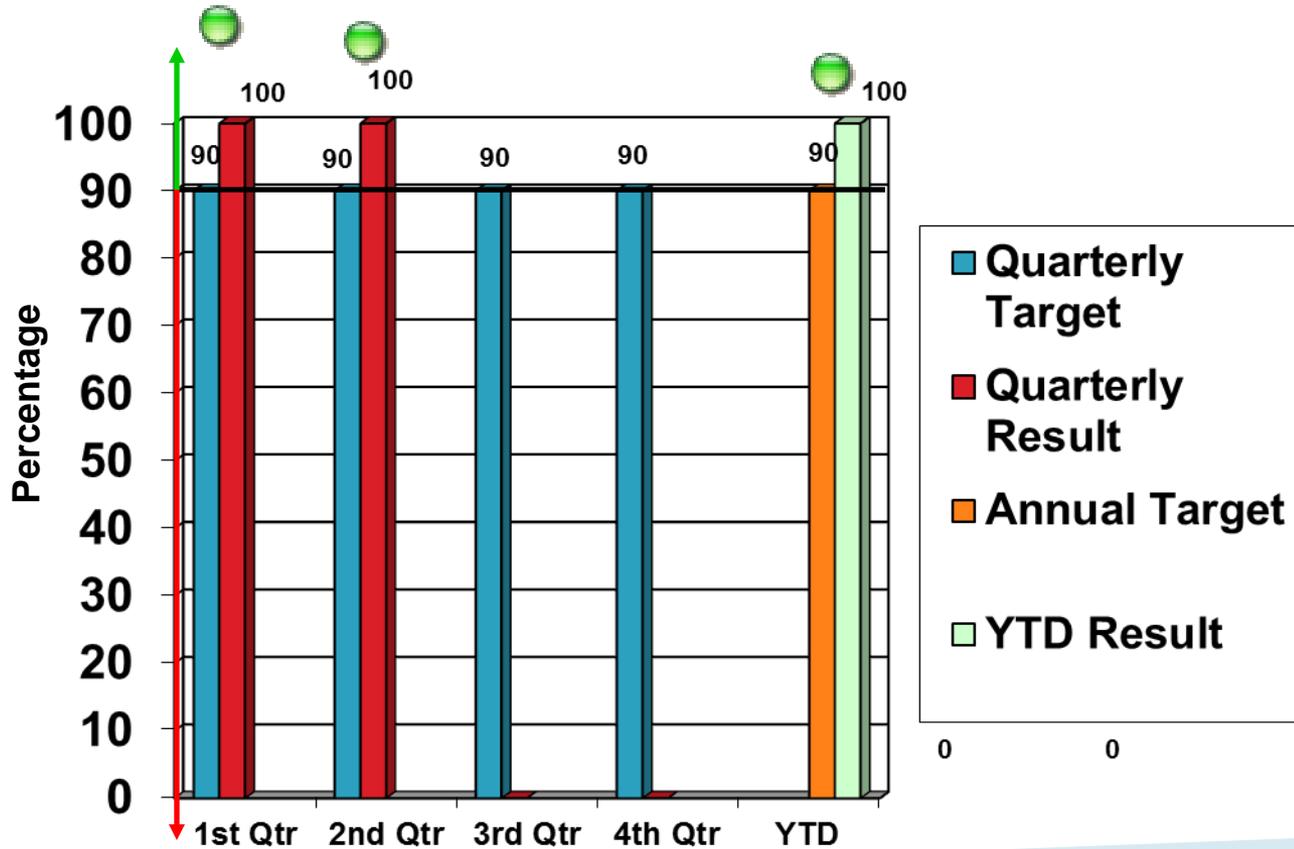
Measure 5.2.505, Direct Cost of Treatment per MGD, aims to be below all set targets in order to have no more than \$1000 per MG spent on wastewater treatment per quarter in a single year.



Measure 5.2.506, O & M Cost per MGP - wastewater, aims to be below all set targets in order to have no more than \$1750 per MG spent on O & M for wastewater treatment per quarter in a single year.

% PMs Completed – Fleet Shop

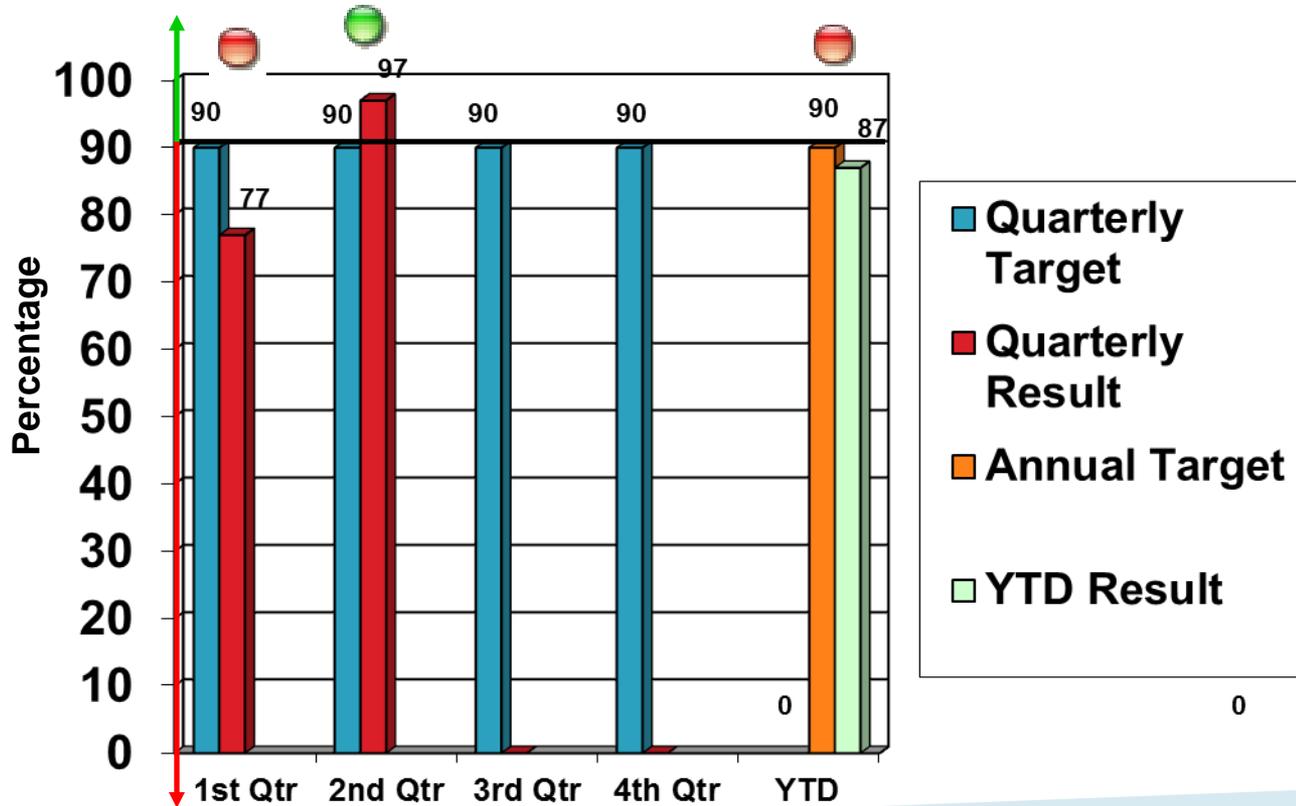
5.3.507



Measure 5.3.507, % PMs Completed – Fleet Shop, aims to be above all set targets in order to have no less than 90% of the scheduled PMs completed per quarter in a single year.

% PMs Completed – Reclamation Plant

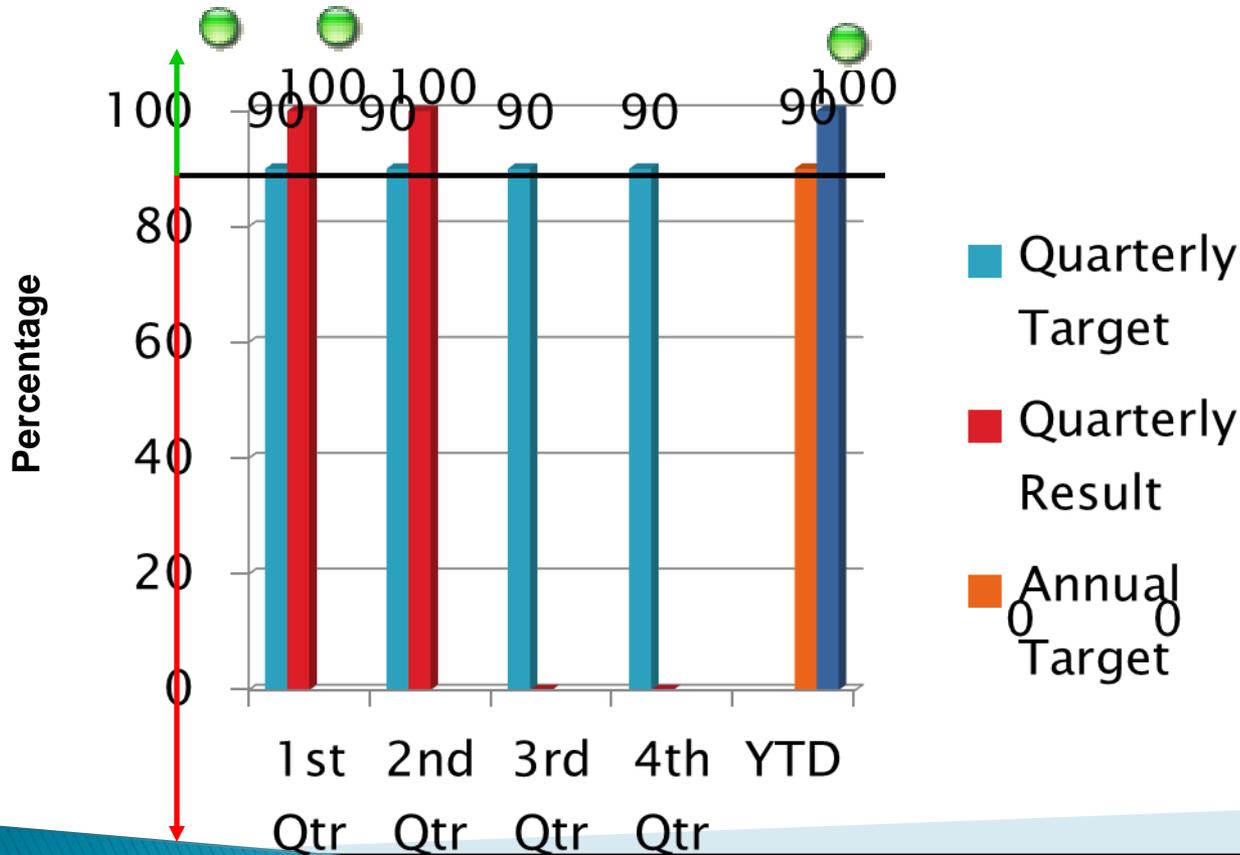
5.3.508



Measure 5.3.508, % PMs Completed – Reclamation Plant, aims to be above all set targets in order to have no less than 90% of the scheduled PMs completed per quarter in a single year.

% PMs Completed – Pump/Electric Section

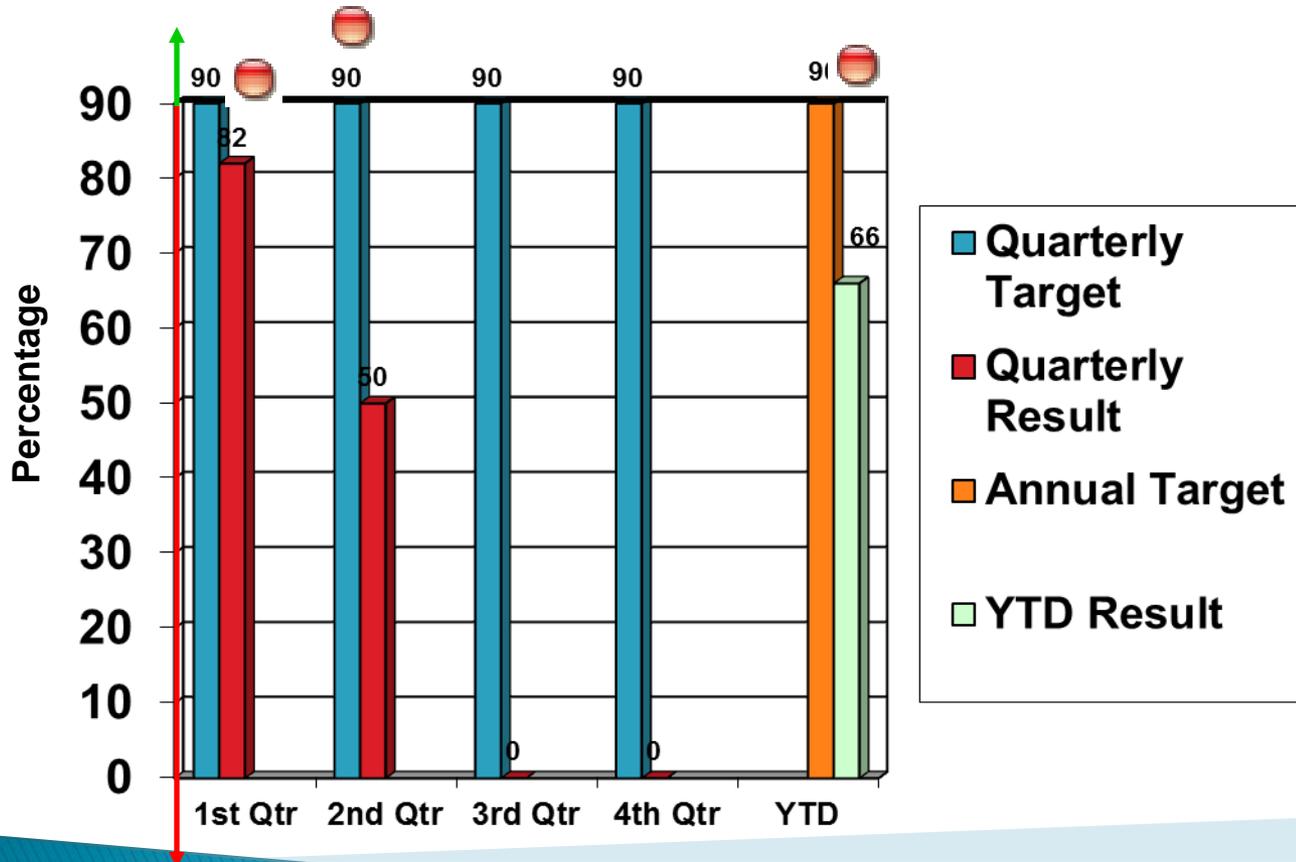
5.3.509



Measure 5.3.509, % PMs Completed – Pump/Electric Section, aims to be above all set targets in order to have no less than 90% of the scheduled PMs completed per quarter in a single year.

