

OTAY WATER DISTRICT

BOARD OF DIRECTORS MEETING  
DISTRICT BOARDROOM

2554 SWEETWATER SPRINGS BOULEVARD  
SPRING VALLEY, CALIFORNIA

**WEDNESDAY**  
**July 11, 2012**  
**3:30 P.M.**

**AGENDA**

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. APPROVE THE MINUTES OF THE REGULAR BOARD MEETINGS OF MAY 2 AND JUNE 6, 2012, AND SPECIAL BOARD MEETING OF MAY 15, 2012
5. PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE BOARD ON ANY SUBJECT MATTER WITHIN THE BOARD'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA

**CONSENT CALENDAR**

6. ITEMS TO BE ACTED UPON WITHOUT DISCUSSION, UNLESS A REQUEST IS MADE BY A MEMBER OF THE BOARD OR THE PUBLIC TO DISCUSS A PARTICULAR ITEM:
  - a) APPROVE CHANGE ORDER NO. 2 TO THE EXISTING CONTRACT WITH TC CONSTRUCTION, INC. IN AN AMOUNT NOT-TO-EXCEED \$42,412.96 FOR THE LA PRESA SYSTEM IMPROVEMENTS PROJECT
  - b) ADOPT RESOLUTION NO. 4200 TO CONTINUE WATER AND SEWER AVAILABILITY CHARGES FOR DISTRICT CUSTOMERS FOR FISCAL YEAR 2012-2013 TO BE COLLECTED THROUGH PROPERTY TAX BILLS
  - c) ADOPT RESOLUTION NO. 4202 TO ESTABLISH THE TAX RATE FOR IMPROVEMENT DISTRICT NO. 27 FOR FISCAL YEAR 2012-2013

- d) APPROVE AGREEMENTS WITH THE FOLLOWING:
  - a. ABLEFORCE, INC., IN THE AMOUNT OF \$170,000 FOR PROGRAMMING SERVICES FOR FINANCIAL AND REPORTING SYSTEMS ENHANCEMENTS
  - b. ONE YEAR O&M SERVICE AGREEMENTS FOR FY 2013 WITH:
    - i. GTC SYSTEMS, INC., IN THE AMOUNT OF \$78,000 FOR NETWORK MANAGEMENT AND MONITORING SERVICES
    - ii. AT&T IN THE AMOUNT OF \$99,000 FOR LOCAL AND LONG DISTANCE TELEPHONE AND INTERNET SERVICE
    - iii. VERIZON WIRELESS IN THE AMOUNT OF \$81,000 FOR CELL PHONE DEVICE CONVERSION AND WIRELESS SERVICES
    - iv. SOFT CHOICE IN THE AMOUNT OF \$83,546 FOR SOFTWARE LICENSES UNDER THE MICROSOFT ENTERPRISE AGREEMENT
    - v. TYLER TECHNOLOGIES IN THE AMOUNT OF \$139,710 TO COVER THE COSTS OF A SOFTWARE MAINTENANCE AGREEMENT, ANNUAL SUPPORT, AND CONSULTING SERVICES (O&M \$119,710/CIP P2470 \$20,000)
  - e) CAST VOTES TO ELECT REPRESENTATIVES TO THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF DIRECTORS, REGION 6, SEATS A AND C

#### ACTION ITEMS

- 7. BOARD
  - a) DISCUSSION OF 2012 BOARD MEETING CALENDAR

#### INFORMATIONAL ITEMS

- 8. THE FOLLOWING ITEMS ARE PROVIDED TO THE BOARD FOR INFORMATIONAL PURPOSES ONLY. NO ACTION IS REQUIRED ON THE FOLLOWING AGENDA ITEMS:
  - a) REPORT ON THE FINDINGS OF THE 2012 CUSTOMER AWARENESS AND OPINION SURVEY (BUELNA)
  - b) REPORT ON THE FINDINGS OF THE 2012 CALL CENTER CUSTOMER SATISFACTION SURVEY (BUELNA)

- c) INFORMATIONAL FOLLOW-UP REPORT TO FISCAL YEAR 2013 BUDGET WORKSHOP (BEACHEM)

REPORTS

- 9. GENERAL MANAGER'S REPORT
  - a) SAN DIEGO COUNTY WATER AUTHORITY UPDATE
- 10. DIRECTORS' REPORTS/REQUESTS
- 11. PRESIDENT'S REPORT/REQUESTS
- 12. ADJOURNMENT

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

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

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

Certification of Posting

I certify that on July 6, 2012, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of Otay Water District, said time being at least 72 hours in advance of the regular meeting of the Board of Directors (Government Code Section §54954.2).

Executed at Spring Valley, California on July 6, 2012.

/s/ Susan Cruz, District Secretary

**MINUTES OF THE  
BOARD OF DIRECTORS MEETING OF THE  
OTAY WATER DISTRICT  
May 2, 2012**

1. The meeting was called to order by President Lopez at 3:31 p.m.

2. ROLL CALL

Directors Present: Lopez, Gonzalez, Croucher and Robak

Staff Present: General Manager Mark Watton, Asst. General Manager German Alvarez, General Counsel Daniel Shinoff, Chief Financial Officer Joe Beachem, Chief of Engineering Rod Posada, Chief of Operations Pedro Porras, Chief of Administration Rom Sarno, 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 Gonzalez and carried with the following vote:

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

to approve the agenda.

5. APPROVE THE MINUTES OF THE REGULAR MEETING OF APRIL 4, 2012 AND SPECIAL MEETING OF MARCH 19, 2012

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

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

to approve the minutes of the regular meeting of April 4, 2012 and the special meeting of March 19, 2012.

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

No one wished to be heard.

7. PRESENTATION OF THE 2012 OTAY PHOTO, VIDEO AND POSTER CONTEST AWARDS

Water Conservation Manager William Granger stated that the District’s poster contest was established in the mid-1990’s and indicated that the District has been submitting its top poster contestants to MET’s calendar contest each year. He stated that this year, the District created a category for older students and an incentive for teachers to promote the contest to their students. Mr. Granger indicated that the District received 14 posters, which resulted in four student and one teacher award winners. The winning posters were presented in a slide show for the Board and public.

Mr. Granger indicated that the photo contest was established by the Helix Water District ten years ago and that the Otay and Sweetwater Districts joined four years ago. He stated that the photographs were themed around water and indicated that this year the District received 22 submissions from Monte Vista, Bonita Vista and Olympian High Schools. He noted that the top six photos have been included in the slide show and that winning photos from the contest have been used in the past as bookmarks in the District’s annual budget report and Water Quality Report.

He also spoke about the video contest and indicated that while the District initiated the contest last spring, this was the first year the District received videos for the contest. The video contest theme was, “Make Every Drop Count.” Mr. Granger stated that the District received two video entries. The two video entries were shown at the meeting.

President Lopez presented award certificates and checks to the poster, photo and video contest winners:

\$100 Middle and High School Poster Contest Winner:

- Ms. Teresa Vasquez Alvizo, 9<sup>th</sup> grade student at Steele Canyon High School

\$50 Elementary School Poster Contest Winners and \$75 Teacher Award:

4<sup>th</sup> grade teacher, Mr. Clarke and his three students were unable to attend today’s meeting as they are in school past 3:30 p.m. Presentation of their awards will be made in their classroom.

- Christine Griffiths, 4<sup>th</sup> grade, Vista Grande Elementary
- Naithan Yousif, 4<sup>th</sup> grade, Vista Grande Elementary
- Steven Wesson, 4<sup>th</sup> grade, Vista Grande Elementary
- Mr. Clarke, 4<sup>th</sup> grade Teacher, Vista Grande Elementary

\$200 Photo Contest Winners:

- Olivia Thomas, 12<sup>th</sup> grade, Monte Vista High School
- Alexa Helwa, 12<sup>th</sup> grade, Monte Vista High School
- Natalie Hunt, 12<sup>th</sup> grade, Monte Vista High School (Ms. Hunt received a \$400 check. The additional \$200 was for tying for first place as the *Regional Best In Show*.)

\$250 Video Contest Winners:

- Carlo Fiorillo, 2<sup>nd</sup> Place for his video titled, “Down to the Last Drop,” Freshman at San Diego State University
- John Paoletto and John Portillo, 1<sup>st</sup> Place for their video titled, “Magic Basket,” Sophomores at Southwestern College (both received a \$250 award for their entry)

ACTION ITEMS

8. BOARD

- a. INTERVIEW APPLICANTS AND APPOINT A REPRESENTATIVE TO THE DIVISION 2 SEAT ON THE DISTRICT’S BOARD OF DIRECTORS FOR THE REMIANING TERM OF FORMER DIRECTOR, JAIME BONILLA

President Lopez stated that there were four (4) candidates who applied for the Division 2 seat. He explained the interview process and indicated that each applicant would be interviewed during today’s meeting. The first to be interviewed was Mr. Eduardo Reyes.