% PMs Completed – Valve Maintenance Program

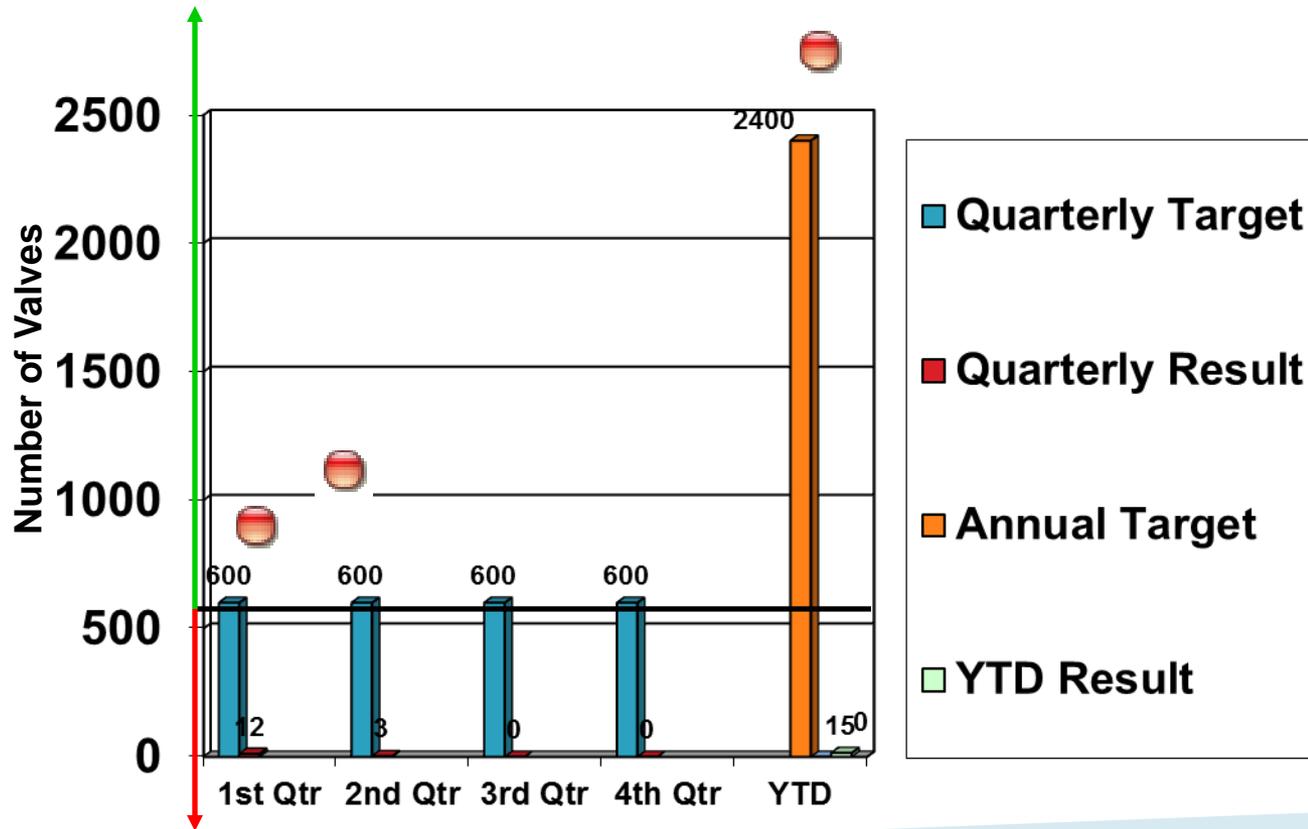
5.3.510



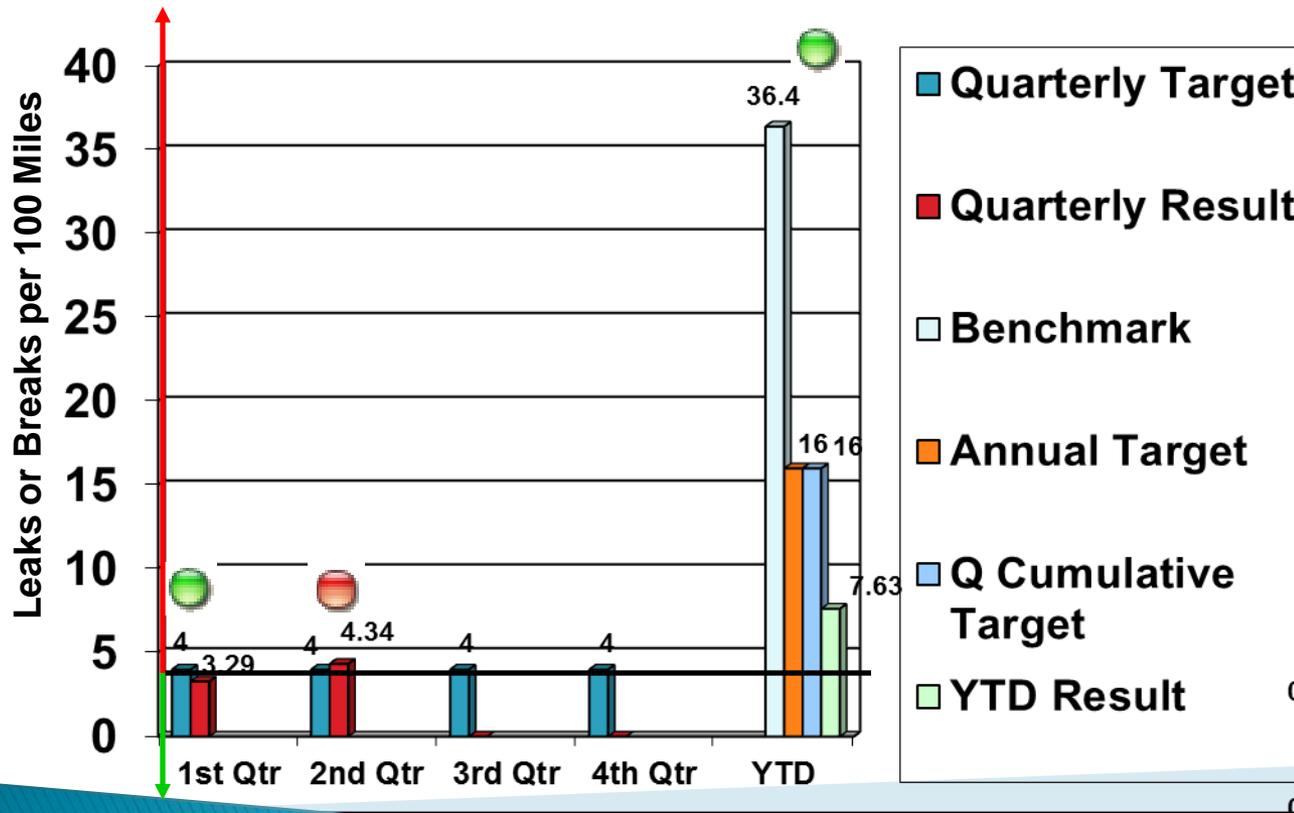
Measure 5.3.510, % PMs Completed – Valve Maintenance Program, aims to be above all set targets in order to have no less than 90% of the scheduled PMs completed per quarter in a single year.

Valve Exercising Program

5.3.511



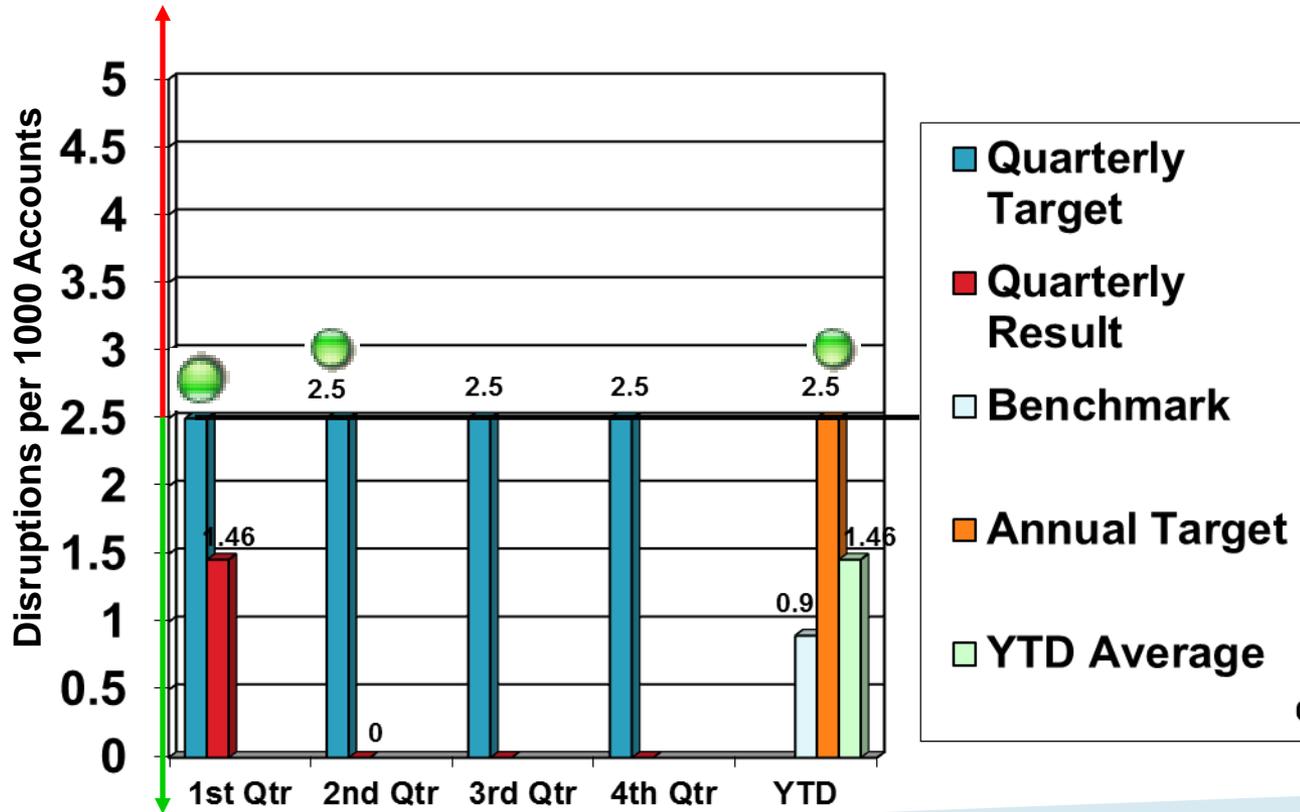
Measure 5.3.511, Valve Exercising Program, aims to be above all set targets in order to have no less than 2400 valves exercised in a single year.



Measure 5.3.512, Water Distribution System Integrity, aims to be below all set targets in order to have no more than 16 leaks and breaks per 100 miles of distribution piping in a single year.

Planned Water Service Disruption Rate (QualServe)

5.3.513

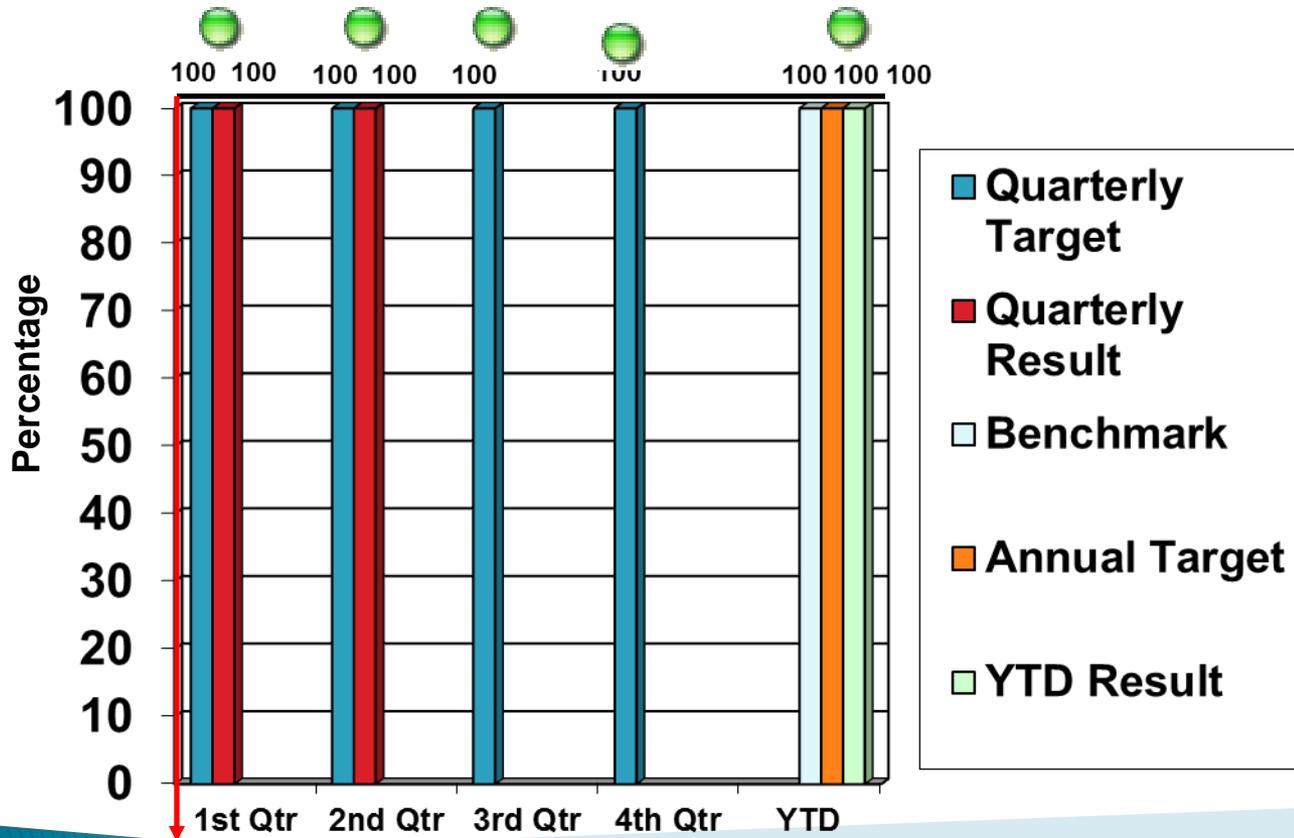


Measure 5.3.513, Planned Water Service Disruption Rate, aims to be below all set targets in order to have no more than 2.5 planned outages per 1000 accounts per quarter in a single year.

Note: This measure is expressed as number of accounts affected per 1000 accounts.

Potable Water Compliance Rate (QualServe)

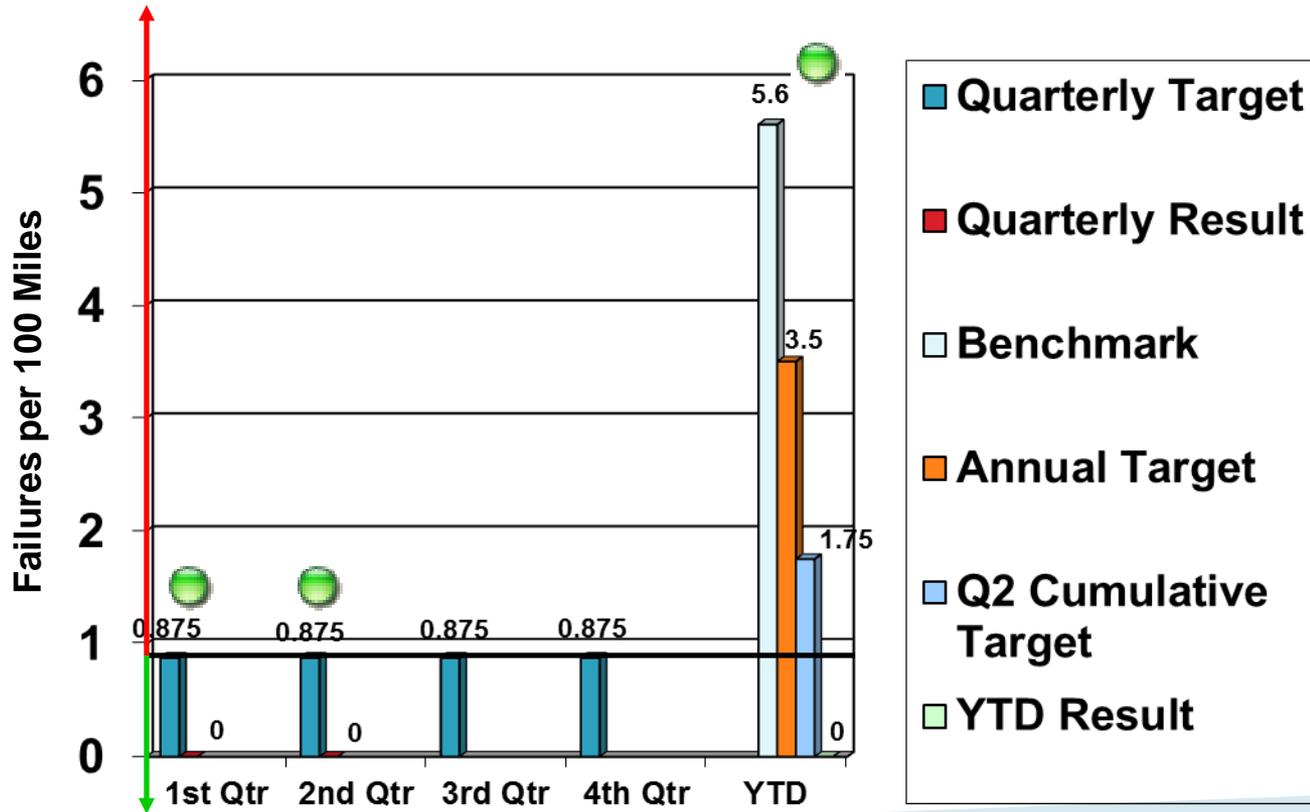
5.3.514



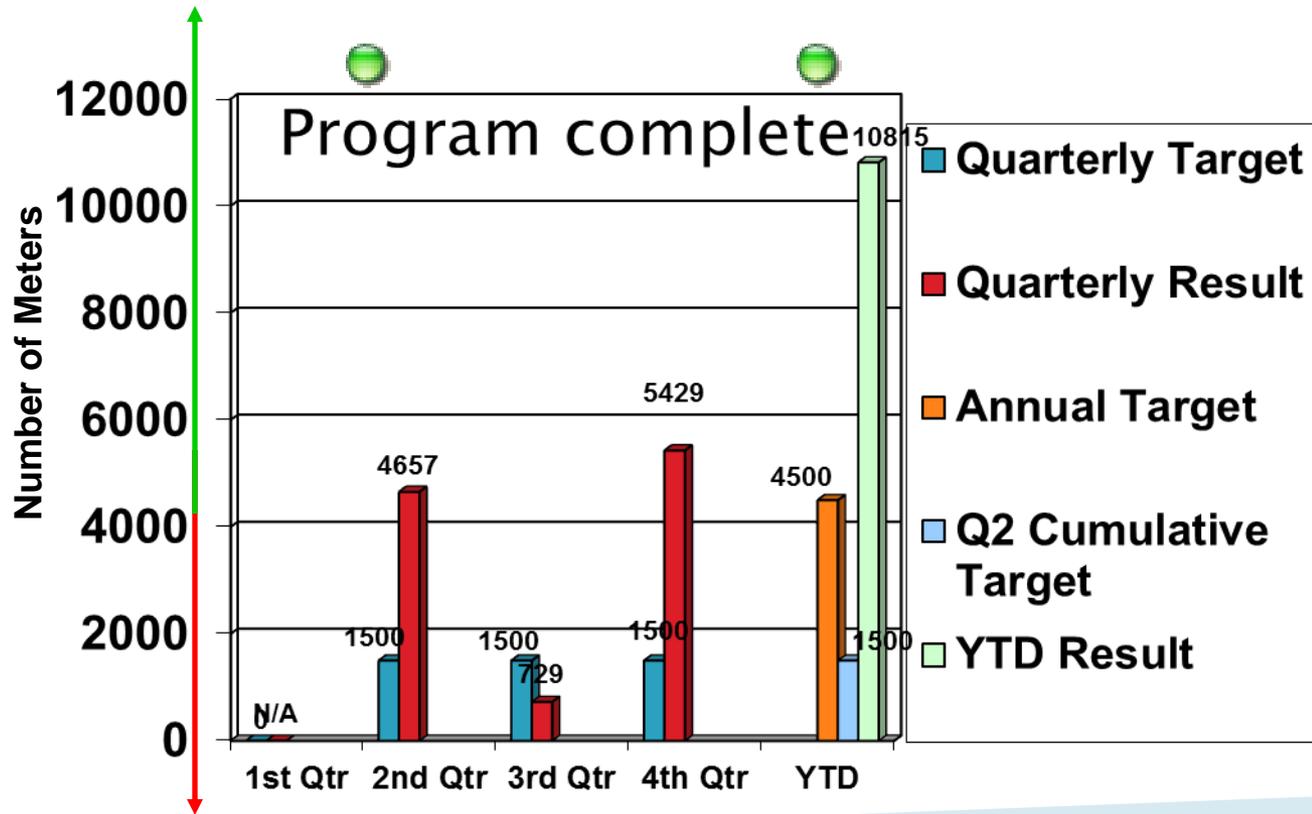
Measure 5.3.514, Drinking Water Compliance Rate, aims to be no less than 100% every quarter in order to ensure the District meets all of the health related drinking water standards everyday for a single year.

Collection System Integrity (QualServe)

5.3.515



Measure 5.3.515, Collection System Integrity, aims to be below all set targets in order to have no more than 3.5 wastewater collection system failures per 100 miles of collection system pipeline in a single year.