Mr. Eduardo Reyes stated that he was interested in the Division 2 seat because he would like to be part of the District’s process of assuring water resources and supply to residents and businesses of the District’s service area. His would like to focus on the District’s infrastructure and work on additional means of obtaining water resources. He is aware of the District’s Rosarito Desalination Project and indicated that he would like to be part of the Project’s process. He indicated that he has been an Administrator for 15 years and has knowledge of business policies and procedures. He would like to be involved with the enhancement of the District’s processes, organizational structure and overall management. He believes that the work of a Director is very important and indicated that prior to applying for the

Division 2 seat, he discussed his plans with his employer and family to assure their support. He indicated that he also plans to run for the Division 2 seat in the upcoming elections and is committed to representing the District's customers. He discussed his experience with working in the private sector and having his own business and noted that he learned about limited resources and doing the best you can. He also discussed his work experience in the public sector and noted that it is important to create alliances, as he did within the school system where his task was to seek compatible partners to collaborate with. Mr. Reyes stated that he has been a resident of the South Bay for approximately 30-40 years and believes that customer service is one of the keys to customer satisfaction. He understands that there are water issues and in the last 15-20 years there was a huge drought that almost caused the District to ration water. Mr. Reyes believes that there is a need to assure there are enough resources and other means of obtaining water supply as opposed to purchasing it. He also shared that he has heard that reverse osmosis should be considered as it is cheaper and much more safe to drink. Mr. Reyes thanked the Board for the opportunity to be interviewed.

Mr. David Krogh provided a history of his background and indicated that he has been a resident of Chula Vista since 1983. He stated that he has volunteered with the City of Chula Vista and SANDAG and is seeking other opportunities. He indicated that he is interested in filling the Division 2 vacancy for the next seven (7) months to learn about water matters and is not considering to campaign for the position in the upcoming elections. Mr. Krogh discussed his academic background as a CPA and his work experience and stated that his strength would be to run the District similar to a private business from a financial aspect. Additionally, he indicated that he understands the District's Policy 25 concerning how rates are determined. He stated, with regard to working as a team, that he has served on multiple committees and boards. He provided an example of his teamwork experience and stated that he had worked with a fire department to improve its performance measures. It had involved constant follow-up to resolve issues. With regard to resolving conflicts and proposing solutions, he stated that it best to handle them calmly. He indicated that he felt that he would be successful in handling conflicts with other board members as he has had the experience of being a "translator" to get groups together which has been successful. In response to a question from the Board with regard to his familiarity with Division 2 and its issues, Mr. Krogh stated that he has reviewed the District's redistricting maps and has a new appreciation for the District's purpose. He stated that the District can better serve its customers by maintaining water flow and keeping rates down. Mr. Krogh noted that the District was one of the lowest cost providers compared to other agencies, which is a surprise to him considering the number of the District's Capital Improvement Projects. He noted that he has read much about the challenges related to water resources in Southern California, but indicated that he does not have a lot to offer in terms of understanding those challenges. He stated that he has had the opportunity to meet with Mr. Jim Peasley and Mr. Peter Silva to discuss the desalination project. As for his time commitment to the community, Mr. Krogh stated that he is willing to represent his community for the next seven (7) months.

Mr. Brian Lightbody stated that he is interested in the Division 2 seat because he has professionally worked in the industry for over nine (9) years and believes he could utilize his experience to help make policies related to the process of maintaining infrastructure. Mr. Lightbody indicated that he is currently employed by the San Diego County Water Authority (CWA) in the area of operations and maintenance. He noted that he has discussed his plans with his boss to apply for a seat on the Otay Water District Board and he is willing to make the commitment required as a Director by using his vacation accruals to meet his responsibilities to the District. In response to a question from the Board regarding the upcoming elections, Mr. Lightbody stated that if he were to fill the Division 2 vacancy, he may seek election depending on how well he performed and his circumstances at the time of elections. He stated that he also worked in the private sector where the goal was to have a good product and to make money. The public sector is driven by customer service, such as, providing water to customers at a reasonable price. Mr. Lightbody spoke about working as a team member on a pension trust committee and noted that the committee monitored an educational trust, where he felt he had a judiciary responsibility to do the right thing for the beneficiaries and members. He also discussed his teamwork experience while serving on several commissions and indicated that he has supervised a group of technicians. Mr. Lightbody indicated that he believes he has the leadership skills and the ability to work with a group of people to resolve conflicts and propose solutions. In response to a question from the Board regarding his familiarity with Division 2, Mr. Lightbody stated that he is aware that the District has recently redistricted and believes that Division 2 encompasses mostly affluent residents. He feels that it is important for the District to address infrastructure needs and maintain old infrastructure in the Division instead of building new developments in other areas. He discussed his philosophy on customer service and stated he felt that it is essential to educate District's customers about its business process and costs of supplying water. Mr. Lightbody stated that he has a minimal understanding of the challenges related to water resources and views them as conundrums. He spoke of the Rosarito and Carlsbad Desalination Projects and how costs would compare and indicated that he was not familiar with the Bay Delta issue, but is aware that there is a bond for water projects being proposed. He also indicated that he is aware of MWD's litigation issues and its cost to ratepayers. Mr. Lightbody concluded his interview by thanking the Board for a transparent interview process.

Mr. Mitch Thompson provided a brief history of his background and stated that he is interested in the seat on the District's board because he felt he could add value and contribute to the District's decision making process as he has held a similar position as a member of the City of Chula Vista's Council. He stated that he is very interested in participating on the District's board and is in an appropriate position in his life to represent his community. He indicated that he understands the time commitment and shared that he owns his own business and has a flexible schedule to devote the time needed to participate on the board. He stated that he also intends to run for the position in the upcoming election. Mr. Thompson indicated he

worked in the public sector for approximately 11 years then transitioned to the private sector working for Bank of America in financing. He stated he felt he has a good understanding of public agencies and has served on various advisory committees. Mr. Thompson noted that he likes the idea of running a public entity as a private firm. He spoke of working with the City Council and stated that he left the Council with positive relationships. Mr. Thompson believes that it is important to treat everyone with respect to get a positive outcome and values consensus building. He discussed his experience as the Chairman of the Council of Economic Advisory Committee for the City and felt there was a cooperative agreement with the members. He noted that he respected the expertise of employees and believed in building positive relationships. Mr. Thompson talked about his knowledge of Division 2 and stated that the area is predominantly built out and mainly requires maintenance. He is less familiar with the Otay Mesa area, especially the area near the border, but sees it as an opportunity for the District. Mr. Thompson shared his customer service philosophy, stating that it is important to make customers feel that they are paying a reasonable price for their water supply. He believes in communicating with customers and stated that the District is in an enviable position as it can educate ratepayers of the reasons why water rates are increasing. Mr. Thompson noted that maximizing efficiency is important, but believes it is limited and therefore the District must be creative in trying to diversify its resources. Mr. Thompson discussed some of Southern California's water issues and stated that water agencies are in dispute over the increasing rates, but resources are needed and CIP projects are expensive. Mr. Thompson thanked the board for the opportunity to be considered for the Division 2 position.

The Board recessed at 5:31pm to discuss the appointment to the Division 2 seat for the remaining term of former Director, Jaime Bonilla, and reconvened at 5:38 p.m.

- i. ADOPT RESOLUTION NO. 4196 OF THE BOARD OF DIRECTORS OF THE OTAY WATER DISTRICT APPOINTING MITCH THOMPSON TO THE BOARD OF DIRECTORS, DIVISION 2, TO FILL THE VACANCY LEFT BY DIRECTOR BONILLA'S RESIGNATION

The Board thanked all candidates for their interest in the Division 2 position and for their wanting to be involved in the community. The board felt that all the applicants had strong backgrounds and their respective strengths.

Director Gonzalez nominated Mitch Thompson to fill the Division 2 position and by motion of Director Gonzalez, seconded by Director Croucher, and carried four to zero with the following vote:

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

the board adopted Resolution No. 4196 appointing Mr. Mitch Thompson to the Division 2 seat on the Board of Directors filling the vacancy left by Director Bonilla's resignation.

Legal Counsel Dan Shinoff read Resolution No. 4196 into the record and General Manger Mark Watton administered the Oath of Office to Mr. Thompson and he was seated on the Board at 5:52 p.m.

- b. SUPPORT STAFF'S RECOMMENDATION TO LEAVE INTACT THE LEAK ADJUSTMENT PROVIDED THE COTTONWOOD MEADOWS HOMEOWNERS ASSOCIATION IN ACCORDANCE WITH THE DISTRICT'S ESTABLISHED PRACTICE AND DENY ANY FURTHER ADJUSTMENTS

Customer Service Manager Alice Mendez-Schomer indicated that the District's customer, Cottonwood HOA, had a large leak in their irrigation system. She stated that the District became aware of the leak when field staff read their meter on March 5 and noted much higher consumption than normal. As is the District's practice, staff scheduled a reread of their meter the following day to ensure that the read was accurate. On March 6 the District's field staff noted that the meter dial was spinning. The field staff person immediately contacted the District's office and spoke with a customer service representative. The customer service representative then contacted the Cottonwood HOA and advised them of the possible leak.

Ms. Mendez-Schomer stated that on March 12, District staff spoke again with the HOA and the HOA inquired about a leak adjustment. The HOA was billed approximately \$6,500 which was reduced by a leak adjustment of \$191.57. As a courtesy, the District also reversed late fees. It was stated that this is consistent with how past leak adjustments have been handled for all customer accounts (residential, commercial and irrigation).

Customer Service Manager Alice Mendez-Schomer shared that leak adjustments are determined by taking the customer's total usage and calculating it at the lowest tier rate for the customer account type (residential, commercial or irrigation). Because the spread between the tiers for commercial accounts is very small, the adjustment is a small dollar amount. The spread between residential tier rates is much larger and, thus, adjustments are a higher dollar value.

Ms. Alice Mendez-Schomer noted that the District understands that this is an extraordinary loss for the HOA and has offered a six-month no interest payment plan. The HOA declined the payment plan and asked to address their matter with the District's board. They are requesting a higher adjustment, but have not yet indicated the amount they are requesting. The bill is approximately \$6,000 above their normal March monthly rate.

It was indicated that the District is sensitive to such unexpected incidences and does provide some credit adjustment. However, the District still must cover the base cost for the lost water. If the District reduces the bills for customers who have leaks or some other extraordinary use, the cost of the lost water is spread to the District's other ratepayers which, in effect, is a subsidy.

Ms. Mendez-Schomer noted that if the HOA had acted more quickly in fixing the irrigation leak, the water loss and water bill would have been significantly less. The HOA was notified within one (1) day of field staff detecting the leak. Field staff took a total of three meter reads to assist the HOA and noted with the first two meter readings that there was still movement on their meter. By the third meter reading, no movement of the meter was detected. It appears the HOA delayed taking action until eight (8) days after they had been made aware of the leak.

It was discussed that the leak adjustment provided to the Cottonwood HOA is consistent with past District practice. Customers in a similar situation were provided a leak credit adjustment and the customers have paid their water bill less the adjustment.

President Lopez indicated that this issue was brought to the attention of the Finance, Administration and Communications Committee on April 19, 2012. Since the Cottonwood HOA had no representative at that meeting, the Committee recommended that the issue move forward to the full Board for consideration.

Ms. Debbie Haynes, Cottonwood HOA, addressed the Board and stated that she is not in opposition or support of Agenda Item 7b and is only present to provide information and plead for leniency. Ms. Haynes indicated that the HOA is the oldest Association in Rancho San Diego and that its infrastructure is approximately 30 years old and made up of 198 duplex units (100 units altogether). She stated that the leak occurred in a nearby area of the HOA where it is steep, rugged and impossible to get to. She indicated that the valve was turned off within an hour and a half of being notified by Otay staff of the leak, but realized the valve was still leaking when staff came back several days later to check it again. In addition, District staff had also discovered that there was a huge leak emptying into the nearby creek. Ms. Haynes spoke of the HOA's finances and stated that the HOA's fees started out at \$25 and has now increased to \$80 a month and the increase has taught the HOA to be very prudent with its expenses. She stated that the HOA has applied for District grants and noted that the Association has taken the initiative to conserve water by planting drought tolerant plants, maintain breaks in the area, and check sprinklers at least 2 days out of the week. However, the HOA is currently facing the dilemma of replacing 30-year old pipes and an increased water bill due to the significant increase in its monthly units from approximately 54 to 250, to 1,715 units. Ms. Haynes stated that the HOA runs on a slim budget and has a small reserve and is pleading for leniency by the District. She requested that the District waive extra fees, base the HOA's units at the lowest rate, and work with them to help pay off the debt through monthly installments.

In response to a question from Director Robak, Ms. Haynes stated that the HOA is located at the northeast corner of Jamacha Blvd., past Cal-Fire and south of the Chaldean Church. She indicated that tree roots were the cause of the break and that the HOA is willing to work with the District, but needs more time to pay off the debt. She noted that there is only a 60% occupancy rate and renters cannot handle additional assessments.

In response to an inquiry from Director Croucher, Customer Service Manager Alice Mendez-Schomer indicated that the District waived late fees, based the HOA's units at the lowest rate, and offered a six month installment with no interest fees on the debt. She noted that the District is also willing to finance the debt for 12 months and no interest fees.

Director Robak stated that he supports staffs' recommendation and motioned that the HOA be given the option to pay off the debt within 12 months with no interest fees.

In response to a question from Director Thompson, Ms. Haynes stated that the HOA consists of 198 duplex units (100 units altogether).

On motion of Director Robak, seconded by Director Croucher, and carried unanimously with the following vote:

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

the Board approved staffs' recommendation and provided the HOA the option to pay off the debt within 12 months with no interest fees.

CONSENT ITEMS

9. 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 Mark Robak requested that Item 8d be pulled for discussion.

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

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

Absent: None

to approve the following remaining consent calendar item:

- a) APPROVE A CONSULTING SERVICES AGREEMENT WITH SILVA SILVA INTERNATIONAL, LLC IN AN AMOUNT NOT-TO-EXCEED \$104,000 FOR FISCAL YEARS 2012, 2013 AND 2014 (ENDING JUNE 2014) FOR PROFESSIONAL CONSULTING WORK RELATED TO THE OTAY MESA DESALINATION FACILITY CONVEYANCE AND DISINFECTION SYSTEM PROJECT

Director Robak inquired on an update of the services provided by Silva Silva International, LLC. General Manager Watton indicated that the Rosarito Desalination Project's private partnership issues have been resolved and the project will soon be back on track. As the project was on hold, not much was spent this past year and contracts related to the project are currently canceled until the project begins to move forward. Consultant Peter Silva has been engaged primarily in monitoring the status of the IBWC and the Colorado River negotiations and how the Desalination Project relates with these entities. He indicated that there are complex negotiations occurring between the United States and Mexico relative to the Colorado River, storage in Lake Mead, and a smaller part of the negotiations is the Rosarito Desalination Plant. Mr. Silva will also keep the commissioner of the IBWC informed of the District's activities. General Manager Watton noted that the contract with Silva Silva International, LLC is for two (2) years and it could be canceled by the District at any time as long as a notice is provided to the consultant.

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

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

to approve consent items.

## 10. BOARD

- a) DISCUSSION OF 2012 BOARD MEETING CALENDAR

Director Robak spoke of the joint board meetings that the District had held with Helix WD, Padre Dam MWD and Sweetwater Authority and asked that staff look into scheduling a joint meeting as one has not been held in quite some time.

There were no changes to the Board Meeting Calendar.

## REPORTS

### 11. GENERAL MANAGER'S REPORT

General Manager Watton highlighted information from his report that included an update on the Salt Creek Golf Course matter; CCTV Videos on GIS; AMR Meter Change-Outs; the Ralph Chapman Reclamation Plant; the Avocado, Louisa, Calavo, Challenge and Hidden Mesa Sanitary Sewer Replacement Project; the 850-3 Reservoir Exterior Coating and Upgrades; and water purchases.

General Manager Watton indicated that a memo was provided to the board to explain a change in the District's methodology process for calculating water loss. It was discussed that water loss variance changes from month-to-month based on the amount of water purchased and sold. Automated reports for water purchased were processed too early which was skewing the adjustment of estimated water sales and ultimately overstating the District's water loss. Moving forward, staff will not update this measure until the end of the month that follows the end of each quarter. Mr. Watton stated that the District's goal is to decrease its water loss and noted that there is a 6% standard by AWWA.

### SAN DIEGO COUNTY WATER AUTHORITY (CWA) UPDATE

General Manager Watton provided an update on the lawsuit CWA filed against MET regarding their rate structure. MET and its member agencies are countering the information CWA has publicized regarding their (MET's) transportation rate and the lawsuit and are attempting to place the focus on the cost of the IID transfer water. General Manager Watton stated the cost of the water has never been an issue, as it was understood at the time that the transfer was agreed upon, that the water would be more expensive. During the drought in the 1990's, MET was not able to serve CWA the water it needed to serve the San Diego Region and just a couple years ago, when there was another drought situation, MET had indicated that they would be cutting back water to CWA as it did not have enough resources. The water from the IID Transfer Agreement had kept the San Diego Region from going through a severe cutback. He stated that CWA is not contending in their lawsuit that the transfers are too expensive, they are asking that MET provide a legal wheeling rate for the IID water.

Director Croucher reported that the agriculture rate discount was extended for another two years and reported that CWA allocated, over the next three years, \$90 million for water conservation programs. He stated that CWA had previously considered terminating the allocation for water conservation programs in order to lower its rates, especially since the San Diego County agencies only qualify for a few conservation programs, but continue to pay for other agencies who do qualify for the programs.