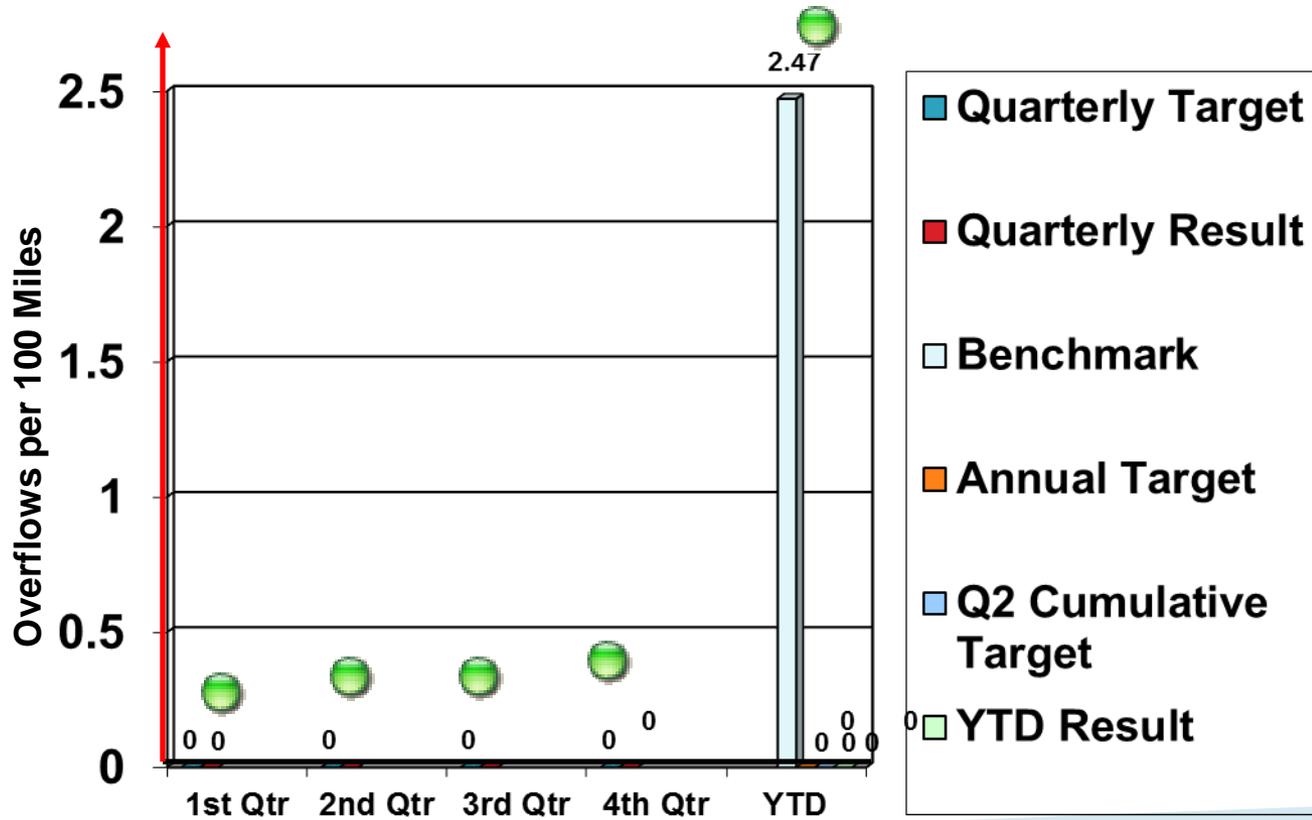


Measure 5.3.516, Replace Manual Read Meters with Automated Meters, aims to be above all set targets in order to have no less than 4500 meters replaced in a single year.

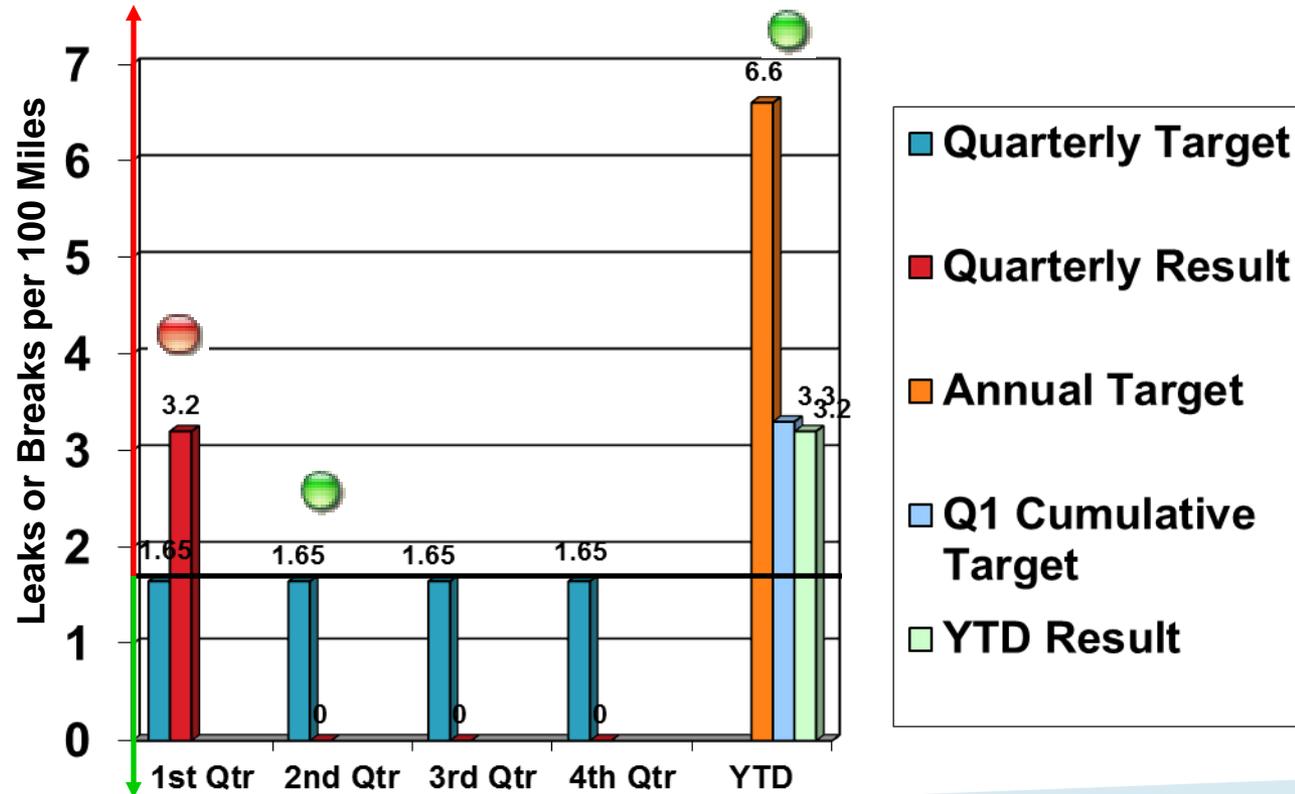
No Spills Please !

Sewer Overflow Rate (QualServe)

5.3.518



Measure 5.3.518, Sewer Overflow Rate, aims to have no overflows in a single year.



Measure 5.3.517, Recycled Water System Integrity, aims to be below all set targets in order to have no more than 6.6 leaks or breaks per 100 miles of recycled distribution system in a single year.

What's New/Next

- Board Update of FY 2014 Modifications
 - FY 2015 – 2017 Strategic Plan
- 



STAFF REPORT

TYPE		MEETING			
MEETING:	Regular Board	DATE:	April 3, 2013		
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:

- Rosarito Desalination Pilot Plant Tour:** On March 22nd, 2013 Otay Water District Board President Lopez, Director Gonzalez, Director Robak, General Manager Watton and District staff toured NSC Agua's pilot plant at the Presidente Juárez power plant in Rosarito Mexico. Doosan Heavy Industries and Construction built the pilot plant on the power plant site to do the initial testing of pre-treatment methods of the feed water as an important step in the design of the pre-treatment system and the entire Reverse Osmosis system. The group also visited the adjacent property NSC Agua has secured for the desalination plant.
- Proctor Valley Road (Planned Service Outage):** Operations will be upgrading an existing 12-inch potable water pipeline located on Proctor Valley Road. To perform the upgrades, a planned one-day service outage is scheduled for April 10th, 2013, between 8:00 a.m. and 8:00 p.m. The outage will affect 50 homes on Proctor Valley Road between Pioneer Way and the Proctor Valley/Melody Lane transition. A letter advising residents of the one-day outage is being sent to those customers affected by the system upgrades.

ADMINISTRATIVE SERVICES:

Water Conservation and School Education:

- Turfgrass Replacement Program** - The first residential and commercial District applicants for the CWA's Water Smart Turf Replacement Program have been processed through the

application/qualifying standards review phase. The CWA turf removal program provides \$1.50 per square foot with a maximum rebate of \$3,000 for residential sites and \$9,000 for commercial sites.

- District Landscape Contest - The deadline for the District's 10th annual residential landscape contest is April 5th. The Best in District Landscape Contest Winner will be acknowledged at an awards ceremony on May 18th at the Water Conservation Garden. The District is one of ten participating water agencies sponsoring a landscape contest for their respective service area that includes Cal American, San Diego, Helix, Olivenhain, Padre, San Dieguito, Sweetwater, Vallecitos, and Vista.
- Spring Garden Festival - The 20th Garden Festival at the Water Conservation Festival is scheduled for Saturday, April 27th. The theme for the festival is urban farming with an emphasis on edible, sustainable options for urban dwellers. The District will be sharing a water agency booth with the San Diego Water Utilities Department, Helix Water District and Sweetwater Authority.
- Upcoming Events:
 - o JPIC/Conservation Coordinators Meeting: Tuesday, April 2, 2013 at the CWA
 - o Conservation Action Committee: Monday, April 8, 2013 at the CWA
 - o Spring Garden Festival: Saturday, April 27, 2013 at the Water Conservation Garden
 - o Landscape Contest Awards Ceremony: Saturday, May 18, 2013 at the Water Conservation Garden

Human Resources:

- Budget Preparation for Fiscal Year 13-14 - HR gathered and reviewed new personnel, reclassifications, and change requests for FY 13-14.
- Medical Insurance Summary Plan Documents (SPD) - HR received and distributed new Summary Plan Booklets for our medical insurance plans to all active participants in order to be in compliance.
- Recruitments/New Hires - HR is currently preparing to recruit for the positions of Safety and Security Administrator, Construction Inspector II, Sr. Civil Engineer, Equipment Mechanic I/II, and Water System Operator I/II/III.

- New Hires/Promotions - There were no new hires in the month of March. There was one promotion from Sr. Civil Engineer to Engineering Manager and one department transfer from Equipment Mechanic II to Water System Operator I.

Purchasing and Facilities:

- Purchase Orders - There were 52 purchase orders processed in March 2013 for a total of \$190,001.82.

INFORMATION TECHNOLOGY AND STRATEGIC PLANNING:

- Migration of Otay Website - IT staff successfully conducted a hosted website proof of concept during the month of February. The objective of this service migration is to run Otay's website with a hosted service provider and no longer operate internally. The benefits include enhanced security, enhanced business continuity, since it is in the cloud, and overall lower cost of ownership. We expect the Otay website to be completely migrated by March 27th. Users of Otay's website should not experience or see any differences.
- Publishing of Cityworks Integration RFP - IT staff is preparing to reach out to a number of qualified Azteca Cityworks integration partners. Staff has been conducting meet & greet sessions with a number of integration partners, and in parallel have been building the Integration RFP. Cityworks is a computerized work order management system that will be replacing the District's legacy system. Upon the publishing of this RFP, 45 days will be given to proposers to ready and present their response. A cross-functional selection panel for eventual board award recommendation will review the top 3-5 proposals.
- POSM Server Project - IT staff have been working with the Operations and Engineering groups to leverage POSM's field CCTV video collection technology. The first phase was the deployment of the field van with the built in CCTV technology and POSM computer solution. In the second phase, the GIS team installed the POSM "server" component, which is to maximize the data being collected. The server component will further consolidate field pipeline condition data and seamlessly export this information for administrative and planning use by Engineering, Operations, GIS and other groups at Otay. It is expected that the collaboration via the use of this solution will yield many cost and efficiency benefits, including aiding the District's Asset Management Program.

FINANCE:

- Meter Reading Efficiency - Staff has implemented a new automated process to replace the current manual process for reading and processing final meter reads on terminated accounts. This new procedure allows Meter Readers to use the AMR system to drive-by and collect final reads. Once the final reads have been collected, the automated process updates all terminated accounts. This new process saves the meter reading staff approximately two to three hours per day.
- 2004 Certificates of Participation (COPS) Refinancing - Staff is working with the financial advisor and bond counsel on the bond refinancing. Staff has been updating various financial schedules and tables that will be needed to complete the Official Statement.
- FY 2014 Budget and Rate Model - In March, staff began the review of the Admin & Materials and CIP budgets with the General Manager. Upon approval of these budgets, staff will begin to load the Rate Model the following week and start the external collection of data from providers such as CWA, MWD, Metro, SDGE, etc. The Rate Model will be ready for analysis in April and will be presented to the Board at the Special Board Budget Workshop on May 14th.
- 2013 OPEB Actuarial Valuation - Staff has issued Requests for Proposals (RFPs) from Actuaries for preparation of the June 30, 2013 actuarial valuation of the District's OPEB plan. The District is required to have an actuarial valuation performed every 2 years. The last valuation was performed as of June 30, 2011.
- Billing Services RFP - Customer Service, Finance and IT staff are working on an RFP to provide bill print, online and phone payments, and credit card processing services. Otay's current contract with Infosend expires on June 30, 2013 and staff would like to explore the option of consolidating services currently outsourced to multiple vendors.
- Financial Reporting:
 - For the eight months ended February 28, 2013, there are total revenues of \$54,391,771 and total expenses of \$53,824,636. The revenues exceeded expenses by \$567,135.
 - The market value shown in the Portfolio Summary and in the Investment Portfolio Details as of February 28, 2013 total \$81,691,221.72 with an average yield to maturity of 0.404%. The total earnings year-to-date are \$250,837.67.

ENGINEERING AND WATER OPERATIONS:

Engineering:

- **711-1 Pump Station:** In September 2011, District staff completed the installation of five (5) new pumps and motors on the 711-1 Pump Station in Chula Vista. This Pump Station has had a history of cavitation and vibration problems. Staff determined that by lowering the output of the station it would not only correct the problem, but still provide the ability to meet the demands of the system for the next ten plus years. Recently, an analysis was performed by Pump Check on the performance of the station, and in summary, the District is saving enough energy to power 28.5 households a year and has reduced its carbon footprint by 204.9 tons annually. At \$0.13 per kWh, that is a \$38,884 savings per year.
- **Rancho del Rey Groundwater Well Development:** This project consists of a new brackish ground water source, production well, and treatment plant to provide approximately 600 AFY potable water. This project will be placed on hold after staff completes the design phase including permitting and agreements to facilitate continuing the project in the future. Staff is currently working with the Consultant (Tetra Tech) to complete the design, the City of Chula Vista and City of San Diego related to the sewer connection, and the Regional Water Quality Control Board concerning the storm drain connection and applying to the Bureau of Reclamation for funding. (P2434)
- **North District - South District Interconnection System:** This project consists of installing approximately 5.2 miles of 30-inch diameter pipe from H Street in Chula Vista to Paradise Valley Road in Spring Valley. County Supervisor Greg Cox's office is still hopeful that they can facilitate a compromise between the District, CWA, and Mr. Warner for a Proctor Valley Road alignment; however, a meeting will be set up with Supervisor Cox to discuss opportunities (e.g., trail, street improvements) for the District to mitigate community impacts associated with the Corral Canyon Road Alignment. (P2511)
- **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 Contractor, Sepulveda Construction, has installed approximately 2,200 linear-feet of pipe and has completed the tie-ins. Work on the project is approximately 93% complete. Remaining work on the project includes the completion of curb and gutter replacement and final paving. A contract Change Order that

addresses utility conflicts, unanticipated soils conditions, an additional butterfly valve, along with a request for additional funds, was approved at the March 2013 Board Meeting. Construction is substantially completed. (P2514)

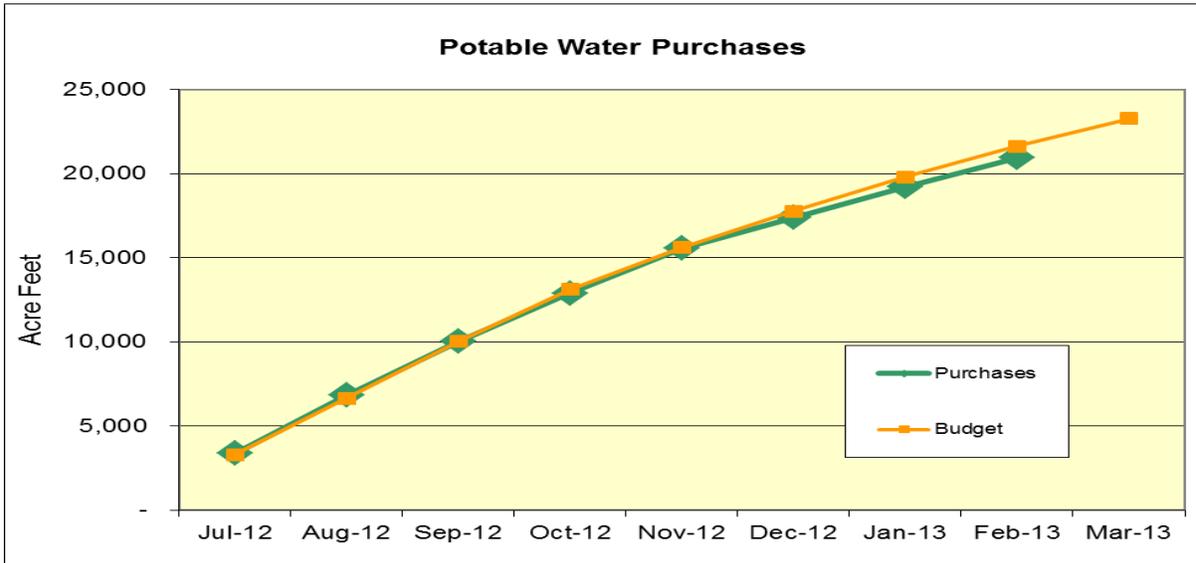
- **944-1R Recycled Water Pump Station Upgrades and System Enhancement:** This project consists of the installation of a new pump, reconfiguration of the suction header piping, upgrades to the instrumentation, SCADA system, and equipment at the 944-1R pump station. The project also includes the installation of three (3) Pressure Reducing Stations (PRS) on Olympic Parkway, Eastlake Parkway, and Otay Lakes Road. Notice of Substantial Completion was issued for the project as of August 3, 2012. The Contractor, Sepulveda Construction, submitted several Change Order requests subsequent to the Notice of Substantial Completion. The Contractor's notification of these Change Order requests to the District is considered untimely, considering the notification came after the work was completed, however, they also have merit. Staff met with Sepulveda Construction on March 19, 2013 and is currently evaluating these requests to determine the amount of entitlement for the submitted requests. Staff will submit a budget increase to cover the amount of the change order after negotiations are completed and finally accepted. (R2091)
- **Avocado, Louisa, Calavo, Challenge, Hidden Mesa Sanitary Sewer Replacement:** This project consists of replacing approximately 4,500 linear-feet of sewer pipeline in Avocado Boulevard and neighboring residential streets. Work is ongoing in Avocado Boulevard by Garcia Juarez Construction. Work to construct sewer crossings across Avocado Boulevard was recently completed and work to construct the diversion vault has begun. Overall work on the project is 85% complete. Project is within budget and anticipated to be complete in May 2013. (S2019, S2020, S2022, S2026)
- **624-1 Reservoir Cover Replacement:** This project consists of replacing the floating cover on the 624-1 Reservoir. The existing cover is at the end of its useful life and in need of replacement. The Notice to Proceed for the project was issued on November 16, 2012 and demolition of the existing cover began in January 2013. During the work to clean the existing reservoir liner it was noticed that a thin layer began to peel from the liner surface. After further investigation, it was determined that the liner was also in need of replacement. A contract Change Order to construct a new liner and a request for additional funds was approved at the March Board Meeting. Staff is working with legal counsel and the manufacturing company in determining warranty issues. Project is within budget and construction is anticipated to be complete in June 2013. (P2477)

- 12-Inch Potable Water Pipeline, East Orange Avenue, I-805 Crossing:** This project consists of the installation of approximately 1,915 linear-feet of 12-inch steel and PVC pipe along with the associated appurtenances from the intersection of Melrose Avenue and Orange Avenue, east across the I-805 overpass, to the intersection of Olympic Parkway and Oleander Avenue in Chula Vista. This new pipeline is needed to meet fire flow requirements while Caltrans reconstructs the Palomar Bridge overpass, which contains a 10-inch pipeline that will be temporarily out of service. The Contractor, Basile Construction, has completed potholing the final utility crossings along the alignment, and will begin work inside the bridge in early April 2013. Project is within budget, and anticipated to be complete in August 2013. (P2513)
- 803-3 & 832-2 Reservoirs Interior/Exterior Coatings and Upgrades:** This project consists of removing and replacing the interior and exterior coatings of the 2.0 MG 803-3 Reservoir and the 2.0 MG 832-2 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. The Board awarded a construction contract to Advanced Industrial Services (AIS) at the February Board Meeting. The Contractor mobilized to the 803-3 Reservoir on March 4, 2013 and work to blast the exterior has begun. Project is within budget and anticipated to be complete in August 2013. (P2518 & P2519)
- For the month of February 2013, the District sold 23 meters (28 EDUs) generating \$249,883.48 in revenue. Projection for this period was 27.6 meters (36.6 EDUs) with budgeted revenue of \$331,005. Total revenue for Fiscal Year 2013 through February 2013 is \$2,040,380 against the annual budget of \$3,972,064.
- The following table summarizes Engineering's project purchases issued during the period of February 21, 2012 through March 19, 2013 that were within staff signatory authority:

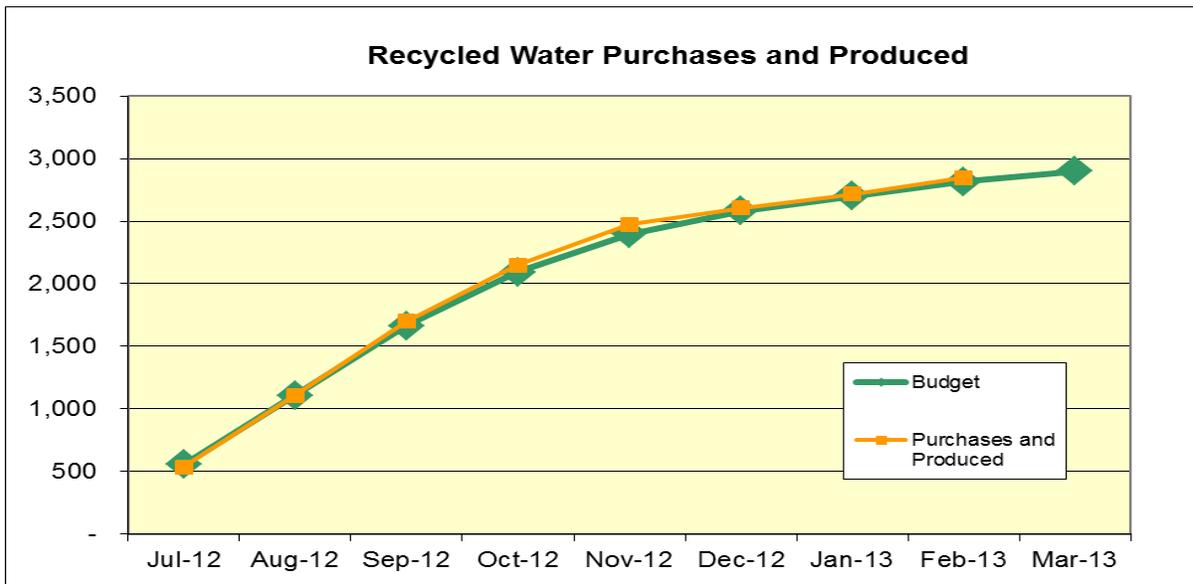
Date	Action	Amount	Contractor/ Consultant	Project
2/26/13	Check Request	\$4,832.50	Marston+Marston	Rosarito Desalination Plant (P2451)
3/19/13	P.O.	\$5,485	CSI Services	624-2 Reservoir & 458-2 Reservoir (P2493 & P2535)

Water Operations:

- Total number of potable water meters is 48,955.
- The February potable water purchases were 1,739.3 acre-feet which is 4.7% below the budget of 1,824.9 acre-feet. The cumulative purchases through February is 20,943.6, acre-feet which is 3.2% below the cumulative budget of 21,631.6 acre-feet.



- The February recycled water purchases and production was 132.3 acre-feet which is 12.8% above the budget of 117.3 acre-feet. The cumulative production and purchases through February is 2,847.1 acre-feet which is 1.1% above the cumulative budget of 2,817.1 acre-feet.



- Recycled water consumption for the month of February is as follows:
 - Total consumption was 126.8 acre-feet or 41,303,812 gallons and the average daily consumption was 1,475,136 gallons per day.
 - Total recycled water consumption as of October for FY 2013 is 2914.9 acre-feet.
 - Total number of recycled water meters is 704.

- Wastewater flows for the month of February were as follows:
 - Total basin flow, gallons per day: 1,720,260.
 - Spring Valley Sanitation District Flow to Metro, gallons per day: 569,471.
 - Total Otay flow, gallons per day: 1,149,522.
 - Flow Processed at the Ralph W. Chapman Water Recycling Facility, gallons per day: 916,782.
 - Flow to Metro from Otay Water District, gallons per day: 234,008.

- By the end of January there were 6,084 wastewater connections/EDUs.

OTAY WATER DISTRICT
COMPARATIVE BUDGET SUMMARY
 FOR EIGHT MONTHS ENDED FEBRUARY 28, 2013

	Annual Budget	YTD Actual	YTD Budget	YTD Variance	Var %
REVENUES:					
Water Sales	\$ 39,110,200	\$ 25,914,053	\$ 26,466,500	\$ (552,447)	(2.1%)
Energy Charges	1,809,500	1,366,856	1,333,500	33,356	2.5%
System Charges	10,328,400	6,627,820	6,621,800	6,020	0.1%
MWD & CWA Fixed Charges	9,705,800	6,588,078	6,540,300	47,778	0.7%
Penalties	800,500	578,351	569,700	8,651	1.5%
Total Water Sales	<u>61,754,400</u>	<u>41,075,158</u>	<u>41,531,800</u>	<u>(456,642)</u>	<u>(1.1%)</u>
Recycled Water Sales	7,702,400	5,353,007	5,412,500	(59,493)	(1.1%)
Sewer Charges	2,555,200	1,695,526	1,703,800	(8,274)	(0.5%)
Meter Fees	112,200	72,560	74,800	(2,240)	(3.0%)
Capacity Fee Revenues	1,180,600	767,251	777,100	(9,849)	(1.3%)
Betterment Fees for Maintenance	689,400	451,117	459,600	(8,483)	(1.8%)
Non-Operating Revenues	1,914,300	1,207,337	1,248,800	(41,463)	(3.3%)
Tax Revenues	3,882,600	2,114,720	2,121,100	(6,380)	(0.3%)
Interest	105,700	40,795	55,500	(14,705)	(26.5%)
Transfer from OPEB	879,500	586,300	586,300	-	0.0%
General Fund Draw Down	946,900	631,300	631,300	-	0.0%
Transfer from General Fund	595,000	396,700	396,700	-	0.0%
Total Revenues	<u>\$ 82,318,200</u>	<u>\$ 54,391,771</u>	<u>\$ 54,999,300</u>	<u>\$ (607,529)</u>	<u>(1.1%)</u>
EXPENSES:					
Potable Water Purchases	\$ 30,552,200	\$ 20,292,752	\$ 20,786,579	\$ 493,827	2.4%
Recycled Water Purchases	1,504,000	1,004,983	1,109,900	104,917	9.5%
CWA-Infrastructure Access Charge	1,818,000	1,204,920	1,204,800	(120)	(0.0%)
CWA-Customer Service Charge	1,687,800	1,113,777	1,113,400	(377)	(0.0%)
CWA-Emergency Storage Charge	4,086,000	2,636,737	2,636,400	(337)	(0.0%)
MWD-Capacity Res Charge	504,000	348,993	349,200	207	0.1%
MWD-Readiness to Serve Charge	1,610,400	1,073,140	1,073,600	460	0.0%
Subtotal Water Purchases	<u>41,762,400</u>	<u>27,675,302</u>	<u>28,273,879</u>	<u>598,577</u>	<u>2.1%</u>
Power Charges	2,368,000	1,584,484	1,608,000	23,516	1.5%
Payroll & Related Costs	18,856,200	12,378,015	12,839,378	461,363	3.6%
Material & Maintenance	3,747,900	2,377,473	2,368,033	(9,440)	(0.4%)
Administrative Expenses	4,424,900	2,461,995	2,566,858	104,863	4.1%
Legal Fees	380,000	161,468	243,333	81,865	33.6%
Expansion Reserve	3,936,000	2,624,000	2,624,000	-	0.0%
Betterment Reserve	1,120,000	746,700	746,700	-	0.0%
Replacement Reserve	743,000	495,300	495,300	-	0.0%
Transfer to Sewer Fund Reserve	595,000	396,700	396,700	-	0.0%
Transfer to General Fund Reserve	2,285,800	1,523,900	1,523,900	-	0.0%
Transfer to Sewer Replacement	2,099,000	1,399,300	1,399,300	-	0.0%
Total Expenses	<u>\$ 82,318,200</u>	<u>\$ 53,824,636</u>	<u>\$ 55,085,380</u>	<u>\$ 1,260,744</u>	<u>2.3%</u>
EXCESS REVENUES(EXPENSE)	<u>\$ -</u>	<u>\$ 567,135</u>	<u>\$ (86,080)</u>	<u>\$ 653,215</u>	

**OTAY WATER DISTRICT
INVESTMENT PORTFOLIO REVIEW
February 28, 2013**

INVESTMENT OVERVIEW & MARKET STATUS:

The federal funds rate has remained constant now for over 4 years. On December 16, 2008, at the Federal Reserve Board's regular scheduled meeting, the federal funds rate was lowered from 1.00% to "a target range of between Zero and 0.25%" in response to the nation's ongoing financial crisis, as well as banking industry pressure to ease credit and stimulate the economy. This marked the ninth reduction in a row since September 18, 2007, when the rate was 5.25%. There have been no further changes made to the federal funds rate at the Federal Reserve Board's subsequent regular scheduled meetings, the most recent of which was held on March 20, 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.."*

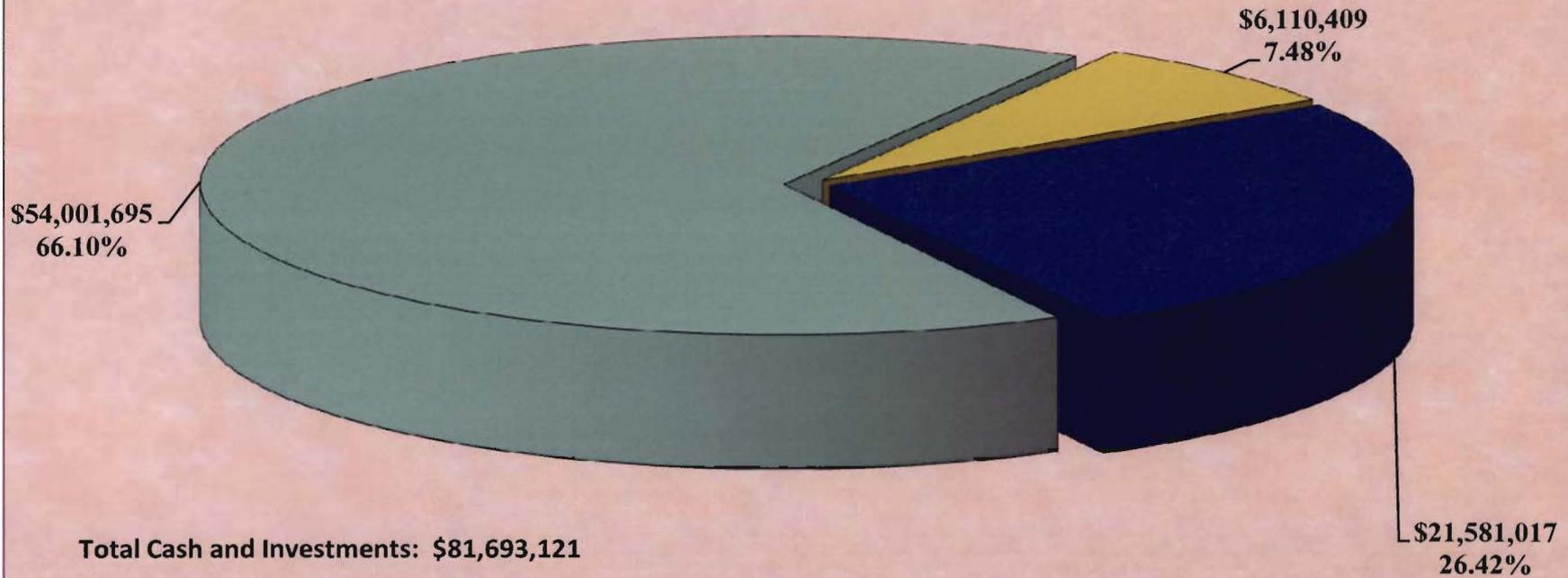
Despite the large drop in available interest rates, the District's overall effective rate of return at February 28th was 0.41%, which was 1% greater than the previous month. At the same time the LAIF return on deposits has fluctuated slightly over the last several months, reaching an average effective yield of 0.286% for the month of February 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: January 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	\$2.3 Million
8.02: Local Agency Investment Fund (Bonds)	100%	100%	4.88%
8.03: Federal Agency Issues	100%	100%	66.10%
8.04: Certificates of Deposit	30%	15%	0.10%
8.05: Short-Term Commercial Notes	25%	15%	0
8.06: Medium-Term Commercial Debt	30%	15%	0
8.07: Money Market Mutual Funds	20%	15%	0
8.08: San Diego County Pool	100%	100%	18.57%
12.0: Maximum Single Financial Institution	100%	50%	7.38%

Otay Water District Investment Portfolio: 2/28/2013



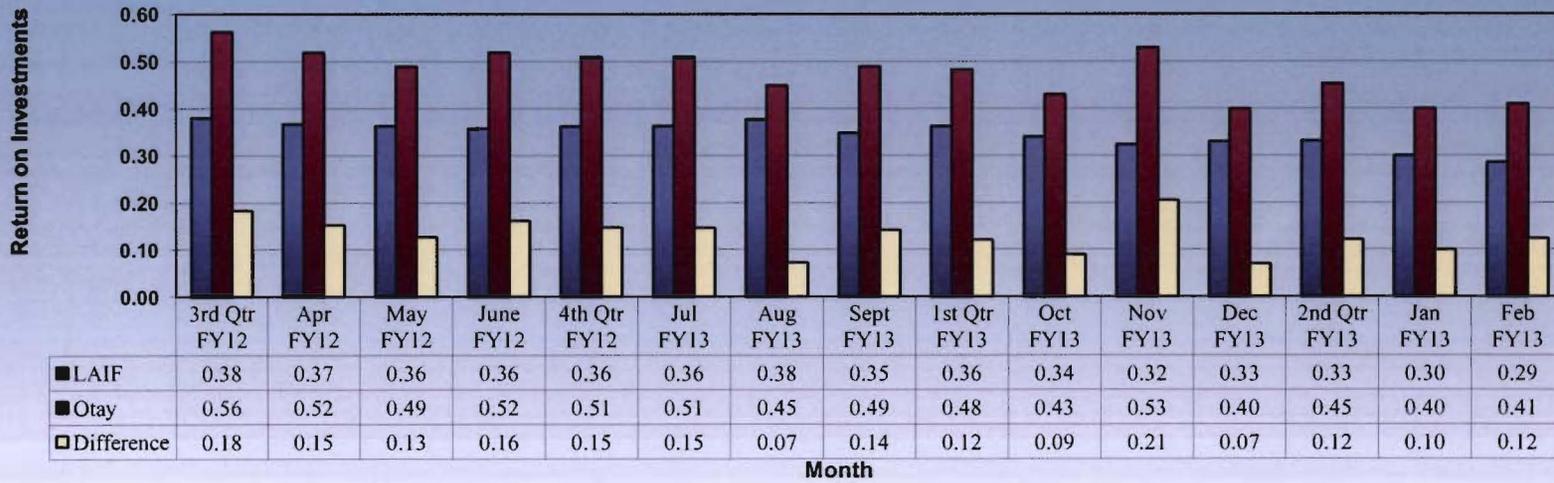
■ Banks (Passbook/Checking/CD)

■ Pools (LAIF & County)

■ Agencies & Corporate Notes

Performance Measure F-12 Return on Investment

Target: Meet or Exceed 100% of LAIF



■ LAIF ■ Otay □ Difference

OTAY
Portfolio Management
Portfolio Summary
February 28, 2013

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Federal Agency Issues- Callable	54,000,000.00	53,993,100.00	54,001,695.35	71.37	874	735	0.411	0.417
Certificates of Deposit - Bank	81,326.80	81,326.80	81,326.80	0.11	731	327	0.280	0.284
Local Agency Investment Fund (LAIF)	6,408,275.92	6,415,499.52	6,408,275.92	8.47	1	1	0.282	0.286
San Diego County Pool	15,172,740.90	15,172,213.49	15,172,740.90	20.05	1	1	0.429	0.435
Investments	75,662,343.62	75,662,139.81	75,664,038.97	100.00%	625	526	0.404	0.409
Cash								
Passbook/Checking (not included in yield calculations)	6,029,081.91	6,029,081.91	6,029,081.91		1	1	0.041	0.041
Total Cash and Investments	81,691,425.53	81,691,221.72	81,693,120.88		625	526	0.404	0.409