### 12. DIRECTORS' REPORTS/REQUESTS

Director Robak indicated that he attended the Spring Garden Festival and met the new Executive Director, Mr. John Bolthouse, of the Water Conservation Garden (Garden). He stated that he was pleased to report that staff at the Garden seems to be more positive and that the morale has greatly improved. He also shared that the Garden has become its own separate department (separate from the Horticultural Department) and will hire its first full-time faculty member. He stated he was very pleased with the success of the program.

Director Thompson thanked his colleagues for appointing him to the Division 2 vacancy on the Board. He stated that he was looking forward to working with the Board and getting to know the District's staff.

Director Gonzalez indicated that he had attended the City of Chula Vista's Redevelopment Oversight Board meeting and the board had approved several items that were forwarded to the State. He stated that the items were rejected by the State and the Redevelopment Oversight Board held a second meeting to reconsider the items rejected by the State. The Board decided to place the items on hold in order to request Counsel's opinion. He stated the next Redevelopment meeting will be held on May 10th.

13. PRESIDENT'S REPORT

President Lopez stated that he is pleased to have an outstanding new board member, Director Mitch Thompson, and believes Director Thompson will be able to share his history, experience and knowledge with the board and staff.

Attached to the minutes is President Lopez' report with regards to meetings he attended in April 2012.

14. ADJOURNMENT

President Lopez adjourned the meeting at 7:02pm and indicated that the meeting would be continued to a Special Board meeting on May 8<sup>th</sup> to consider the Closed Session items.

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President

ATTEST:

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District Secretary

**MINUTES OF THE  
BOARD OF DIRECTORS MEETING OF THE  
OTAY WATER DISTRICT  
June 6, 2012**

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

2. ROLL CALL

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

Staff Present: General Manager Mark Watton, Asst. General Manager German Alvarez, Attorney Jeff Morris, Chief Financial Officer Joe Beachem, Chief of Engineering Rod Posada, Chief of Information Technology Geoff Stevens, Chief of Administration Rom Sarno, District Secretary Susan Cruz and others per attached list.

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

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

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

to approve the agenda.

5. APPROVE THE MINUTES OF THE SPECIAL BOARD MEETING OF MAY 8, 2012

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

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

to approve the minutes of the special board meeting of May 8, 2012.

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

No one wished to be heard.

CONSENT ITEMS

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:

President Lopez requested that item 6d be pulled for discussion and Director Robak pulled item 6a for discussion.

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

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

to approve the following remaining consent calendar items:

- b) ADOPT RESOLUTION NO. 4197 REVISING AND UPDATING BOARD OF DIRECTORS POLICY NO. 22, DRUG FREE WORKPLACE POLICY AND PROCEDURE; AND HUMAN RESOURCES POLICY, FAMILY AND MEDICAL LEAVE ACT, PREGNANCY DISABILITY LEAVE, AND KIN CARE LEAVE
- c) APPROVE THE ISSUANCE OF A PURCHASE ORDER TO KIRK PAVING IN AN AMOUNT NOT-TO-EXCEED \$175,000 FOR AS-NEEDED ASPHALT PAVING SERVICES FROM JULY 1, 2012 THROUGH JUNE 30, 2013
- e) APPROVE THE STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) PROPOSED JOINT USE AGREEMENT NO. 31875-1 AND 31872-1 AND OTAY WATER DISTRICT CONSENT TO COMMON USE AGREEMENT NO. 31867-1 WITH CALTRANS FOR THE SR-125 UTILITY RELOCATIONS AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE AGREEMENTS

President Lopez presented Item 6a for discussion.

- a) APPROVE A 5-YEAR AGREEMENT (THREE [3] YEARS WITH TWO [2] ADDITIONAL YEARS AT THE DISTRICT'S OPTION) WITH ALLIANT

INSURANCE SERVICES, INC. FOR BENEFIT CONSULTING AND  
BROKER SERVICES AND IDENTIFYING ALLIANT AS THE DISTRICT'S  
BROKER OF RECORD IN AN AMOUNT NOT-TO-EXCEED \$135,000

Human Resources Manager Kelli Williamson indicated that the District had conducted a bid in 2008 for the same services and had selected Willis Insurance Services of California (Willis) at that time. The contract with Willis was a two (2) year contract with up to three (3) option years to renew. Staff has opted to renew early so that the selection of a broker firm could be completed before negotiations commence.

Staff forwarded an RFP to nine different benefit consultants and received five (5) responses. A panel of four (4) staff members reviewed the proposals and selected three (3) to interview. Based on the proposals, interviews and references, staff recommends moving from Willis to Alliant Insurance Services (Alliant). She stated the two (2) primary reasons for the recommended change is Alliant is currently the broker for the CSAC benefit pool and staff felt that it would help facilitate communications with CSAC as there will be one less broker to deal with. They also provided the most competitive bid.

Staff is recommending a three (3) year contract with an option to renew the contract for two (2) additional years. Alliant has agreed to extend the pricing over to the fourth and fifth years. She stated that the contract can be terminated with 60 days notice at anytime.

Director Robak indicated he had pulled this item as some years ago there was a conflict of interest issue with the company recommending our benefits as there was an arms length relationship between the benefits consultant and the administrators of the District's benefit plan. He wished to assure that the District is thoroughly vetting, not just the District's benefits consultant, but all consultant services. Human Resources Manager Kelli Williamson indicated that they did ask that question in the interview process and Mr. Paul LaBounty, Alliant, is present at today's meeting and can address that issue and any further questions.

Mr. LaBounty provided a little background on his company in response to a request from Director Robak. He indicated that his company was originally called Robert Driver Company. He stated a large difference between his company and other insurance brokers is they have a heavy focus on public agencies. He stated that the JPA process allows his firm to have an arms length distance as they are not the pool. They are just hired, in this particular case CSAC, to be the expert consultant to the client. The client themselves can participate in the decision making at the board level for CSAC. Alliant also has the ability to be independent and has a broader scope of options as his firm has access to purchasing pools, as well as the entire market. He also noted that his firm is hired to be the "consultant" and not the "agent" for Otay.

President Lopez indicated that this item was also reviewed by the District's Finance, Administration and Communications Committee and the committee supported staffs' recommendation.

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

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

to approve staffs' recommendation.

President Lopez presented item 6d for discussion:

- d) APPROVE AMENDMENT NO. 2 TO THE GROUND LEASE AND JOINT USE AGREEMENT WITH THE SAN MIGUEL CONSOLIDATED FIRE PROTECTION DISTRICT FOR THE HEARTLAND REGIONAL FIRE & PUBLIC SAFETY TRAINING FACILITY AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE AMENDMENT

Director Croucher indicated that he was recently promoted to interim Fire Chief of San Miguel Consolidate Fire Protection District. He stated that he was recusing himself from the discussion of this item and indicated that he also did not attend the Engineering, Operations and Water Resources Committee meeting wherein this item was discussed. Director Croucher stepped off the dias at 3:44 p.m.

Environmental Compliance Specialist Lisa Coburn-Boyd indicated that the District had entered into a lease and joint use agreement with San Miguel Fire Protection District (SMFPD). In accordance with the agreement, SMFPD would build a state of the art training facility at the District's regulatory site. She stated that construction of the facility commenced in May 2011 and will be constructed in two (2) phases. She presented a map showing the facility layout and the training props that will be constructed during the two phases. The first phase included the walls, grading of the site, concrete, trench rescue prop, overpass bridge simulation and SDG&E vault prop. She stated that the Board approved the funding for the confined space training prop in April 2012.

She explained that the amendment concerns any improvements that may be done by the District to the training facility site, such as the confined space training prop, that it would be included in the training facility's construction contract and the District would reimburse SMFPD for the costs they incur to build the improvements. The amendment also contains conditions for use of the District's improvements by SMFPD and requirements for maintenance and repair. All District improvements

shall remain the property of the District. She stated that the amendment was written by the District's attorney.

General Manager Watton indicated in response to an inquiry from Director Thompson that the lease is for 30 years with an option to renew for another 20 years. He noted that the contract can be terminated by either party at anytime. Otay WD must provide 90 days notice and SMFPD 60 days notice.

Director Robak inquired if there were any other partners involved in the training facility. Environmental Compliance Specialist Coburn-Boyd indicated that SMFPD has entered into an agreement with Heartland Fire Training (Heartland) to operate the training facility. Though they have entered into an operating agreement with Heartland, SMFPD still has responsibility for land use permits, which includes storm water runoff, environmental documents, etc., as per the lease agreement with Otay WD.

General Manager Watton indicated that the District requires insurance on all its construction contracts, etc. in response to an inquiry from Director Thompson. He stated that the District will follow-up and assure that insurance certification is also acquired from all organizations who have business on the site, such as Heartland and any construction companies retained by SMFPD.

There was discussion that the training facility could be used regionally by other agencies, but SMFPD cannot sell, assign or sub-lease the training facility per the lease agreement. There was further discussion that the District's agreement with SMFPD is that they would fully handle the facility and there was no specific language that indicates the District's ability to approve or disapprove their selection of a management company. If the District is concerned with the management company or any vendor, it could request an amendment or terminate the agreement.