Total Earnings	February 28 Month Ending	Fiscal Year To Date
Current Year	26,588.22	250,837.67
Average Daily Balance	85,351,242.76	85,478,392.79
Effective Rate of Return	0.41%	0.44%

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 September 6, 2006. 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

3-21-13

OTAY
Portfolio Management
Portfolio Details - Investments
February 28, 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
Federal Agency Issues- Callable												
3135G0SQ7	2257	Fannie Mae		12/24/2012	3,000,000.00	2,999,250.00	3,000,000.00	0.400	AA	0.395	845	06/24/2015
3133EAU30	2253	Federal Farm Credit Bank		10/26/2012	3,000,000.00	3,000,000.00	2,999,015.19	0.320	AA	0.336	741	03/12/2015
3133EC2L7	2255	Federal Farm Credit Bank		11/13/2012	3,000,000.00	2,999,640.00	3,000,000.00	0.440	AA	0.434	987	11/13/2015
3133EC6F6	2258	Federal Farm Credit Bank		12/05/2012	3,000,000.00	2,998,950.00	3,000,000.00	0.350	AAA	0.345	822	06/01/2015
3133EC7H1	2260	Federal Farm Credit Bank		12/17/2012	3,000,000.00	2,995,350.00	3,000,000.00	0.340		0.335	899	08/17/2015
3133ECA61	2261	Federal Farm Credit Bank		12/18/2012	3,000,000.00	2,995,860.00	2,999,310.83	0.320		0.325	839	06/18/2015
313380SU2	2252	Federal Home Loan Bank		10/15/2012	3,000,000.00	3,000,060.00	3,000,000.00	0.410		0.404	775	04/15/2015
3133762C8	2254	Federal Home Loan Bank		11/09/2012	3,000,000.00	3,003,870.00	3,003,369.33	0.375	AA	0.438	271	11/27/2013
313381UR4	2262	Federal Home Loan Bank		01/30/2013	3,000,000.00	2,998,200.00	3,000,000.00	0.375	AA	0.370	881	07/30/2015
3133822N2	2263	Federal Home Loan Bank		02/20/2013	3,000,000.00	2,998,080.00	3,000,000.00	0.350		0.345	721	02/20/2015
3134G3SS0	2232	Federal Home Loan Mortgage		03/22/2012	3,000,000.00	3,000,660.00	3,000,000.00	0.540		0.533	570	09/22/2014
3134G3Y61	2256	Federal Home Loan Mortgage		12/10/2012	3,000,000.00	3,001,260.00	3,000,000.00	0.375	AAA	0.370	649	12/10/2014
3134G32R0	2259	Federal Home Loan Mortgage		12/24/2012	3,000,000.00	2,997,360.00	3,000,000.00	0.400	AA	0.395	937	09/24/2015
3134G34X5	2264	Federal Home Loan Mortgage		02/06/2013	3,000,000.00	2,998,410.00	3,000,000.00	0.300	AA	0.296	707	02/06/2015
3135G0KL6	2238	Federal National Mortgage Assoc		04/30/2012	3,000,000.00	3,000,720.00	3,000,000.00	0.500		0.493	608	10/30/2014
3135G0KS1	2240	Federal National Mortgage Assoc		05/10/2012	3,000,000.00	3,001,500.00	3,000,000.00	0.560		0.552	711	02/10/2015
3135G0LF8	2242	Federal National Mortgage Assoc		05/24/2012	3,000,000.00	3,001,860.00	3,000,000.00	0.500		0.493	633	11/24/2014
3135G0LL5	2244	Federal National Mortgage Assoc		06/04/2012	3,000,000.00	3,002,070.00	3,000,000.00	0.550		0.542	643	12/04/2014
Subtotal and Average			55,579,681.00		54,000,000.00	53,993,100.00	54,001,695.35			0.411	735	
Certificates of Deposit - Bank												
2050003183-5	2229	California Bank & Trust		01/22/2012	81,326.80	81,326.80	81,326.80	0.280		0.280	327	01/22/2014
Subtotal and Average			81,326.80		81,326.80	81,326.80	81,326.80			0.280	327	
Local Agency Investment Fund (LAIF)												
LAIF	9001	STATE OF CALIFORNIA		07/01/2004	2,330,145.91	2,332,772.52	2,330,145.91	0.286		0.282	1	
LAIF BABS 2010	9012	STATE OF CALIFORNIA		04/21/2010	4,078,130.01	4,082,727.00	4,078,130.01	0.286		0.282	1	
Subtotal and Average			8,745,775.92		6,408,275.92	6,415,499.52	6,408,275.92			0.282	1	
San Diego County Pool												
SD COUNTY POOL	9007	San Diego County		07/01/2004	15,172,740.90	15,172,213.49	15,172,740.90	0.435		0.429	1	
Subtotal and Average			15,172,740.90		15,172,740.90	15,172,213.49	15,172,740.90			0.429	1	

OTAY
Portfolio Management
Portfolio Details - Investments
February 28, 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			85,351,242.76		75,662,343.62	75,662,139.81	75,664,038.97			0.404	526

**OTAY
Portfolio Management
Portfolio Details - Cash
February 28, 2013**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity
Union Bank											
UNION MONEY	9002	STATE OF CALIFORNIA		07/01/2004	1,373,749.88	1,373,749.88	1,373,749.88	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	745,890.30	745,890.30	745,890.30	0.250		0.247	1
PAYROLL	9005	STATE OF CALIFORNIA		07/01/2004	27,971.60	27,971.60	27,971.60			0.000	1
RESERVE-10 COPS	9010	STATE OF CALIFORNIA		04/20/2010	1,038,801.51	1,038,801.51	1,038,801.51	0.010		0.010	1
RESERVE-10 BABS	9011	STATE OF CALIFORNIA		04/20/2010	2,728,737.24	2,728,737.24	2,728,737.24	0.010		0.010	1
UBNA-2010 BOND	9013	STATE OF CALIFORNIA		04/20/2010	70,015.05	70,015.05	70,015.05	0.147		0.145	1
UBNA-FLEX ACCT	9014	STATE OF CALIFORNIA		01/01/2011	40,966.33	40,966.33	40,966.33			0.000	1
		Average Balance	0.00								1
Total Cash and Investments			85,351,242.76		81,691,425.53	81,691,221.72	81,693,120.88			0.404	526

OTAY
Portfolio Management
Interest Earnings Summary
February 28, 2013

	February 28 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	27,293.75	148,533.18
Plus Accrued Interest at End of Period	58,771.81	59,024.15
Less Accrued Interest at Beginning of Period	(66,664.05)	(58,130.60)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	19,401.51	149,426.73
Adjusted by Premiums and Discounts	-249.86	-609.68
Adjusted by Capital Gains or Losses	0.00	1,633.33
Earnings during Periods	19,151.65	150,450.38
Pass Through Securities:		
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)
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
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	9.87	144,925.89
Plus Accrued Interest at End of Period	435,851.08	435,851.54
Less Accrued Interest at Beginning of Period	(428,424.38)	(480,390.14)
Interest Earned during Period	7,436.57	100,387.29
Total Interest Earned during Period	26,838.08	249,814.02
Total Adjustments from Premiums and Discounts	-249.86	-609.68
Total Capital Gains or Losses	0.00	1,633.33
Total Earnings during Period	26,588.22	250,837.67

OTAY
Activity Report
Sorted By Issuer
July 1, 2012 - February 28, 2013

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
Issuer: STATE OF CALIFORNIA									
Union Bank									
UNION MONEY	9002	STATE OF CALIFORNIA			0.010		87,062,516.25	85,698,772.28	
UNION OPERATING	9004	STATE OF CALIFORNIA			0.250		7,344,430.37	7,889,508.49	
RESERVE-10 COPS	9010	STATE OF CALIFORNIA			0.010		2,068,113.49	1,030,000.00	
RESERVE-10 BABS	9011	STATE OF CALIFORNIA			0.010		5,433,320.01	2,705,000.00	
UBNA-FLEX ACCT	9014	STATE OF CALIFORNIA					71,474.77	72,608.66	
		Subtotal and Balance		1,445,116.45			101,979,854.89	97,395,889.43	6,029,081.91
Local Agency Investment Fund (LAIF)									
LAIF	9001	STATE OF CALIFORNIA			0.286		51,496,890.17	56,700,000.00	
LAIF BABS 2010	9012	STATE OF CALIFORNIA			0.286		10,553.40	0.00	
		Subtotal and Balance		11,600,832.35			51,507,443.57	56,700,000.00	6,408,275.92
		Issuer Subtotal	15.225%	13,045,948.80			153,487,298.46	154,095,889.43	12,437,357.83
Issuer: California Bank & Trust									
Certificates of Deposit - Bank									
		Subtotal and Balance		81,326.80					81,326.80
		Issuer Subtotal	0.100%	81,326.80			0.00	0.00	81,326.80
Issuer: Fannie Mae									
Federal Agency Issues- Callable									
3135G0SQ7	2257	Fannie Mae			0.400	12/24/2012	3,000,000.00	0.00	
		Subtotal and Balance		0.00			3,000,000.00	0.00	3,000,000.00
		Issuer Subtotal	3.672%	0.00			3,000,000.00	0.00	3,000,000.00
Issuer: Federal Farm Credit Bank									

OTAY
Activity Report
July 1, 2012 - February 28, 2013

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
Issuer: Federal Farm Credit Bank									
Federal Agency Issues- Callable									
31331KZF0	2219	Federal Farm Credit Bank			0.481	09/05/2012	0.00	3,000,000.00	
3133EAEG9	2241	Federal Farm Credit Bank			0.550	02/27/2013	0.00	1,360,000.00	
3133EAU30	2253	Federal Farm Credit Bank			0.320	10/26/2012	3,000,000.00	0.00	
3133EC2L7	2255	Federal Farm Credit Bank			0.440	11/13/2012	3,000,000.00	0.00	
3133EC6F6	2258	Federal Farm Credit Bank			0.350	12/05/2012	3,000,000.00	0.00	
3133EC7H1	2260	Federal Farm Credit Bank			0.340	12/17/2012	3,000,000.00	0.00	
3133ECA61	2261	Federal Farm Credit Bank			0.320	12/18/2012	3,000,000.00	0.00	
Subtotal and Balance							15,000,000.00	4,360,000.00	15,000,000.00
Issuer Subtotal			18.362%				15,000,000.00	4,360,000.00	15,000,000.00

Issuer: Federal Home Loan Bank									
Federal Agency Issues- Callable									
313378KU4	2233	Federal Home Loan Bank			0.500	09/12/2012	0.00	3,000,000.00	
3133794G1	2239	Federal Home Loan Bank			0.500	07/15/2012	0.00	3,000,000.00	
313379JC4	2243	Federal Home Loan Bank			0.500	07/05/2012	0.00	3,000,000.00	
313379R84	2245	Federal Home Loan Bank			0.500	07/13/2012	0.00	3,000,000.00	
313379SP5	2246	Federal Home Loan Bank			0.450	07/19/2012	0.00	3,000,000.00	
313379UT4	2247	Federal Home Loan Bank			0.500	07/27/2012	0.00	3,000,000.00	
313380AV9	2248	Federal Home Loan Bank			0.450	08/13/2012	3,000,000.00	0.00	
313380AV9	2248	Federal Home Loan Bank				02/13/2013	0.00	3,000,000.00	
313380AV9A	2249	Federal Home Loan Bank			0.450	08/13/2012	1,030,000.00	0.00	
313380AV9A	2249	Federal Home Loan Bank				02/13/2013	0.00	1,030,000.00	
313380AV9B	2250	Federal Home Loan Bank			0.450	08/13/2012	2,705,000.00	0.00	
313380AV9B	2250	Federal Home Loan Bank				02/13/2013	0.00	2,705,000.00	
313380BG1	2251	Federal Home Loan Bank			0.500	08/13/2012	3,000,000.00	0.00	
313380BG1	2251	Federal Home Loan Bank				09/13/2012	0.00	3,000,000.00	
313380SU2	2252	Federal Home Loan Bank			0.410	10/15/2012	3,000,000.00	0.00	
3133762C8	2254	Federal Home Loan Bank			0.375	11/09/2012	3,000,000.00	0.00	
313381UR4	2262	Federal Home Loan Bank			0.375	01/30/2013	3,000,000.00	0.00	
3133822N2	2263	Federal Home Loan Bank			0.350	02/20/2013	3,000,000.00	0.00	
Subtotal and Balance							21,735,000.00	27,735,000.00	12,000,000.00
Issuer Subtotal			14.689%				21,735,000.00	27,735,000.00	12,000,000.00

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Activity Report
July 1, 2012 - February 28, 2013

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Purchases or Deposits	Par Value		Ending Balance
				Beginning Balance	Current Rate			Redemptions or Withdrawals		
Issuer: Federal Home Loan Mortgage										
Federal Agency Issues- Callable										
3137EACK3	2146	Federal Home Loan Mortgage			1.125	07/27/2012	0.00		2,000,000.00	
3137EACK3A	2148	Federal Home Loan Mortgage			1.125	07/27/2012	0.00		1,030,000.00	
3137EACK3B	2149	Federal Home Loan Mortgage			1.125	07/27/2012	0.00		2,707,000.00	
3134G3AC4	2226	Federal Home Loan Mortgage			0.600	12/06/2012	0.00		3,000,000.00	
3134G3AQ3	2227	Federal Home Loan Mortgage			0.710	11/30/2012	0.00		2,000,000.00	
3134G3BN9	2228	Federal Home Loan Mortgage			0.770	12/05/2012	0.00		2,000,000.00	
3134G3Y61	2256	Federal Home Loan Mortgage			0.375	12/10/2012	3,000,000.00		0.00	
3134G32R0	2259	Federal Home Loan Mortgage			0.400	12/24/2012	3,000,000.00		0.00	
3134G34X5	2264	Federal Home Loan Mortgage			0.300	02/06/2013	3,000,000.00		0.00	
		Subtotal and Balance					9,000,000.00		12,737,000.00	12,000,000.00
		Issuer Subtotal	14.689%				9,000,000.00		12,737,000.00	12,000,000.00
Issuer: Federal National Mortgage Assoc										
Federal Agency Issues- Callable										
3135G0JG9	2234	Federal National Mortgage Assoc			0.520	09/26/2012	0.00		3,000,000.00	
		Subtotal and Balance					0.00		3,000,000.00	12,000,000.00
		Issuer Subtotal	14.689%				0.00		3,000,000.00	12,000,000.00
Issuer: San Diego County										
San Diego County Pool										
SD COUNTY POOL	9007	San Diego County			0.435		63,521.68		7,000,000.00	
		Subtotal and Balance					63,521.68		7,000,000.00	15,172,740.90
		Issuer Subtotal	18.573%				63,521.68		7,000,000.00	15,172,740.90
		Total	100.000%				202,285,820.14		208,927,889.43	81,691,425.53

OTAY
GASB 31 Compliance Detail
Sorted by Fund - Fund
July 1, 2012 - February 28, 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	
Fund: Treasury Fund											
LAIF	9001	99	Fair Value		7,542,443.62	0.00	51,496,890.17	56,700,000.00	0.00	-6,561.27	2,332,772.52
UNION MONEY	9002	99	Amortized		10,005.91	0.00	87,062,516.25	85,698,772.28	0.00	0.00	1,373,749.88
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		1,290,968.42	0.00	7,344,430.37	7,889,508.49	0.00	0.00	745,890.30
PAYROLL	9005	99	Amortized		27,971.60	0.00	0.00	0.00	0.00	0.00	27,971.60
SD COUNTY POOL	9007	99	Fair Value		22,089,000.00	0.00	63,521.68	7,000,000.00	0.00	19,691.81	15,172,213.49
RESERVE-10 COPS	9010	99	Amortized		688.02	0.00	2,068,113.49	1,030,000.00	0.00	0.00	1,038,801.51
RESERVE-10 BABS	9011	99	Amortized		417.23	0.00	5,433,320.01	2,705,000.00	0.00	0.00	2,728,737.24
LAIF BABS 2010	9012	99	Fair Value		4,072,537.60	0.00	10,553.40	0.00	0.00	-364.00	4,082,727.00
UBNA-2010 BOND	9013	99	Amortized		70,015.05	0.00	0.00	0.00	0.00	0.00	70,015.05
3137EACK3	2146	99	Fair Value	07/27/2012	2,001,300.00	0.00	0.00	2,000,000.00	0.00	-1,300.00	0.00
3137EACK3A	2148	99	Fair Value	07/27/2012	1,030,669.50	0.00	0.00	1,030,000.00	0.00	-669.50	0.00
3137EACK3B	2149	99	Fair Value	07/27/2012	2,708,759.55	0.00	0.00	2,707,000.00	0.00	-1,759.55	0.00
UBNA-FLEX ACCT	9014	99	Amortized		42,100.22	0.00	71,474.77	72,608.66	0.00	0.00	40,966.33
31331KZF0	2219	99	Fair Value	12/23/2013	3,000,030.00	0.00	0.00	3,000,000.00	0.00	-30.00	0.00
3134G3AC4	2226	99	Fair Value	12/06/2013	3,000,600.00	0.00	0.00	3,000,000.00	0.00	-600.00	0.00
3134G3AQ3	2227	99	Fair Value	05/30/2014	2,001,980.00	0.00	0.00	2,000,000.00	0.00	-1,980.00	0.00
3134G3BN9	2228	99	Fair Value	06/05/2014	2,003,140.00	0.00	0.00	2,000,000.00	0.00	-3,140.00	0.00
2050003183-5	2229	99	Amortized	01/22/2014	81,326.80	0.00	0.00	0.00	0.00	0.00	81,326.80
3134G3SS0	2232	99	Fair Value	09/22/2014	3,003,870.00	0.00	0.00	0.00	0.00	-3,210.00	3,000,660.00
313378KU4	2233	99	Fair Value	09/12/2014	3,001,350.00	0.00	0.00	3,000,000.00	0.00	-1,350.00	0.00
3135G0JG9	2234	99	Fair Value	09/26/2014	3,003,000.00	0.00	0.00	3,000,000.00	0.00	-3,000.00	0.00
3135G0KL6	2238	99	Fair Value	10/30/2014	2,993,970.00	0.00	0.00	0.00	0.00	6,750.00	3,000,720.00
3133794G1	2239	99	Fair Value	05/15/2014	2,998,560.00	0.00	0.00	3,000,000.00	0.00	1,440.00	0.00
3135G0KS1	2240	99	Fair Value	02/10/2015	2,997,450.00	0.00	0.00	0.00	0.00	4,050.00	3,001,500.00
3133EAEG9	2241	99	Fair Value	02/27/2015	1,361,632.00	0.00	0.00	1,360,000.00	0.00	-1,632.00	0.00
3135G0LF8	2242	99	Fair Value	11/24/2014	2,999,640.00	0.00	0.00	0.00	0.00	2,220.00	3,001,860.00
3133794C4	2243	99	Fair Value	06/05/2014	3,000,060.00	0.00	0.00	3,000,000.00	0.00	-60.00	0.00
3135G0LL5	2244	99	Fair Value	12/04/2014	2,999,340.00	0.00	0.00	0.00	0.00	2,730.00	3,002,070.00
313379R84	2245	99	Fair Value	06/13/2014	2,996,460.00	0.00	0.00	3,000,000.00	0.00	3,540.00	0.00
313379SP5	2246	99	Fair Value	12/19/2013	2,996,610.00	0.00	0.00	3,000,000.00	0.00	3,390.00	0.00

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	
Fund: Treasury Fund											
313379UT4	2247	99	Fair Value	06/27/2014	2,998,230.00	0.00	0.00	3,000,000.00	0.00	1,770.00	0.00
313380AV9	2248	99	Fair Value	02/13/2015	0.00	3,000,000.00	0.00	3,000,000.00	0.00	0.00	0.00
313380AV9A	2249	99	Fair Value	02/13/2015	0.00	1,030,000.00	0.00	1,030,000.00	0.00	0.00	0.00
313380AV9B	2250	99	Fair Value	02/13/2015	0.00	2,705,000.00	0.00	2,705,000.00	0.00	0.00	0.00
313380BG1	2251	99	Fair Value	02/13/2015	0.00	3,000,000.00	0.00	3,000,000.00	0.00	0.00	0.00
313380SU2	2252	99	Fair Value	04/15/2015	0.00	3,000,000.00	0.00	0.00	0.00	60.00	3,000,060.00
3133EAU30	2253	99	Fair Value	03/12/2015	0.00	2,998,500.00	0.00	0.00	0.00	1,500.00	3,000,000.00
3133762C8	2254	99	Fair Value	11/27/2013	0.00	3,004,788.00	0.00	0.00	0.00	-918.00	3,003,870.00
3133EC2L7	2255	99	Fair Value	11/13/2015	0.00	3,000,000.00	0.00	0.00	0.00	-360.00	2,999,640.00
3134G3Y61	2256	99	Fair Value	12/10/2014	0.00	3,000,000.00	0.00	0.00	0.00	1,260.00	3,001,260.00
3135G0SQ7	2257	99	Fair Value	06/24/2015	0.00	3,000,000.00	0.00	0.00	0.00	-750.00	2,999,250.00
3133EC6F6	2258	99	Fair Value	06/01/2015	0.00	3,000,000.00	0.00	0.00	0.00	-1,050.00	2,998,950.00
3134G32R0	2259	99	Fair Value	09/24/2015	0.00	3,000,000.00	0.00	0.00	0.00	-2,640.00	2,997,360.00
3133EC7H1	2260	99	Fair Value	08/17/2015	0.00	3,000,000.00	0.00	0.00	0.00	-4,650.00	2,995,350.00
3133ECA61	2261	99	Fair Value	06/18/2015	0.00	2,999,250.00	0.00	0.00	0.00	-3,390.00	2,995,860.00
313381UR4	2262	99	Fair Value	07/30/2015	0.00	3,000,000.00	0.00	0.00	0.00	-1,800.00	2,998,200.00
3133822N2	2263	99	Fair Value	02/20/2015	0.00	3,000,000.00	0.00	0.00	0.00	-1,920.00	2,998,080.00
3134G34X5	2264	99	Fair Value	02/06/2015	0.00	3,000,000.00	0.00	0.00	0.00	-1,590.00	2,998,410.00
Subtotal					88,327,075.52	48,737,538.00	153,550,820.14	208,927,889.43	0.00	3,677.49	81,691,221.72
Total					88,327,075.52	48,737,538.00	153,550,820.14	208,927,889.43	0.00	3,677.49	81,691,221.72



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 3, 2013
SUBMITTED BY:	Sean Prendergast, Finance Supervisor, Payroll & AP	W.O./G.F. NO:	DIV. NO.
APPROVED BY: (Chief)	Joseph Beachem, Chief Financial Officer		
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager		
SUBJECT:	Accounts Payable Demand List		

PURPOSE:

Attached is the list of demands for the Board's information.

FISCAL IMPACT:

SUMMARY FOR PERIOD 2/21/13-03/20/13	NET DEMANDS
CHECKS (2036242-2036497)	\$ 1,231,148.52
VOID CHECKS (2)	\$ (3,344.90)
INVALID CHECKS (2035973-2036029)	\$ -
TOTAL CHECKS	\$ 1,227,803.62
WIRE TO:	
CALPERS - OTHER POST EMPLOYMENT BENEFITS (MONTHLY)	\$ 143,000.00
CITY TREASURER - METROPOLITAN SEWERAGE SYSTEM (QUARTERLY)	\$ 252,423.00
CITY TREASURER - RECLAIMED WATER PURCHASE (MONTHLY)	\$ 13,986.00
DELTA DENTAL OF CALIF - DENTAL & COBRA CLAIMS (MONTHLY)	\$ 20,239.40
OTAY WATER DISTRICT - UNION DUES	\$ 1,351.00
SAN DIEGO COUNTY WATER - WATER DELIVERIES (MONTHLY)	\$ 2,622,130.70
SPECIAL DIST RISK MGMT AUTH - INSURANCE PREM (MONTHLY)	\$ 254,451.32
UNION BANK - CERT OF PARTICIPATION 1996 (MONTHLY)	\$ 1,033.56
UNION BANK - CERT OF PARTICIPATION 2004 (SEMI-ANNUAL)	\$ 169,853.13
UNION BANK - CERT OF PARTICIPATION 2007 (SEMI-ANNUAL)	\$ 785,883.80
UNION BANK - CERT OF PARTICIPATION 2010 (SEMI-ANNUAL)	\$ 1,043,775.97
UNION BANK - ID 27 SERIES 2009 BONDS (SEMI-ANNUAL)	\$ 114,231.24
UNION BANK - PAYROLL TAXES (MONTHLY)	\$ 308,627.83
TOTAL CASH DISBURSEMENTS	\$ 6,958,790.57

RECOMMENDED ACTION:

That the Board receive the attached list of demands.

Jb/Attachment

CHECK REGISTER
Otay Water District
Date Range: 2/21/2013 - 3/20/2013

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2036429	03/20/13	01388	3T EQUIPMENT COMPANY	59042	02/21/13	POSM SOFTWARE	25,022.00	25,022.00
2036364	03/13/13	11466	A&G INSTRUMENT SERVICE AND	33272	02/19/13	METER CALIBRATIONS	990.00	990.00
2036430	03/20/13	08488	ABLEFORCE INC	3687	02/28/13	PROGRAMMING SERVICES (1/23/13-2/27/13)	13,943.75	13,943.75
2036302	03/06/13	12174	AECOM TECHNICAL SERVICES INC	3	02/12/13	DISINFECTION SYSTEM (ENDING 2/1/13)	32,077.00	32,077.00
2036303	03/06/13	11462	AEGIS ENGINEERING MGMT INC	1126	02/07/13	DEVELOPER PLANCHECKS (1/5/13-2/1/13)	18,181.54	
				1038	02/07/13	PLAN CHECKING (1/5/13-2/1/13)	3,275.78	21,457.32
2036431	03/20/13	13753	AIRGAS USA LLC	9012867010	02/14/13	BREATHING AIR	207.66	
				9908356155	02/28/13	BREATHING AIR	39.25	246.91
2036365	03/13/13	14720	ALANA RENFRO	Ref002427052	03/11/13	UB Refund Cst #0000177023	61.00	61.00
2036304	03/06/13	13085	ALEXANDRA VINSON	004154	02/28/13	CUSTOMER REFUND	75.00	75.00
2036305	03/06/13	14704	ALICIA T VASQUEZ	004153	02/28/13	CUSTOMER REFUND	82.85	82.85
2036432	03/20/13	02362	ALLIED WASTE SERVICES # 509	0509005082034	02/25/13	TRASH SERVICES (MAR 2013)	530.33	
				0509005083743	02/25/13	TRASH SERVICES (MAY 2013)	65.54	595.87
2036433	03/20/13	12911	ALTA LAND SURVEYING INC	25	02/20/13	SURVEY SERVICES (2/1/13-2/20/13)	4,130.00	4,130.00
2036242	02/27/13	14695	ALTISOURCE	Ref002426857	02/25/13	UB Refund Cst #0000195815	18.59	18.59
2036366	03/13/13	06166	AMERICAN MESSAGING	L1109570NC	03/01/13	PAGER SERVICES (FEB 2013)	169.64	169.64
2036243	02/27/13	14679	ANDREA STROVERS	Ref002426839	02/25/13	UB Refund Cst #0000085046	77.36	77.36
2036306	03/06/13	00002	ANSWER INC	7947	02/22/13	ANSWERING SERVICES (MONTHLY)	1,100.00	1,100.00
2036307	03/06/13	08967	ANTHEM BLUE CROSS EAP	41118	02/22/13	EMPLOYEE ASSISTANCE PROGRAM (MAR 2013)	323.35	323.35
2036367	03/13/13	12175	APPLE INC	004171	03/11/13	COMPUTER LOAN	1,538.71	1,538.71
2036368	03/13/13	01509	ARC ERGONOMICS	36938	01/17/13	ROLLER MOUSE	256.99	256.99
2036244	02/27/13	03143	ASIAN BUSINESS ASSOCIATION	004107	11/28/12	2013 MEMBERSHIP RENEWAL	300.00	300.00
2036434	03/20/13	05758	AT&T	61969851400213	02/24/13	PHONE SERVICES (MONTHLY)	32.29	32.29
2036435	03/20/13	05758	AT&T	33784130450313	03/07/13	PHONE SERVICES (3/7/13-4/6/13)	31.77	31.77
2036308	03/06/13	05758	AT&T	61967053090213	02/15/13	PHONE SERVICES (MONTHLY)	43.99	43.99
2036245	02/27/13	05758	AT&T	33784130450213	02/07/13	PHONE SERVICES (2/7/13-3/6/13)	31.71	31.71
2036369	03/13/13	05758	AT&T	082164572802251	02/25/13	PHONE SERVICES (2/25/13-3/24/13)	2,290.64	
				6194225605	02/20/13	PHONE SERVICES (2/20/13-3/19/13)	86.64	2,377.28

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Otay Water District
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2036309	03/06/13	07785	AT&T	000004072111	02/02/13	PHONE SERVICES (1/2/13-2/1/13)	5,625.29	5,640.91
				000004074329	02/02/13	PHONE SERVICES (1/2/13-2/1/13)	15.62	
2036370	03/13/13	07785	AT&T	000003989571	01/02/13	PHONE SERVICES (12/2/12-1/1/13)	7,204.36	7,204.36
2036371	03/13/13	08330	AT&T INTERNET SERVICES	8547826250213	02/22/13	INTERNET BANDWIDTH (2/21/13-3/20/13)	2,028.00	2,028.00
2036310	03/06/13	13947	ATI	40498	02/13/13	MEDIA GATEWAY	956.16	956.16
2036372	03/13/13	13947	ATI	39255	08/13/12	HARDWARE MAINTENANCE	1,305.00	2,610.00
				39245	08/13/12	HARDWARE MAINTENANCE	435.00	
				39477	09/11/12	HARDWARE MAINTENANCE	290.00	
				39116	07/24/12	HARDWARE MAINTENANCE	145.00	
				39134	07/26/12	HARDWARE MAINTENANCE	145.00	
				39239	08/10/12	HARDWARE MAINTENANCE	145.00	
				39476	09/11/12	HARDWARE MAINTENANCE	145.00	
2036436	03/20/13	13947	ATI	40566	02/19/13	HARDWARE MAINTENANCE	956.16	956.16
2036373	03/13/13	12810	ATKINS	1161491	02/18/13	DESIGN SERVICES (12/31/12-1/27/13)	6,356.69	6,356.69
2036437	03/20/13	11285	AZTEC FIRE & SAFETY INC	48733	02/22/13	FIRE SPRINKLER INSPECTIONS	3,095.00	3,095.00
2036246	02/27/13	14693	BANK OF AMERICA	Ref002426855	02/25/13	UB Refund Cst #0000195075	77.93	77.93
2036311	03/06/13	14577	BASILE CONSTRUCTION INC	1	02/01/13	ORANGE AVE / 805 12" PIPELINE (ENDING 1/31/13)	21,641.71	21,641.71
2036312	03/06/13	03509	BELL, RITA	004164	02/28/13	EMPLOYEE PROGRAM	159.69	159.69
2036438	03/20/13	13715	BENT ON COOKING	891	02/03/13	WELLNESS WORKSHOP (3/27/13)	150.00	150.00
2036374	03/13/13	13293	BLAST PRINT & DESIGN LLC	4078	01/16/13	PRINTING SERVICES	8,979.12	8,979.12
2036439	03/20/13	13293	BLAST PRINT & DESIGN LLC	4136	02/15/13	PRINTING SERVICES	614.60	614.60
2036247	02/27/13	03470	BONITA BUSINESS & PROFESSIONAL	004129	02/05/13	MEMBERSHIP DUES	350.00	350.00
2036313	03/06/13	10970	BRENNTAG PACIFIC INC	BPI279221	02/15/13	SODIUM HYPOCHLORITE	1,008.95	4,906.72
				BPI279593	02/19/13	SODIUM HYPOCHLORITE	953.08	
				BPI279812	02/20/13	SODIUM HYPOCHLORITE	922.40	
				BPI277693	02/11/13	SODIUM HYPOCHLORITE	749.32	
				BPI277692	02/11/13	SODIUM HYPOCHLORITE	700.03	
				BPI276886	02/07/13	SODIUM HYPOCHLORITE	572.94	
2036440	03/20/13	10970	BRENNTAG PACIFIC INC	BPI280631	02/21/13	SODIUM HYPOCHLORITE	753.71	2,174.59
				BPI282866	02/28/13	SODIUM HYPOCHLORITE	718.65	
				BPI282567	02/25/13	SODIUM HYPOCHLORITE	376.85	
				BPI281292	02/25/13	SODIUM HYPOCHLORITE	325.38	

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2036248	02/27/13	14685	BRITNEY PAYNE	Ref002426847	02/25/13	UB Refund Cst #0000183284	30.20	30.20
2036375	03/13/13	14731	BRYAN VANVELDHUIZIN	Ref002427063	03/11/13	UB Refund Cst #0000196719	43.80	43.80
2036249	02/27/13	13322	BUSTAMANTE & ASSOCIATES LLC	050113	02/01/13	CONSULTANT SERVICES (JAN 2013)	3,500.00	7,000.00
				060213	02/01/13	CONSULTANT SERVICES (FEB 2013)	3,500.00	
2036441	03/20/13	02969	CALIFORNIA LAND SURVEYORS	004187	03/18/13	SEMINAR REGISTRATION FEE	50.00	50.00
2036250	02/27/13	02758	CARMEL BUSINESS SYSTEMS INC	7627	02/01/13	DOCUMENT SERVICES (JAN 2013)	3,678.49	5,988.42
				7626	02/01/13	DOCUMENT SERVICES	2,176.05	
				7624	02/01/13	DOCUMENT SERVICES (1/25/13)	133.88	
2036442	03/20/13	02758	CARMEL BUSINESS SYSTEMS INC	7640	03/01/13	DOCUMENT SERVICES (FEB 2013)	1,599.12	3,058.67
				7639	03/01/13	DOCUMENT SERVICES (FEB 2013)	1,100.25	
				7638	03/01/13	RECORDS MGMT SVCS (2/4/13)	359.30	
2036376	03/13/13	13795	CARRILLO, MARY LEE	004170	03/12/13	EMPLOYEE PROGRAM	171.27	171.27
2036443	03/20/13	14698	CCP INDUSTRIES	IN01048941	02/28/13	SAFETY SUPPLIES	146.58	146.58
2036377	03/13/13	14715	CHELA MADERE	Ref002427047	03/11/13	UB Refund Cst #0000092348	16.05	16.05
2036378	03/13/13	14733	CHRIS PLUMBING	004179	03/13/13	PLUMBING SERVICES (2/25/13-2/26/13)	428.62	428.62
2036314	03/06/13	02026	CHULA VISTA ELEM SCHOOL DIST	AR041468	02/19/13	GARDEN TOURS (12/4/12-12/11/12)	810.00	1,300.00
				AR041470	02/19/13	GARDEN TOURS (11/6/12)	270.00	
				AR041469	02/19/13	GARDEN TOURS (2/19/13)	220.00	
2036379	03/13/13	11600	CHULA VISTA POLICE FOUNDATION	004161	01/13/13	SPONSORSHIP & ADVERTISING	250.00	250.00
2036380	03/13/13	12631	CITY OF CHULA VISTA	004181	02/11/13	HUNTE PKWY PROJ DEP #DE-2337	5,850.00	5,850.00
2036315	03/06/13	12674	CITY OF CHULA VISTA	071060PU004021	02/22/13	UTILITY PERMITS (5/1/12-12/31/12)	13,365.00	13,365.00
2036251	02/27/13	08895	CITY OF LA MESA	15011	02/13/13	FINGERPRINTING SVCS (APR 2012-JAN 2013)	120.00	120.00
2036444	03/20/13	04119	CLARKSON LAB & SUPPLY INC	66144	02/28/13	BACTERIOLOGICAL TESTING	692.00	1,446.00
				66143	02/28/13	BACTERIOLOGICAL TESTING	636.00	
				66145	02/28/13	BACTERIOLOGICAL TESTING	118.00	
2036381	03/13/13	14716	CLAUDIA MAYORGA	Ref002427048	03/11/13	UB Refund Cst #0000127085	25.78	25.78
2036316	03/06/13	08160	COMPLETE OFFICE	14704320	02/15/13	COLOR PRINTER	970.91	970.91
2036445	03/20/13	08160	COMPLETE OFFICE	14734050	02/26/13	TONER	1,553.04	1,863.57
				14747210	02/27/13	LAMINATOR	189.00	
				14740910	02/26/13	OFFICE SUPPLIES	121.53	
2036446	03/20/13	12334	CORODATA MEDIA STORAGE INC	DS1255993	02/28/13	TAPE STORAGE (FEB 2013)	357.58	357.58