Attorney Jeff Morris indicated that the lease agreement is with SMFPD and if they cease to exist, then the lease agreement will terminate and the training facility would go back to the District. The District would then, if it wishes, look for a new tenant.

Director Robak inquired how much the District has invested, thus far, in the training facility. Environmental Compliance Specialist Coburn-Boyd indicated that the District has paid for the original environmental document at an approximate cost of \$225,000 plus \$80,000 for the confined space training prop. She noted that the trench rescue and confined space props will be very valuable to the District in providing training for operations and rescues.

Attorney Morris replied to an inquiry from Director Robak that he felt that the District, based on the information presented, could move forward with the proposed amendment to the lease agreement. He stated that Counsel could perhaps draft a

memo addressing some of the hypothetical issues discussed at today's meeting and that it did not hurt to be proactive and look at new contingencies. Additional amendments could be introduced if needed. He indicated, however, those contingencies shouldn't hold up this amendment which is in favor of the District. General Manager Watton indicated that staff would provide the board copies of the original lease agreement.

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

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

to approve staffs' recommendation.

Director Croucher stepped back onto the dias at 4:12 p.m.

#### ACTION ITEMS

#### 8. BOARD

- a) ADOPT RESOLUTION NO. 4199 OF THE BOARD OF DIRECTORS OF THE OTAY WATER DISTRICT CHANGING ITS PRIMARY REPRESENTATIVE TO THE CHULA VISTA REDEVELOPMENT OVERSIGHT BOARD TO MITCHELL THOMPSON AND APPOINTING DAVID GONAZALEZ AS THE DISTRICT'S ALTERNATE REPRESENTATIVE

President Lopez indicated that Director Gonzalez had requested that he be appointed alternate representative as opposed to primary representative to the Chula Vista Redevelopment Oversight Board as his schedule will not allow him to provide the time commitment that the matters of the Oversight Board requires. President Lopez stated that Director Thompson served on the City of Chula Vista's Council and he felt he would be a good primary representative. He recommended that Director Thompson be appointed primary representative and Director Gonzalez alternate.

Director Thompson indicated that he would be happy to represent the District on the Redevelopment Oversight Board. He stated that he is very familiar with the redevelopment issues and projects. In response to an inquiry from Director Robak, Director Thompson indicated that he did not have a conflict as he currently does not serve on any City related committees. He stated that the only possible conflict is that he owns property in the City of Chula Vista and he may have to recuse himself on a vote for a particular project if his property is within 500 feet of the project.

Director Gonzalez noted that a majority of the redevelopment projects are either already in process or just starting. He stated that the Redevelopment Oversight Board mainly is dealing with contracts after a certain date, so no previous projects are being reviewed or considered.

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

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

to approve Resolution No. 4199 appointing Director Thompson as the primary representative and Director Gonzalez as the alternate representative to the City of Chula Vista's Redevelopment Oversight Board.

b) DISCUSSION OF 2012 BOARD MEETING CALENDAR

Director Croucher noted that he will be out-of-town on September 5 and will be unable to attend the board meeting on that day. Director Thompson also indicated that he will not be able to attend the July 11 board meeting as he will be out-of-town on a previously scheduled vacation.

President Lopez requested that General Manager Watton schedule a date for a special board meeting to hold a board workshop.

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

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

to accept the board meeting calendar with no changes.

INFORMATIONAL ITEMS

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

a) UPDATE REPORT ON DIRECTORS' EXPENSES FOR THE 3RD QUARTER OF FISCAL YEAR 2012

The board did not wish to hear a report.

b) CAPITAL IMPROVEMENT PROJECT UPDATE REPORT FOR THE 3<sup>RD</sup> QUARTER OF FISCAL YEAR 2012

Associate Civil Engineer Daniel Kay presented the third quarter CIP update in which he highlighted the status of CIP expenditures, significant issues and progress milestones on major projects.

He indicated that the Fiscal Year 2012 CIP consists of 75 projects totaling \$24.1 million and that the overall expenditures through the third quarter of Fiscal Year 2012 totaled approximately \$12.6 million, which is about 52% of the District's fiscal year budget. Staff anticipates that expenditures will be approximately 75% of the fiscal year budget at the close of the year.

He presented a slide depicting a map showing the District's major CIP projects, their status and their location within the District's service area. He stated, of the 25 projects depicted, two are in the planning stage, twelve are in design, seven are in construction and four have been completed and are in service during the fiscal year. He reviewed the status of the District's flagship projects which included the 944-IR Recycle Water Pump Station Improvements, Ralph W. Chapman Recycled Water Facility, La Presa System Improvements and the Calavo Gardens Sewer Rehabilitation Project.

Associate Civil Engineer Kay also presented slides that provided the status of the various consultant contracts for planning, design, public services, construction/inspection and environmental services. He noted that the construction change orders are broken up into two columns, the net change order rate is currently 0.8% which removes the credit the District receives for unused allowances and the change order rate is -3.1% when the allowance credit is included.

In response to a question from Director Thompson, Associate Civil Engineer Kay stated that the allowances are for unanticipated items, such as, rock removal, contaminated soil, etc.; things that the District cannot estimate or quantify. Chief of Engineering Posada further explained that when projects are bid, staff identifies areas of risk, such as contaminated soil, and negotiates a fixed price during the bid process. An allowance is determined and would be utilized to cover the cost to handle the "risk" issue. This also assures that the District receives a fair price for the work.

Director Thompson indicated that he is very impressed with the District's very small change order rate. He stated his background involves construction lending and generally the rate is between 5 and 10% and sometimes up to 15%. He commended the District's design staff.

Director Robak indicated on the *Consultant Contracts* listing he noted that Arcadis US, Inc. is listed for two (2) items: 1) Wastewater Management Plan, and 2) Value Engineering and Constructability Review. He asked if this was for two different projects. Associate Civil Engineer Kay indicated that that was correct. The contracts for the two (2) projects had gone through separate selection processes.

Director Robak also noted that the *Project Titles* for the District's various consultants for the Desalination Project all have different *Project Titles* (Government Affairs Advisor, Bi-national Water and Related Issues, etc.). He asked if staff could categorize all the vendors for a specific project with the same *Project Title*. Chief of Engineering Posada indicated that it is possible. He explained that staff tries to be specific as to the services the consultant will be providing. He stated that it is possible that staff could add an additional category to the *Consultant Contracts* listing. He noted that the Bustamante & Associates contract is listed under the *Design* consulting contracts as his work is related to the design of the Otay Mesa Conveyance and Disinfection System Project (the intertie project), which is related to the Desalination Project. It was discussed that the listing is used by staff as a tool for tracking purposes. Director Robak inquired if the listing could provide further clarification by including a little more detail. President Lopez indicated that he would like to refer this discussion to committee. The discussion was referred to the Engineering Operations and Water Resources Committee.

## REPORTS

### 10. GENERAL MANAGER'S REPORT

General Manager Watton highlighted information from his report that included an update on the EPA WaterSense New Home Specs guidelines, the new District division boundaries, the outsourcing of email services, an update on the Automated Meter Reading program, the La Presa System improvements, and an update on water purchases and sales.

### SAN DIEGO COUNTY WATER AUTHORITY (CWA) UPDATE

General Manager Watton updated the board on CWA's lawsuit with Metropolitan Water District (MWD). He indicated that they have had numerous court hearings and the hearings have been going well for CWA. He stated that MET's next move is to get active in San Diego County with media outreach to try and dissuade CWA from their position on the lawsuit. He stated there will also be attempts at political persuasion and asked members of the board if, through their contacts, they hear discussion of the lawsuit, staff would be happy to provide a briefing to share the facts with these individuals or groups if they wished. He noted that there are billions of dollars at stake for San Diego County over the next 30 years if the billing methodology used by MWD to bill CWA for the transportation of water is not challenged.

Director Croucher also noted that there is an inequity of funding to our region by MWD since the lawsuit was filed. He stated that San Diego County no longer qualifies for many of the water conservation incentive programs. He stated that CWA's board has directed staff to continue to submit the incentive reimbursement bills to MWD as they wished MWD to understand that CWA is tracking the reimbursement incentives as it feels that San Diego County should receive the reimbursements for the incentive programs. The board wished to assure that MWD's denial of the invoices is on record.

## 11. DIRECTORS' REPORTS/REQUESTS

Director Robak noted that the District's former board member, Larry Breitfelder, received the most votes among the candidates for seat 3 on the City of Chula Vista's Council in the June 5, 2012 primary elections.

Director Croucher indicated that public employees have been targeted recently and stated that he is proud to stand behind the District's staff. He commended the District's employees for preparing for their retirement by volunteering to use their own funds, guaranteed through the negotiations process, to fund a retirement benefit.

Director Thompson thanked staff for their work on the items presented at today's board meeting.

Director Gonzalez indicated he attended the City of Chula Vista's Redevelopment Oversight Board meeting and on May 19, 2012 he presented the District's Waterwise Landscape Contest Winner their award at the Water Conservation Garden. He indicated that there are great resources at the District and the Garden if you have a landscape that you wish redone with water conserving plants.

## 12. PRESIDENT'S REPORT

President Lopez reported on meetings he attended during the month of May 2012 and indicated that on May 7 he attended the Metro Commission meeting. On May 8 he attended the District's Special Board meeting where the board discussed the IEC matter in closed session. He stated on May 11 he met with General Manager Watton to discuss items that will be presented during the May committee meetings. He indicated that he filled in for Director Thompson at the Engineering, Operations and Water Resources Committee on May 25 and noted that he has made new committee appointments. He stated that Director Thompson will now serve on the Finance, Administration and Communications Committee. He also shared that he participated in a CSDA sponsored webinar on May 24 titled, "Understanding board Member and District Liability Issues." He stated that he will be taking a couple other webinars which would provide the District credits towards its liability insurance premiums (Special Districts Risk Management Authority) in the form of rebates. It was noted that the District received approximately \$15,000 in rebates through the

program last fiscal year. He lastly shared that he met with General Manager Watton and General Counsel Daniel Shinoff to review items that were scheduled to be presented at today's board meeting.

13. ADJOURNMENT

With no further business to come before the Board, President Lopez adjourned the meeting at 4:55 p.m.

\_\_\_\_\_

President

ATTEST:

\_\_\_\_\_

District Secretary

**MINUTES OF THE  
SPECIAL MEETING OF THE  
BOARD OF DIRECTORS  
OTAY WATER DISTRICT  
May 15, 2012**

1. The meeting was called to order by President Lopez at 4:07 p.m.

2. ROLL CALL

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

Directors Absent: None

Staff Present: General Manager Mark Watton, Attorney Richard Romero, Chief of Information Technology Geoff Stevens, Chief Financial Officer Joe Beachem, Chief of Engineering Rod Posada, Chief of Operations Pedro Porras, Chief of Administration Rom Sarno, District Secretary Susan Cruz and others per attached list.

3. PLEDGE OF ALLEGIANCE

Director Croucher reported that Chief Augie Ghio of the San Miguel Consolidated Fire Protection District, who has been working with Otay Water District on the shared training facility, was in a motor cycle accident this past Saturday. It was a significant accident and he is currently listed in serious condition at the Intensive Care Unit at Palomar Hospital. It is expected that his recovery will take in excess of six (6) weeks and Director Croucher indicated that he has been named, Interim Fire Chief, while Chief Ghio recuperates from his injuries.

4. APPROVAL OF AGENDA

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

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

to approve the agenda.

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

No one wished to be heard.

## WORKSHOP

6. ADOPT RESOLUTION NO. 4195, APPROVING THE FISCAL YEAR 2012-2013 OPERATING AND CAPITAL BUDGET; APPROVE FUND TRANSFERS FOR POTABLE, RECYCLED, AND SEWER; APPROVE WATER AND SEWER RATE CHANGES ON ALL BILLING CYCLES THAT BEGIN IN CALENDAR YEAR 2013; ADOPT ORDINANCE NO. 533 AMENDING APPENDIX A OF THE CODE OF ORDINANCES WITH THE PROPOSED WATER AND SEWER RATE CHANGES; AND OBTAIN APPROVAL OF THE RATE INCREASE NOTICES

Chief Financial Officer Joe Beachem reviewed the objective of the workshop. He stated that staff is presenting for approval an \$82 million operating budget and \$18 million Capital Improvement Project (CIP) budget and is requesting an average rate increase of 7.4% for water and 7.9% for sewer to be effective on bills beginning January 2013.

He reviewed the rate model and budget process and indicated that the foundational document for the budget build process is the District's Strategic Plan. Based on the Strategic Plan, staff develops the Operating Budget, utilizing zero based budgeting, and the six-year CIP Budget. This information is input into the District's Rate Model along with the projected year-end cash balances, Metropolitan Water District (MWD) and San Diego County Water Authority (CWA) rate increases, San Diego Metropolitan Wastewater rate increase, and in creating the six-year projection, growth, projected water sales, interests costs and various inflators. When developing the budgets, staff also looks at meeting key targets for the debt coverage ratio and reserve levels.

By keeping the debt coverage ratio at target levels, it reduces the District's borrowing cost for infrastructure. The District also must fund the operating and CIP budget items and maintain all reserves at target levels in all years. He presented a slide that showed a complete list of reserve transfers over the past year and noted that all transfers were done in accordance with the District's Reserve Policy. He stated that all 28 reserve funds are at target levels.

He presented a slide (see attached copy of presentation) that showed the District's debt coverage ratio which represents how much debt payment the District's net water revenues can cover. The minimum target is 125%, which is represented by the blue line on the slide. He stated the red line represents the debt coverage ratio with growth revenues included. The projection for 2011 is a debt coverage ratio of 147%, which is fairly low. Rating agencies are more comfortable with a ratio of

approximately 200%. As the District's growth returns, the District quickly exceeds 200%.

Chief Financial Officer Beachem indicated that the green line represents the District's operational debt ratio. The ratio excludes capacity fees and annexation fees (fees association with growth). This is important because, as the District transitions from a growth agency to a maintenance agency, it must maintain the minimum required debt ratio of 150% (the District's target level). Staff is projecting the District will meet the 150% target in three (3) years (by 2015). He indicated that, in discussions with the District's Financial Advisor, Ms. Suzanne Harrell, she stated that a three (3) year recovery to the target level is a reasonable approach and she did not feel the rating agencies would take issue with this.

He presented another slide that represented various options for rate increases to get the District to its debt ratio target level of 150%. The various scenarios included rate increases of:

- 9.8% in 2013 and 2014 which would allow the District to meet the 150% target level in 2 years.
- 7.4% in 2013, 7.3% in 2014 and 7.2% in 2015 which would allow the District to meet the 150 target level in 3 years.
- 7.3% in 2013, 7.3% in 2014, 5.3% in 2015 and 5.2% in 2016 which would allow the District to meet the 150 target level in 4 years.

Staff is recommending rate increases that allow the District to meet its target debt coverage ratio in three (3) years. This would avoid a rate spike and the District's Financial Advisor believes that the rating agencies would support the three (3) year plan. It was indicated that this is designed to protect the District's "AA-" status with Fitch Ratings and "AA" status with Standards & Poors.

Chief Financial Officer Beachem indicated that this is the second year in a row where 100% of the District's rate increase is attributable to the District's water supplier rate increase. The District has been able hold its internal costs down to mitigate increases due to internal expenses.

He noted items that are keeping rates down which included:

- Reductions in staffing levels (8 positions) in FY 2013, lowering salary and benefit costs by \$938,000
- A decrease of \$164,400 in the materials and maintenance costs
- Reduction in the six-year CIP of \$38.2 million
- No new debt issuances in the next six-year timeframe

He also shared items that putting an upward pressure on rates which included:

- Water cost increase of \$2.2 million from the District's water supplier

- Salary & Benefits increase of \$736,000 as per the MOU
- Administrative costs increase of \$244,200
- Water sales revenue decrease of \$574,100 due to less water sales in the higher priced tiers and more water sales in lower priced tiers

Chief Financial Officer Beachem indicated that there are new handouts for members of the board regarding the member water rates survey results for customers who utilize 14 units of water per month (see attached copy). The new survey shows the City of Poway moving down to the third least expensive water provider in the county as they indicate that they will not be increasing their rates this year. Due to this change, the District is moving from seventh lowest provider to the eighth lowest provider, but still below the 50% level among the county agencies. It was noted that the District is the lowest cost agency among those that do not have any other supplies, but imported water. The seven agencies that are lower in cost all have a local supply to draw from (lakes, wells, etc.).

He reviewed the sewer budget wherein staff is recommending:

- 7.9% increase in FY 2013 to 2018 which will increase a typical sewer customer's bill \$2.83 per month
- Significant Sewer CIP Funding of \$3.2 million due to aging sewer infrastructure
- Borrowing from the State Revolving funds in 2016 and 2017 which provides for very low interest rates
- Repayment of \$10 million in 2013 and 2014 of funds loaned to Potable, with future borrowing from Potable in 2015
- Reserves on target

He presented a slide showing the results of a survey among the agencies providing sewer services that indicated that the District is the fifth lowest cost sewer provider in the County (see attached copy of presentation).

Chief of Engineering Rod Posada reviewed the CIP budget. He indicated that staff develops the growth projections based on developer information, plans the District receives for plan checking, the District's own planning documents and, for the last couple of years, the projections of the economist, Mr. Alan Nevin of the London Group. Mr. Nevin indicated that nothing has changed since the economic information he presented at the District's Special Board Meeting held in March 2012. He stated that, in terms of new future developments that are planned, they are still moving forward. The larger developments (Otay Ranch Village 8 and 9) are not plan for another three (3) years. He stated that the economy continues to move forward and real estate resales are moving very nicely in the South County which indicates that more water will be sold. Director Thompson inquired if the presented growth projections indicate the number of actual meters projected to be sold. Chief of Engineering Posada indicated that that was correct. The numbers presented indicate the projected number of meters sold for single family dwelling units,

condominium units, apartments and non-residential units. These sales are then converted to EDU sales based on the type of development. Staff is projecting in FY 2013 that the District will sell 440 EDUs for both potable and recycled water sales, similar to last year's sales. He stated that Mr. Nevin has indicated that beginning in FY 2014, the District will start to experience accelerated growth, with approximately 1,200 meters projected to be sold in 2018.