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2036252	02/27/13	12334	CORODATA MEDIA STORAGE INC	DS1255417	01/31/13	TAPE STORAGE	339.80	339.80
2036447	03/20/13	00184	COUNTY OF SAN DIEGO	DEH130272D11	02/28/13	SHUT DOWN TEST (1/8/13)	142.00	
				DEH130270D11	02/28/13	SHUT DOWN TEST (1/22/13)	142.00	
				DEH130271D11	02/28/13	SHUT DOWN TEST (1/8/13)	71.00	355.00
2036317	03/06/13	00184	COUNTY OF SAN DIEGO	DEH130235D11	02/15/13	SHUT DOWN TEST (11/19/12)	852.00	
				DEH130236D11	02/15/13	SHUT DOWN TEST (12/7/12)	142.00	
				DEH130231D11	02/15/13	SHUT DOWN TEST (12/21/12)	142.00	
				DEH130224D11	02/15/13	SHUT DOWN TEST (12/13/12)	142.00	
				DEH130223D11	02/15/13	SHUT DOWN TEST (12/13/12)	142.00	1,420.00
2036253	02/27/13	07494	COUNTY OF SAN DIEGO	12D110153982011	02/07/13	INSP CALAVO SEWER REPL PROJ	341.09	341.09
2036318	03/06/13	00099	COUNTY OF SAN DIEGO - DPW	159769a	08/31/12	EXCAVATION PERMITS - ADDT'L CHRGS (AUG 2012)	152.00	152.00
2036382	03/13/13	02756	COX COMMUNICATIONS SAN DIEGO	27170213	02/27/13	INTERNET SERVICES (3/1/13-3/28/13)	1,500.00	
				28810213	02/27/13	INTERNET SERVICES (3/1/13-3/28/13)	1,500.00	3,000.00
2036319	03/06/13	14428	CYNTHIA SAMIN	004155	02/28/13	CUSTOMER REFUND	45.00	45.00
2036383	03/13/13	14734	DANIEL GARCIA	004178	02/22/13	REIMBURSE FINGERPRINTING FEE	20.00	20.00
2036448	03/20/13	03744	DEPARTMENT OF JUSTICE	959820	03/05/13	FINGERPRINTING SERVICES (FEB 2013)	81.00	81.00
2036320	03/06/13	03417	DIRECTV	19835551588	02/19/13	SATELLITE TV (2/18/13-3/17/13)	6.00	6.00
2036449	03/20/13	03417	DIRECTV	19952644045	03/05/13	SATELLITE TV (3/4/13-4/3/13)	18.00	18.00
2036254	02/27/13	03152	DRIES, ROSEMARY	004132	02/20/13	IPMA-HR RE-CERTIFICATION FEE	200.00	200.00
2036255	02/27/13	14688	DURAIID MAMMO	Ref002426850	02/25/13	UB Refund Cst #0000186648	40.65	40.65
2036450	03/20/13	02447	EDCO DISPOSAL CORPORATION	1554580213	02/28/13	RECYCLING SERVICES (FEB 2013)	90.00	90.00
2036451	03/20/13	12486	ELIAS DELGADO	004183	03/13/13	CUSTOMER REFUND	50.00	50.00
2036256	02/27/13	14680	ELIZABETH PADILLA	Ref002426840	02/25/13	UB Refund Cst #0000086780	47.32	47.32
2036384	03/13/13	14721	EMILY WEST	Ref002427053	03/11/13	UB Refund Cst #0000186358	75.00	75.00
2036257	02/27/13	08023	EMPLOYEE BENEFIT SPECIALISTS	0059569IN	01/31/13	EMPLOYEE BENEFITS (JAN 2013)	687.50	687.50
2036385	03/13/13	00331	EMPLOYMENT DEVELOPMENT DEPT	925023840213	02/26/13	UNEMPLOYMENT INSURANCE (10/1/12-12/31/12)	12,985.00	12,985.00
2036321	03/06/13	03227	ENVIROMATRIX ANALYTICAL INC	3020698	02/19/13	RECYCLED WATER ANALYSIS (1/26/13-2/7/13)	595.00	
				3020500	02/11/13	RECYCLED WATER ANALYSIS (1/25/13-1/28/13)	365.00	960.00
2036452	03/20/13	03227	ENVIROMATRIX ANALYTICAL INC	3020866	02/25/13	RECYCLED WATER ANALYSIS (2/8/13-2/13/13)	455.00	455.00
2036322	03/06/13	02259	ENVIRONMENTAL RESOURCE	675811	02/11/13	LABORATORY CERTIFICATION	1,332.73	1,332.73

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2036386	03/13/13	02259	ENVIRONMENTAL RESOURCE	676398	02/18/13	LABORATORY CERTIFICATION	742.37	742.37
2036453	03/20/13	14320	EUROFINS EATON ANALYTICAL INC	L0114161	02/26/13	OUTSIDE LAB SERVICES (2/12/13)	750.00	1,005.00
				L0114160	02/26/13	OUTSIDE LAB SERVICES (2/6/13)	255.00	
2036323	03/06/13	14320	EUROFINS EATON ANALYTICAL INC	L0112770	02/12/13	OUTSIDE LAB SERVICES	150.00	150.00
2036387	03/13/13	14729	EXECUTIVE REALTY GROUP	Ref002427061	03/11/13	UB Refund Cst #0000195741	48.02	48.02
2036388	03/13/13	14710	FEDERICO ROBLES	Ref002427042	03/11/13	UB Refund Cst #0000018576	94.06	94.06
2036324	03/06/13	03546	FERGUSON WATERWORKS # 1083	0426984	02/13/13	4"AIR-VAC	3,121.20	7,014.39
				0428996	02/13/13	INVENTORY	2,253.92	
				0426987	02/15/13	INVENTORY	1,393.96	
				04289961	02/15/13	INVENTORY	245.31	
2036454	03/20/13	03546	FERGUSON WATERWORKS # 1083	0427718	01/30/13	INVENTORY	508.62	508.62
2036455	03/20/13	12187	FIRST AMERICAN DATA TREE LLC	9003400213	02/28/13	ONLINE DOCUMENTS (1/1/13-1/28/13)	99.00	99.00
2036325	03/06/13	04066	FIRST CHOICE SERVICES - SD	220037	02/19/13	COFFEE SUPPLIES	325.25	325.25
2036258	02/27/13	14478	FISHER WIRELESS SERVICES INC	217198	02/05/13	REPLACEMENT RADIOS	22,953.11	22,953.11
2036456	03/20/13	11962	FLEETWASH INC	x94155	02/22/13	VEHICLE/FLEET WASHING SERVICE	164.25	310.98
				x91689	02/15/13	VEHICLE/FLEET WASHING SERVICE	146.73	
2036259	02/27/13	11962	FLEETWASH INC	x87560	02/01/13	VEHICLE/FLEET WASHING SERVICE	394.20	394.20
2036260	02/27/13	01612	FRANCHISE TAX BOARD	Ben2426909	02/28/13	BI-WEEKLY PAYROLL DEDUCTION	90.00	90.00
2036389	03/13/13	01612	FRANCHISE TAX BOARD	Ben2427112	03/14/13	BI-WEEKLY PAYROLL DEDUCTION	90.00	90.00
2036261	02/27/13	02344	FRANCHISE TAX BOARD	Ben2426915	02/28/13	BI-WEEKLY PAYROLL DEDUCTION	81.00	81.00
2036390	03/13/13	02344	FRANCHISE TAX BOARD	Ben2427118	03/14/13	BI-WEEKLY PAYROLL DEDUCTION	81.00	81.00
2036391	03/13/13	05981	FROME, TERRY	004172	02/26/13	COMPUTER LOAN	2,967.40	2,967.40
2036262	02/27/13	14690	GEMINI ATANACIO	Ref002426852	02/25/13	UB Refund Cst #0000193179	8.99	8.99
2036392	03/13/13	14709	GEMMA MONTILLA	Ref002427041	03/11/13	UB Refund Cst #0000004522	7.64	7.64
2036457	03/20/13	00101	GRAINGER INC	9078047660	02/27/13	BLUE PAINT	163.30	163.30
2036458	03/20/13	12907	GREENRIDGE LANDSCAPE INC	10551	03/01/13	LANDSCAPING SERVICES (FEB 2013)	8,650.00	9,200.00
				10552	03/01/13	TREE TRIMMING	550.00	
2036393	03/13/13	14714	GREG WOLWOWICZ	Ref002427046	03/11/13	UB Refund Cst #0000063910	6.70	6.70
2036459	03/20/13	03773	GTC SYSTEMS INC	35018	03/01/13	NETWORK SERVICES (MAR 2013)	3,173.00	3,173.00
2036394	03/13/13	00174	HACH COMPANY	8126919	01/29/13	CL-17 MAINTENCE PARTS	2,310.43	

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				8118767	01/23/13	SAMPLER REPAIRS	1,037.87	3,348.30
2036326	03/06/13	00174	HACH COMPANY	8151064	02/13/13	STABLCAL TURBIDIMETER	614.03	614.03
2036460	03/20/13	00174	HACH COMPANY	8181204	03/01/13	HACH VALVE MODULE	1,216.39	
				8178532	02/28/13	SENSOR CAP	129.35	1,345.74
2036263	02/27/13	14692	HAMID HAMIDI	Ref002426854	02/25/13	UB Refund Cst #0000194719	24.89	24.89
2036264	02/27/13	02795	HARTFORD INSURANCE CO, THE	Ben2426895	02/28/13	MONTHLY CONTRIBUTION TO LTD	3,017.82	3,017.82
2036265	02/27/13	00062	HELIX WATER DISTRICT	174639860213	02/11/13	WATER PURCHASE (12/6/12-2/6/13)	43.04	
				178540010213	02/11/13	WATER PURCHASE (12/6/12-2/6/13)	40.10	83.14
2036327	03/06/13	12335	HP ENTERPRISE SERVICES LLC	U3038168	02/08/13	CREDIT CARD PYMT SVC (JAN 2013)	2,776.20	2,776.20
2036395	03/13/13	14723	HUGHMARK HOMES LLC	Ref002427055	03/11/13	UB Refund Cst #0000188062	121.90	121.90
2036266	02/27/13	14678	IMELDA CASILLAS	Ref002426838	02/25/13	UB Refund Cst #0000072106	95.16	95.16
2036267	02/27/13	08969	INFOSEND INC	65510	01/25/13	POSTAGE (JAN 2013)	10,109.90	
				66052	02/05/13	BILL PRINTING SERVICES (JAN 2013)	5,003.80	
				65720	01/31/13	POSTAGE (JAN 2013)	2,391.23	
				65584	01/31/13	BILL INSERTS (1/18/13-2/19/13)	530.40	18,035.33
2036328	03/06/13	14459	INTEGRITY MUNICIPAL SVCS LLC	2838	02/14/13	SCRUBBER MAINTENANCE	31,678.00	31,678.00
2036461	03/20/13	02372	INTERIOR PLANT SERVICE INC	3733	02/28/13	PLANT SERVICES (FEB 2013)	205.00	205.00
2036268	02/27/13	13899	INTERMEDIA.NET INC	13020102	02/01/13	EXCHANGE OUTSOURCING (1/2/13-2/1/13)	3,882.37	3,882.37
2036462	03/20/13	13467	INTERNATIONAL INDUSTRIAL PARK	5	02/22/13	REIMBURSEMENT / ALTA RD (1/1/13-1/31/13)	9,657.38	9,657.38
2036329	03/06/13	14707	J REESE CONSTRUCTION INC	004159	03/04/13	TEMP METER DEP REFUND	1,986.00	1,986.00
2036463	03/20/13	03077	JANI-KING OF CALIFORNIA INC	SDO02130165	02/01/13	JANITORIAL SERVICES (FEB 2013)	1,119.82	1,119.82
2036330	03/06/13	10563	JCI JONES CHEMICALS INC	573409		CREDIT MEMO	-3,000.00	
				573359	02/13/13	CHLORINE	4,837.80	1,837.80
2036269	02/27/13	14681	JEFF MASKOL	Ref002426841	02/25/13	UB Refund Cst #0000095101	30.69	30.69
2036331	03/06/13	14706	JEREMY LAUB	004156	02/28/13	CUSTOMER REFUND	200.00	200.00
2036396	03/13/13	14728	JESSE CODERE	Ref002427060	03/11/13	UB Refund Cst #0000194715	64.28	64.28
2036270	02/27/13	14697	JESSE SEGORSKI	Ref002426859	02/25/13	UB Refund Cst #0000196521	20.13	20.13
2036332	03/06/13	14705	JONATHAN LYNCH	004158	02/28/13	CUSTOMER REFUND	29.43	29.43
2036333	03/06/13	14703	JOSE L BAIGHTS	004152	02/28/13	CUSTOMER REFUND	197.50	197.50
2036397	03/13/13	14722	JOVONNI SILVA	Ref002427054	03/11/13	UB Refund Cst #0000187859	13.63	13.63

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2036398	03/13/13	14717	KARA LEWIS	Ref002427049	03/11/13	UB Refund Cst #0000154794	116.07	116.07
2036334	03/06/13	05840	KIRK PAVING INC	5303	02/12/13	PAVING SERVICES	6,144.00	6,144.00
2036464	03/20/13	14036	KRATOS / HBE	SM40884	02/25/13	CAMERA REPAIR	427.50	
				SM41035	02/28/13	SECURITY SYSTEM REPAIRS (2/12/13)	237.50	
				SM40886	02/25/13	SECURITY SYSTEM REPAIRS (2/14/13)	190.00	
				SM40737	02/12/13	ALARM MONITORING (FEB 2013)	55.00	
				SM40739	02/12/13	ALARM MONITORING (FEB 2013)	55.00	
				SM40740	02/12/13	ALARM MONITORING (FEB 2013)	40.00	1,005.00
2036335	03/06/13	06497	LAKESIDE LAND COMPANY	268788	02/15/13	LANDFILL	79.68	79.68
2036465	03/20/13	06497	LAKESIDE LAND COMPANY	269021	02/27/13	LANDFILL	51.08	51.08
2036271	02/27/13	12411	LANES END LLC	004106	02/21/13	W/O REFUND D0816-090097	19,311.71	
				004104	02/21/13	W/O REFUND D0816-090099	70.00	
				004105	02/21/13	W/O REFUND D0816-090116	8.00	19,389.71
2036399	03/13/13	14732	LEONARD CORDELL	Ref002427064	03/11/13	UB Refund Cst #0000026780	63.67	63.67
2036272	02/27/13	14701	LINDA TELFER PHARRIS	004131	02/20/13	CLAIM SETTLEMENT	85.00	85.00
2036273	02/27/13	14682	LISA PINKEY-COLEMAN	Ref002426842	02/25/13	UB Refund Cst #0000141493	52.84	52.84
2036400	03/13/13	07294	LLERENAS, JESUS	004175	03/07/13	SAFETY BOOTS	150.00	150.00
2036274	02/27/13	14676	LUIS CASIMIRO	Ref002426835	02/25/13	UB Refund Cst #000003668	26.78	26.78
2036401	03/13/13	14712	LUIS CASTRO	Ref002427044	03/11/13	UB Refund Cst #0000037991	37.28	37.28
2036402	03/13/13	14713	MAGDALENA HATANAKA	Ref002427045	03/11/13	UB Refund Cst #0000039381	70.02	70.02
2036403	03/13/13	14711	MARCELA RODRIGUEZ	Ref002427043	03/11/13	UB Refund Cst #0000036710	112.77	112.77
2036275	02/27/13	14588	MARIA GABRIELA LAFARGA	Ref002426846	02/25/13	UB Refund Cst #0000177169	92.29	92.29
2036276	02/27/13	02902	MARSTON+MARSTON INC	2013223	01/31/13	ROSARITO DESALINATION (JAN 2013)	3,255.00	
				201323	01/02/13	ROSARITO DESALINATION (DEC 2012)	1,577.50	4,832.50
2036404	03/13/13	02902	MARSTON+MARSTON INC	2013231	02/28/13	COMMUNITY OUTREACH (FEB 2013)	5,000.00	
				201332	02/28/13	ROSARITO DESALINATION (FEB 2013)	4,690.00	9,690.00
2036405	03/13/13	03792	MARTINEZ, STEPHEN	004177	03/05/13	TUITION REIMBURSEMENT	180.00	180.00
2036277	02/27/13	14696	MCEWAN ENTERPRISES	Ref002426858	02/25/13	UB Refund Cst #0000196208	1,621.16	1,621.16
2036336	03/06/13	01183	MCMaster-CARR SUPPLY CO	46161206	02/14/13	SPRAY HEADS	147.51	147.51
2036406	03/13/13	14719	MELANIE JACOB	Ref002427051	03/11/13	UB Refund Cst #0000163019	8.13	8.13

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2036337	03/06/13	01824	MERKEL & ASSOCIATES INC	13021402	02/14/13	ENVIRONMENTAL SERVICES (12/1/12-1/31/13)	8,729.34	8,729.34
2036407	03/13/13	11325	MICHAEL BRESLIN	004174	03/04/13	CUSTOMER REFUND	230.58	230.58
2036278	02/27/13	14694	MICHAEL LEWIS	Ref002426856	02/25/13	UB Refund Cst #0000195183	75.00	75.00
2036466	03/20/13	09581	MICHAEL R WELCH PHD PE	71310	03/01/13	PLANNING SERVICES (1/2/13-3/1/13)	3,375.00	3,375.00
2036408	03/13/13	14727	MIKE MOUSSAVIAN	Ref002427059	03/11/13	UB Refund Cst #0000194652	172.74	172.74
2036409	03/13/13	14726	MILLENIA REAL ESTATE	Ref002427058	03/11/13	UB Refund Cst #0000194532	34.58	34.58
2036279	02/27/13	01577	MINARIK CORPORATION	I0999621DD	12/18/12	BANNER RADIOS	3,010.76	3,010.76
2036467	03/20/13	14699	MISSION COMMUNICATIONS LLC	40019738	02/21/13	SERVICE PACKAGE	2,284.16	2,284.16
2036338	03/06/13	00237	MISSION JANITORIAL & ABRASIVE	34857400	02/12/13	JANITORIAL SUPPLIES	1,382.92	1,382.92
2036280	02/27/13	14687	NATHAN DAVIES	Ref002426849	02/25/13	UB Refund Cst #0000186556	44.13	44.13
2036281	02/27/13	03523	NATIONAL DEFERRED COMPENSATION	Ben2426907	02/28/13	BI-WEEKLY DEFERRED COMP PLAN	11,203.77	11,203.77
2036410	03/13/13	03523	NATIONAL DEFERRED COMPENSATION	Ben2427106	03/14/13	BI-WEEKLY DEFERRED COMP PLAN	10,528.77	10,528.77
2036339	03/06/13	00745	NEWARK	23336104	02/14/13	MISC ELECTRONIC SUPPLIES	257.14	257.14
2036340	03/06/13	00510	OFFICE DEPOT INC	645436848001	02/15/13	OFFICE SUPPLIES	816.48	
				644973512001	02/12/13	INK CARTRIDGES	460.04	
				645426450001	02/15/13	OFFICE SUPPLIES	286.80	
				645436849001	02/15/13	OFFICE SUPPLIES	174.96	
				644684188001	02/11/13	OFFICE SUPPLIES	133.69	1,871.97
2036282	02/27/13	10349	OLEG SHERIF	Ref002426836	02/25/13	UB Refund Cst #0000017301	81.24	81.24
2036468	03/20/13	03149	ON SITE LASER LLC	47455	03/02/13	PRINTER SERVICES	120.04	120.04
2036469	03/20/13	02334	OTAY LANDFILL - 4531	0000013536	02/28/13	WASTE DISPOSAL	638.48	638.48
2036283	02/27/13	14683	OTAY RANCH TWENTY ONE LLC	Ref002426844	02/25/13	UB Refund Cst #0000168524	2,260.79	2,260.79
2036341	03/06/13	01002	PACIFIC PIPELINE SUPPLY	158501	02/20/13	INVENTORY	3,039.12	3,039.12
2036470	03/20/13	01002	PACIFIC PIPELINE SUPPLY	158541	02/27/13	INVENTORY	475.20	
				158540	02/27/13	METER UPGRADE	384.48	
				158718	02/28/13	INVENTORY	372.38	
				158547	03/01/13	METER UPGRADE	233.28	1,465.34
2036471	03/20/13	05497	PAYPAL INC	22472363	02/28/13	PHONE PAYMENT SERVICES (FEB 2013)	54.10	54.10
2036411	03/13/13	00137	PETTY CASH CUSTODIAN	004180	03/13/13	PETTY CASH	648.78	648.78
2036472	03/20/13	00053	PITNEY BOWES INC	776535	03/03/13	POSTAGE METER RENTAL (APR-JUNE 2013)	207.36	207.36