He reviewed the CIP budget guidelines utilized to develop the FY 2013 budget which included:

- Projections for growth will remain relatively flat for FY 2013
- Six-year CIP expenditures is planned to be as level/flat as possible
- In preparing the budgets for the individual CIP projects, the Engineering Department used current construction and bidding data to adjust costs for each project
- Each year, projects are reprioritized based on recent requests for water availability letters, Water Supply Assessment Reports, and the District's Water Resources Master Plan (projects are built one to one and a half years before it is needed)

He indicated that this year's analysis of the six-year CIP budget indicates a reduction in the six-year budget needs from the projection of \$154.6 million in FY 2012 to \$116.4 million in FY 2013 due to the reprioritization of projects. The FY 2013 CIP budget has been reduced from \$21.3 million to \$18 million. He indicated that the large projects planned during the next six years include:

• Otay Mesa Desalination Conveyance and Disinfection System	\$28.8 million
• 870-2 Pump Station Replacement	\$12.6 million
• Rancho Del Rey Groundwater Well Development	\$ 5.1 million
• AMR Meter Replacement	<u>\$ 1.9 million</u>
TOTAL	\$48.4 million

Accounting Manager Rita Bell reviewed the budget process and the details within the budget. She indicated the each department submits their budget needs which are reviewed with the Chiefs, Assistant General Manager and General Manager. Their input is incorporated along with reasonable assumptions on sales, growth, interest rates and price inflators. Staff then evaluates cost saving measures, for example, centralizing telecom costs under Information Technology so it can be better managed and pricing could be negotiated as a whole. Staff then recommends the rates that support the District's Strategic Plan initiatives, CIP and Operations.

She stated that the primary budget objectives is to:

- Minimize rate impacts from:

- CWA & City of San Diego water cost increases
- Water sales projections
- Sewer cost increases from City of San Diego and County of San Diego
- Maintain target reserve levels and build debt coverage levels to target
- Maintain water and sewer rate position relative to other agencies in the region

She indicated that the District also incorporates the projection for meter sales based on historical sales, conservation efforts, economic factors presented by economist Mr. Nevin, how price elasticity affects water use as presented by Mr. Steve Piper, Bureau of Reclamation, and weather as presented by Mr. Alexander Tardy, National Oceanic and Atmospheric Administration. She stated, staff realized in discussions with the meteorologist, that weather is hard to predict in the long term. To predict weather for 12 or 15 months is very difficult. She stated that the NOAA predicts a weak El Niño next year with warm summer inland and a normal rainfall year.

Accounting Manager Bell indicated that growth has been trending downward from FY 2008 through present. She stated that potable water sales has also slowed and the average monthly consumption for residential customers has been reduced to 14 units from well over 15 units. She noted that the largest drop in sales occurred in FY 2010 when the District implemented its highest price increase. She stated that price elasticity is definitely impacting water sales.

She reviewed the potable water sales revenue which had an overall increase of \$3,845,600 which is made up of the increase that was implement this current fiscal year (\$2,000,900) and the increase recommended for FY 2013 (\$1,844,700). The recycled sales revenue had a little more of a decrease as compared with potable revenues with a 1.3% volume decrease. She stated that, despite this decrease, the District still had an increase in sales volume because of the two price increases (7.9% increase this FY and the 7.4% proposed increase for FY 2013). She stated with regard to sewer revenues, the 7.9% rate increase in FY 2013 translates to a \$219,200 increase in sewer sales revenues. She also reviewed other revenues which included, capacity fees, betterment fees, grant revenues, property tax revenues and other miscellaneous revenues.

She reviewed the costs associated with water sales which total \$3,518,700 or a 9.2% increase; sewer costs which is decreasing \$497,000 or 15.5%; and a decrease in power costs of \$72,900 or 3%. She noted with regard to the reduction in sewer costs, that it is was associated with the shutdown of the Ralph Chapman Reclamation Plant in FY 2012 due to the need for major maintenance and decreases in the Metro's O&M costs.

Chief of Administration Rom Sarno presented the review process for staffing requirements based on workload and existing vacancies. This year's review resulted in the elimination of eight (8) positions which reduced the FTE from 156 to

148. It was noted that from FY 2007 to FY 2013, staffing has been reduced by 15.3% or approximately 26.5 positions with a cumulative savings of \$9,967,500 (from FY 2008 to FY 2013). The District has been able to reduce the number of employees due to increased efficiency which has translated into an increase in the number of customers to employee ratio from 1 employee per 294 customers to 1 employee per 366 customers or a 24.5% increase. It was inquired what the industry standard was and Chief of Information Technology stated that the District does follow the AWWA Qualseve Standards. The District has been meeting its benchmark. He stated that staff will get back to the board with this information.

Chief of Administration Sarno indicated that salary and benefits increased \$736,600 or 4.1%. He reviewed the reasons for the increases which included merit/COLA increases per the Memorandum of Understanding of \$583,100, health insurance of \$125,500, etc. and various off-sets through staff reductions and reduced overtime costs due to efficiencies (see attached copy of presentation).

Operations Chief Pedro Porras reviewed the materials and maintenance budget and indicated that overall the District decreased this budget by \$164,400 or 6.2% due to a cost decrease in fleet parts and equipment of \$18,900, decrease in meter and materials \$25,100, etc. (see attached copy of presentation). He noted that the decrease in fleet parts and equipment is attributable to the change in the fleet maintenance plan where the older fleet vehicles were going to be changed gradually with new vehicles and these new vehicles would be replaced before their warranty expires. When doing this, the District gets a better sales value for its vehicles and has little to no maintenance expense as the vehicles are still under warranty. This new business process has provided savings to the District. He also noted that the AMR Program, which was initiated in 2005, is about 95% complete. Because the District's customer meters are all new, stocking replacement parts for the meters are no longer required which has reduced the budget by \$25,100. He shared additional savings that included decreases in chemical costs, contracted services and building grounds and materials. He noted that these savings will be off-set by a \$14,900 increase in fuel and oil costs due to anticipated price increases.

Accounting Manager Bell indicated that administrative costs increased \$244,200 or 5.4%. Some of the increases included regulatory agency fees of \$39,600, property liability insurance of \$37,000, outside services of \$257,000, and transfer of temp employment services for outreach from CIP to the Operating Budget of \$46,600. These increases were offset by decreases in conservation budget of \$52,400 as a portion of the program has been taken over by CWA and a cut in grant revenue; telecommunications costs of \$42,300; and in travel, conferences and business meetings of \$23,800.

Accounting Manager Bell summarized and indicated that the overall proposed operating budget is \$82,318,200 which includes the recommended transfers to reserves (operating budget to reserves).

Chief Financial Officer Beachem concluded that staff is presenting a balance budget which meets the needs of the District's customers and supports the Strategic Plan. The FY 2013 Budget is supported by a 7.4% potable and recycled average water rate increase, and a 7.9% increase in sewer charges.

He also reviewed the Proposition 218 five-year rate increase notice approved by the Board in August 2009 following a public hearing. The notice sets guidelines and parameters of how rate increases would occur over the next five years. He stated that there are two parts to the rate increase: 1) 100% pass-thru of rate increases from the District's wholesale water providers; and 2) increases for internal costs at a maximum of 10%. He noted that the District is in its fourth year of the five year notice and would need to have a Proposition 218 hearing before any FY2015 increases could be approved. He presented a slide showing the increases approved from FY 2010 thru the proposed increase for FY 2013.

Chief Financial Officer Beachem summarized staff recommendation and asked that the board:

1. Adopt Resolution No. 4195 to approve the FY 2013 Operating and CIP Budget
2. Approve the recommended fund transfers
3. Approve Ordinance No. 533 to amend Appendix A of the code of Ordinances with the proposed water and sewer rate increases effective January 1, 2013
4. Direct staff to send notices of rate increases to the District's customers

Director Thompson indicated that the District must have on hand 5 times the total of its debt after operating costs are paid. He inquired where this money is held. Chief Financial Officer indicated that a portion of the monies are held in reserves (operating, betterment, replacement, etc.) and a portion is utilized to fund projects to replace old and build new facilities. It was indicated that the District's Reserve Policy also details what the reserve funds are used for and how the monies are moved from fund to fund.