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2036342	03/06/13	02264	PLASTERER, MICHAEL	004163	03/04/13	SAFETY BOOTS	145.44	145.44
2036473	03/20/13	02449	POLLARDWATER.COM	I346953IN	02/28/13	ALUMINUM DEFUSER	1,010.26	1,010.26
2036284	02/27/13	01733	PRICE TRONCONE &	12646	02/11/13	ANTENNA SUBLEASE (APR-JUNE 2013)	4,128.00	4,128.00
2036474	03/20/13	13059	PRIORITY BUILDING SERVICES	33957	02/01/13	JANITORIAL SERVICES (FEB 2013)	3,504.00	3,504.00
2036343	03/06/13	06641	PRUDENTIAL OVERALL SUPPLY	30319198	02/07/13	UNIFORMS, TOWELS & MATS	385.06	
				30319197	02/07/13	UNIFORMS, TOWELS & MATS	179.79	
				30319199	02/07/13	UNIFORMS, TOWELS & MATS	151.14	
				30320078	02/12/13	UNIFORMS, TOWELS & MATS	95.35	
				30321574	02/19/13	UNIFORMS, TOWELS & MATS	95.35	
				30319200	02/07/13	UNIFORMS, TOWELS & MATS	56.08	
				30320077	02/12/13	UNIFORMS, TOWELS & MATS	46.08	
				30321573	02/19/13	UNIFORMS, TOWELS & MATS	46.08	1,054.93
2036475	03/20/13	06641	PRUDENTIAL OVERALL SUPPLY	30320683	02/14/13	UNIFORMS, TOWELS & MATS	375.06	
				30322208	02/21/13	UNIFORMS, TOWELS & MATS	371.06	
				30323724	02/28/13	UNIFORMS, TOWELS & MATS	369.06	
				30322207	02/21/13	UNIFORMS, TOWELS & MATS	179.79	
				30323723	02/28/13	UNIFORMS, TOWELS & MATS	179.79	
				30320682	02/14/13	UNIFORMS, TOWELS & MATS	179.79	
				30322209	02/21/13	UNIFORMS, TOWELS & MATS	158.97	
				30323725	02/28/13	UNIFORMS, TOWELS & MATS	158.97	
				30320684	02/14/13	UNIFORMS, TOWELS & MATS	151.14	
				30323109	02/26/13	UNIFORMS, TOWELS & MATS	95.35	
				30322210	02/21/13	UNIFORMS, TOWELS & MATS	56.08	
				30320685	02/14/13	UNIFORMS, TOWELS & MATS	56.08	
				30323726	02/28/13	UNIFORMS, TOWELS & MATS	49.79	
				30323108	02/26/13	UNIFORMS, TOWELS & MATS	48.08	2,429.01
2036344	03/06/13	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2426901	02/28/13	BI-WEEKLY PERS CONTRIBUTION	151,965.30	151,965.30
2036476	03/20/13	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2427100	03/14/13	BI-WEEKLY PERS CONTRIBUTION	150,898.04	150,898.04
2036477	03/20/13	01409	PUMP CHECK	5023	02/20/13	PUMP EFFICIENCY TESTING	4,485.00	
				5020	02/13/13	PUMP EFFICIENCY TESTING	4,095.00	8,580.00
2036345	03/06/13	01342	R J SAFETY SUPPLY CO INC	30986202	02/15/13	SAFETY SUPPLIES	145.80	
				30986201	02/12/13	SAFETY SUPPLIES	89.64	
				30986203	02/20/13	SAFETY SUPPLIES	80.03	315.47
2036346	03/06/13	11489	REALHOME SERVICES & SOLUTION	004157	02/28/13	CUSTOMER REFUND	75.00	75.00
2036412	03/13/13	14718	RECON ENVIRONMENTAL	Ref002427050	03/11/13	UB Refund Cst #0000158718	1,826.94	1,826.94

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2036285	02/27/13	14684	RICHARD PEREZ	Ref002426845	02/25/13	UB Refund Cst #0000172506	35.69	35.69
2036478	03/20/13	00521	RICK POST WELDING &	9425	02/17/13	REPAIR SECTION OF 12" STEEL	807.50	807.50
2036479	03/20/13	04542	ROBAK, MARK	70140313	03/19/13	MILEAGE REIMBURSEMENT (1/1/13-3/15/13)	53.28	53.28
2036413	03/13/13	14736	ROBERT SEEGER	004176	03/06/13	CLAIM SETTLEMENT	30.00	30.00
2036480	03/20/13	05130	SAFARI MICRO INC	227407	02/25/13	MEDIA STORAGE	2,538.00	2,538.00
2036286	02/27/13	14702	SAMUL GALEK	004136	02/26/13	CUSTOMER REFUND	216.45	216.45
2036481	03/20/13	11596	SAN DIEGO CONSTRUCTION WELDING	8777	02/27/13	TSS METER WELDING	1,225.00	1,225.00
2036347	03/06/13	02586	SAN DIEGO COUNTY ASSESSOR	2012157	02/05/13	ASSESSOR DATA	125.00	125.00
2036348	03/06/13	00003	SAN DIEGO COUNTY WATER AUTH	0000000692	02/14/13	2ND QTR IRRIGATION CHECKUPS	2,359.25	2,359.25
2036349	03/06/13	00003	SAN DIEGO COUNTY WATER AUTH	0000000704	02/20/13	SOCAL WATERSMART (DEC 2012)	1,423.65	
				0000000683	02/12/13	REGISTRATION FEE	40.00	1,463.65
2036350	03/06/13	00247	SAN DIEGO DAILY TRANSCRIPT	351892	02/06/13	BID ADVERTISEMENT	158.20	158.20
2036351	03/06/13	00121	SAN DIEGO GAS & ELECTRIC	004138	02/19/13	UTILITY EXPENSES (MONTHLY)	32,907.26	
				004150	02/26/13	UTILITY EXPENSES (MONTHLY)	1,550.96	34,458.22
2036414	03/13/13	00121	SAN DIEGO GAS & ELECTRIC	004167	02/27/13	UTILITY EXPENSES (MONTHLY)	48,900.31	
				004169	02/25/13	UTILITY EXPENSES (MONTHLY)	41,034.54	
				004168	02/22/13	UTILITY EXPENSES (MONTHLY)	141.24	90,076.09
2036482	03/20/13	14545	SAN DIEGO GLASS COATINGS CO	1612	02/21/13	WINDOW TINTING	6,040.00	6,040.00
2036287	02/27/13	14689	SAN DIEGO REAL ESTATE OWNED	Ref002426851	02/25/13	UB Refund Cst #0000188242	237.26	237.26
2036415	03/13/13	14725	SAN DIEGO REALTY	Ref002427057	03/11/13	UB Refund Cst #0000193214	13.24	13.24
2036483	03/20/13	06262	SARIPALLI, SHAMALA	004184	03/18/13	COMPUTER LOAN	754.54	754.54
2036288	02/27/13	14677	SAUL CRUZ	Ref002426837	02/25/13	UB Refund Cst #0000037412	97.07	97.07
2036484	03/20/13	14708	SC FUELS	4902708	03/08/13	UNLEADED FUEL	24,543.73	
				4902711	03/08/13	DIESEL FUEL	14,164.26	38,707.99
2036352	03/06/13	06838	SCEC	130213984	02/13/13	DIESEL PARTICULATE REPORT FOR LOPS	150.00	150.00
2036485	03/20/13	12333	SCHINDLER ELEVATOR CORPORATION	8103384409	02/01/13	ELEVATOR MAINTENANCE (FEB 2013)	416.00	416.00
2036289	02/27/13	11516	SIEMENS INDUSTRY INC	901053743	01/01/13	PROCESSING TANK (1/1/13-3/31/13)	120.00	120.00
2036486	03/20/13	11516	SIEMENS INDUSTRY INC	901130360	02/27/13	OLD/NEW MICRO PROBES	4,842.17	4,842.17
2036353	03/06/13	12281	SIR SPEEDY PRINTING	4213	02/15/13	BUSINESS CARDS	38.72	38.72

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2036354	03/06/13	02201	SOLAR DEPOT INC	INV410009189	02/07/13	SOLAR CHARGER	334.14	334.14
2036416	03/13/13	14730	SOUTH BAY FAMILY YMCA	Ref002427062	03/11/13	UB Refund Cst #0000196066	423.29	423.29
2036487	03/20/13	11618	SOUTH COAST COPY SYSTEMS	AR123368	02/25/13	COPIER MAINTENANCE	1,682.59	1,682.59
2036488	03/20/13	03103	SOUTHCOAST HEATING &	289175	02/21/13	AC REPAIR (2/19/13)	4,931.44	
				C50552	02/20/13	AC MAINTENANCE (FEB 2013)	1,068.00	
				C50553	02/20/13	AC MAINTENANCE (FEB 2013)	205.00	6,204.44
2036489	03/20/13	03760	SPANKY'S PORTABLE SERVICES INC	942049	02/28/13	PORTABLE TOILET RENTAL (2/28/13-3/27/13)	98.17	98.17
2036355	03/06/13	03760	SPANKY'S PORTABLE SERVICES INC	940565	02/11/13	PORTABLE TOILET RENTAL (2/9/13-3/8/13)	79.98	
				940165	02/08/13	PORTABLE TOILET RENTAL (2/8/13-3/7/13)	79.98	
				940164	02/08/13	PORTABLE TOILET RENTAL (2/8/13-3/7/13)	79.98	
				940163	02/08/13	PORTABLE TOILET RENTAL (2/8/13-3/7/13)	79.98	319.92
2036417	03/13/13	03760	SPANKY'S PORTABLE SERVICES INC	941191	02/20/13	PORTABLE TOILET RENTAL (2/20/13-3/19/13)	79.98	79.98
2036490	03/20/13	03516	SPECIAL DIST RISK MGMT AUTH	42877	02/28/13	WORKERS' COMPENSATION (APR-JUNE 2013)	56,880.00	56,880.00
2036356	03/06/13	10975	SPRING VALLEY COMMUNITY CENTER	004162	03/04/13	BOOTH SPACE RENTAL	50.00	50.00
2036357	03/06/13	06510	SPRINT NEXTEL	901500243077	02/12/13	WIRELESS SERVICES (1/9/13-2/8/13)	3,511.30	3,511.30
2036290	02/27/13	02354	STANDARD ELECTRONICS	17965	01/16/13	SENSOR REPAIRS	237.50	237.50
2036418	03/13/13	06281	STATE DISBURSEMENT UNIT	Ben2427116	03/14/13	BI-WEEKLY PAYROLL DEDUCTION	748.61	748.61
2036291	02/27/13	06281	STATE DISBURSEMENT UNIT	Ben2426913	02/28/13	BI-WEEKLY PAYROLL DEDUCTION	748.61	748.61
2036292	02/27/13	06299	STATE DISBURSEMENT UNIT	Ben2426905	02/28/13	BI-WEEKLY PAYROLL DEDUCTION	237.69	237.69
2036419	03/13/13	06299	STATE DISBURSEMENT UNIT	Ben2427104	03/14/13	BI-WEEKLY PAYROLL DEDUCTION	237.69	237.69
2036420	03/13/13	06303	STATE DISBURSEMENT UNIT	Ben2427114	03/14/13	BI-WEEKLY PAYROLL DEDUCTION	802.15	802.15
2036293	02/27/13	06303	STATE DISBURSEMENT UNIT	Ben2426911	02/28/13	BI-WEEKLY PAYROLL DEDUCTION	802.15	802.15
2036421	03/13/13	08533	STATE DISBURSEMENT UNIT	Ben2427120	03/14/13	BI-WEEKLY PAYROLL DEDUCTION	258.00	258.00
2036294	02/27/13	08533	STATE DISBURSEMENT UNIT	Ben2426917	02/28/13	BI-WEEKLY PAYROLL DEDUCTION	258.00	258.00
2036295	02/27/13	14691	STEPHEN OLKO	Ref002426853	02/25/13	UB Refund Cst #0000193764	30.81	30.81
2036422	03/13/13	14735	STEPHEN W BUTCHER	004173	03/08/13	CUSTOMER REFUND	9,658.44	9,658.44
2036358	03/06/13	02750	SUPERIOR READY MIX LP	550487	02/14/13	CRUSHED ROCK	764.97	
				549462	02/08/13	CRUSHED ROCK	482.14	
				550738	02/15/13	CRUSHED ROCK	223.56	1,470.67
2036491	03/20/13	02750	SUPERIOR READY MIX LP	552606	02/26/13	CRUSHED ROCK	206.91	

CHECK REGISTER
Otay Water District
Date Range: 2/21/2013 - 3/20/2013

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
				551954	02/22/13	CRUSHED ROCK	110.00	316.91
2036423	03/13/13	14724	TAMMIE REESE	Ref002427056	03/11/13	UB Refund Cst #0000188571	82.65	82.65
2036424	03/13/13	14177	THOMPSON, MITCHELL	18070213	02/26/13	MILEAGE REIMBURSEMENT (FEB 2013)	96.57	
				18070113	02/20/13	TRAVEL EXPENSE (JAN 2013)	17.25	
				18070113a	02/20/13	MILEAGE REIMBURSEMENT (JAN 2013)	5.55	119.37
2036296	02/27/13	09797	TOM HESSEL	Ref002426843	02/25/13	UB Refund Cst #0000142524	39.65	39.65
2036359	03/06/13	14641	TREBOR SHORING RENTALS	77669	02/18/13	TREBOR SHORING	2,851.16	2,851.16
2036492	03/20/13	00427	UNDERGROUND SERVICE ALERT OF	220130472	03/01/13	UNDERGROUND ALERTS (2/1/13-2/28/13)	289.50	289.50
2036360	03/06/13	14181	UNITED RENTALS (NORTH AMERICA)	109154906001	02/20/13	CONCRETE	118.80	118.80
2036493	03/20/13	14181	UNITED RENTALS (NORTH AMERICA)	109180362001	02/21/13	CONCRETE	222.75	
				109328537001	02/28/13	CONCRETE	139.32	362.07
2036297	02/27/13	00350	UNITED STATES POSTAL SERVICE	104339510213	02/21/13	PREPAID POSTAGE MACHINE	6,000.00	6,000.00
2036361	03/06/13	07662	UNITEDHEALTHCARE SPECIALTY	130630000124	03/04/13	AD&D & SUPP LIFE INS (MAR 2013)	5,341.51	5,341.51
2036362	03/06/13	07674	US BANK	004165	01/22/13	CAL CARD EXPENSES (MONTHLY)	628.19	628.19
2036494	03/20/13	07674	US BANK	O0000000025	02/22/13	CAL CARD EXPENSES (MONTHLY)	30,265.22	
				E000031	02/22/13	CAL CARD EXPENSES (MONTHLY)	690.00	
				004186	02/22/13	CAL CARD EXPENSES (MONTHLY)	286.07	
				E000030	02/22/13	CAL CARD EXPENSES (MONTHLY)	235.00	31,476.29
2036495	03/20/13	06829	US SECURITY ASSOCIATES INC	32733	02/28/13	SECURITY SERVICES (FEB 2013)	483.15	483.15
2036298	02/27/13	06829	US SECURITY ASSOCIATES INC	A996806	01/31/13	SECURITY SERVICES (JAN 2013)	1,558.70	1,558.70
2036299	02/27/13	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2426899	02/28/13	BI-WEEKLY DEFERRED COMP PLAN	13,395.65	13,395.65
2036425	03/13/13	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2427098	03/14/13	BI-WEEKLY DEFERRED COMP PLAN	13,450.35	13,450.35
2036300	02/27/13	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2426897	02/28/13	BI-WEEKLY 401A PLAN	4,445.20	4,445.20
2036426	03/13/13	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2427108	03/14/13	BI-WEEKLY 401A PLAN	3,808.58	3,808.58
2036427	03/13/13	12686	VANTAGEPOINT TRANSFER AGENTS	Ben2427110	03/14/13	401A TERMINAL PAY	77,524.04	77,524.04
2036428	03/13/13	03329	VERIZON WIRELESS	9700311622	02/21/13	WIRELESS SERVICES (1/22/13-2/21/13)	4,727.70	4,727.70
2036301	02/27/13	00215	WATER EDUCATION FOUNDATION	004130	01/01/13	MEMBERSHIP RENEWAL	3,500.00	3,500.00
2036496	03/20/13	03781	WATTON, MARK	004185	03/19/13	TRAVEL EXPENSES (3/13/13-3/15/13)	135.50	135.50
2036363	03/06/13	03781	WATTON, MARK	17910313	03/05/13	TRAVEL EXPENSES (JAN-FEB 2013)	484.96	484.96
2036497	03/20/13	00125	WESTERN PUMP INC	W15263	02/28/13	DUSTO INSPECTIONS	400.00	400.00

CHECK REGISTER
 Otay Water District
 Date Range: 2/21/2013 - 3/20/2013

<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>
							Amount Pd Total:	1,231,148.52
256	Checks						Check Grand Total:	1,231,148.52