Director Thompson inquired with regard to the increase in labor costs, which is in part driven by the MOU, how the District compares with other agencies with regard to labor costs. He indicated that the District had the public focused on its labor costs with the recent retirement benefits and he felt that the District should present information to the public that reassures them that the District is a well run agency. He stated that he suspects that the District is in line with other agencies, but does not know that for a fact. It was discussed that the District could look at other agencies budgets and see how personnel costs compare. The District may even find that its expenditures are low with regard to personnel costs, which could impact personnel retention as opposed to the District spending is much higher than average. It was further discussed that the MOU is set to expire at the end of FY

2013 and, as part of negotiations, a classification and compensation study would be conducted that would provide a comparison with the region.

Chief Financial Officer Beachem noted that on page 36 of the budget, labor and benefits, footnote number one (1) indicates a savings of \$82,000 in FY 2013 as a result of employees agreeing to increase their pension contribution from 1% to 8% of pensionable wages for enhanced retiree medical benefits. The board's action on the retiree medical benefits has provided for this savings.

Director Croucher inquired with regard to the COLA agreed to in the MOU of 3.5%, if this increase was rolled into OPEB. Chief Financial Officer Beachem indicated that the 3.5% COLA offsets PERS costs which then offsets the OPEB costs. In FY 2012 the offset provides a savings of \$82,000, which is a little lower than projected, but is still on the positive side. He stated that there is a reason it the savings is lower than projections and it will resolve itself later. He state that he would be happy to explain the reason if the board wishes. Director Croucher indicated that it was not necessary, but requested that staff continue to track this savings to assure that the District stays on target and provide an update to the board in a staff report.

Director Croucher also noted that adjustment of \$119,000 with the City of San Diego connected to the recycled agreement with the City for "take or pay." He indicated that he knows that staff will continue to work with the City on this issue and hopefully the issue will be rectified.

Director Croucher inquired about the \$63,000 decrease in the Water Conservation budget. Water Conservation Manager William Granger indicated that the District has been handling the residential water surveys and these surveys will now be handled by CWA, which will allow the District to go from 3 FTE to 2 FTE employees. Director Croucher further inquired if the District made adjustments to the budget as it is sending more to MWD, than is provided back and wanted to be sure that the District is not paying twice for the program. General Manager Watton indicated that, as it pertains to the CWA, it is felt that the District is maximizing the program, however, it is an ongoing issue with the MWD.

Director Croucher lastly inquired if the District has a comparison of the savings realized through outsourcing (ie., savings from staff reductions versus the cost to outsource). General Manager Watton indicated that there are two things that are occurring: 1) outsourcing; and 2) consolidation due to efficiencies realized from changed business practices. Director Croucher indicated that there are also savings due to the need for less vehicles, etc., and requested that staff also include such items in the savings calculation. He commended staff for their thorough report and work on the budget.

Director Thompson inquired why the cost of Worker's Compensation Insurance has increased this year. Chief Financial Officer Beachem indicated that there were write-offs in prior years for a claim that is closing (an accrued liability has been

closed out). Because the District will no longer accrue the write-off, it makes it seem that costs have gone up. However, the District will now just pay the full expense for Worker's Compensation Insurance.

In response to an inquiry from Director Robak, Chief Financial Officer Beachem indicated that the District's budget has been utilizing "zero" based budgeting for approximately the past ten (10) years. Finance Manager Bell explained the "zero" based budgeting process at Director Robak's request. She indicated that the process starts in January of each year with each section manager entering their budget requests into the District's budgeting system. She stated that each item to be included in the department budget must be input individually. The proposed budgets are then reviewed by the Chiefs of each division, the Assistant General Manager and the General Manager. The numbers are questioned during this process and items/numbers can change up to a couple weeks prior to the budget workshop for the board.

Director Robak inquired what the strategic goal is for the budget. Chief of Information Technology indicated that the goal is to increase the District's overall efficiency. He noted that if the business process portion of the Strategic Plan is referenced, the objectives are almost all tied to improvements in business processes and efficiencies that drive down per unit costs for a particular operation or allows the District to consolidate for more efficiency. He noted in Information Technology, its hardware budget request has dropped from \$320,000 from last fiscal year to \$120,000 this fiscal year as his division is outsourcing rather than buying new hardware during the upcoming fiscal year. He stated that all areas of the District are reviewing their budget through this same process.

Director Robak also inquired about the debt coverage ratio and its preferred level being set at 200%. He noted that in staffs' presentation, at some points, it is almost as high as 300% and wondered if the goal ideally is 200% why is it even higher. Chief Financial Officer Beachem indicated that it is not that the District is pushing it higher, it is just that growth is increasing and as growth increases it pushes the number upward. He stated that the District's goal is actually 150% without growth. He noted that 150% is a common target utilized by agencies and that is the same target utilized by CWA. General Manager Watton also added that the rating agencies keep an eye on this measure, because if growth goes away, the ratio determines the District's underlying financial strength.

Chief Financial Officer explained that if an agency is debt adverse, the agency must fund all its capital projects by cash. This requires that they have higher rates and their debt coverage ratio will be much higher. There are a couple of agencies in the region who follow this model. He further shared that if a capital project is cash funded and its life expectancy is 40 years, this means that current ratepayers are funding a project that future customers will use. This is called *generational equity*, current customers fund/pay for something that they will likely not utilize because they move, etc., while future homeowners have the benefit of the infrastructure that

they did not pay to build. For this reason, there is a strong rationale to have a portion of facilities funded by debt.

Director Thompson stated that when your debt is very small compared to your operating costs, it is almost better to look at your operating coverage ratio. He inquired what the District's operating coverage ratio is, which is equal to the equation below:

$$\frac{\text{Surplus Money}}{\text{Operating Expenses}} \div \text{Operating Costs} = \text{Operating Coverage Ratio}$$

The debt coverage ratio is:

$$\frac{\text{Surplus Money}}{\text{Operating Expenses}} \div \text{Debt Costs} = \text{Debt Coverage Ratio}$$

When you have small debt and large operations, then the organization should look at its operating coverage ratio. He stated that if an organization's operating coverage ratio is 1.01%, then it does not have much of a cushion to assure that it can cover its operating expenses. It was noted that the District has concentrated on the recommendations of its Financial Advisor and what the rating agencies are focused on. The operating coverage ratio is not something the District looks at specifically, however, staff will run the numbers for this measure and provide the information to the board.

In response to an inquiry from Director Robak, Accounting Manager Bell indicated that the District's Metro Commission costs (sewer) have decreased for Fiscal Year 2013. She indicated that the Metro Commission stated that they have been working on reducing their operating costs and are passing the savings along to their customers. It was noted that the Metro Commission in the past had to refund \$50 million to its customers, so they are trying to be much more accurate with their rates/budgeting. It was noted that the District's sewer cost rate increase is driven by the cost for sewer maintenance and the upgrade needs of the District's sewer treatment plant.

Director Robak also inquired how staff projects how much water will be sold versus the amount of water that customers will conserve and how does staff correlate the two. Accounting Manager Bell indicated that Mr. Piper, Bureau of Reclamation, is building a price elasticity tool for the District which will be utilized to help the District project how the price of water impacts conservation. Staff is also working on a conservation tool that determines savings from customers replacing appliances, fixtures, etc. with water efficient versions. These tools were not ready for use during this fiscal year, but it is planned that they will be utilized for next year's budget forecast. To determine this year's water sales, staff utilized the last twelve months water sales and, based on their best determination, the forecast includes some

price elasticity, conservation and growth. It was discussed that Mr. Piper had indicated during his presentation that price elasticity is still an unknown science. At this time, the District's practical experience is probably the best indicator. The new tools will be tested next year and compared to our past experience. General Manager Watton indicated that the water sales forecast also included input from the District's Water Conservation Manager, William Granger, and Sr. Civil Engineer for Water Resources, Bob Kennedy. The City of Chula Vista's mandates/upgrades for new home developments to reduce water use are also included in the forecast. Director Robak commended staff for their good work in forecasting water sales.

Director Robak inquired, in comparison to other agencies, what the District's fixed fee recovery is on water sales. General Manager Watton indicated that the District's rate consists of about 30% fixed fees and most of the local agencies fixed fees are set at 28 to 30% as per Best Management Practices (BMP) 1.4. He stated that the Conservation Council suggests that water rates consists less of fixed fees and more of variable to impact conservation through water rates. Sweetwater Authority collects approximately 2% fixed fees and will likely be reversing that trend. On the other end is Fallbrook whose fixed fees are at about 50%.

Director Robak noted the \$132,000 requested for administrative costs related to an employee survey, negotiations and salary survey. He noted that he places a lot of value on customer surveys and the value of what we pay and what is received is very good. He wondered of the value the District would get related to employee surveys. General Manager Watton indicated that it has been five (5) years since the District negotiated with the Employee Association. He stated that the District would like to hire a professional negotiator and would like to have updated salary information which indicates how the District compares with other local agencies. He indicated that this does not preordain a result, but will provide as much information as possible to base negotiations on. The salary information has not been fully updated for five or six years and it is time to do so. It is expected that negotiations will commence around the end of this year and it is hoped that it will be completed before the current MOU expires on June 30, 2013.

Director Robak lastly inquired with regard to water sales. It was indicated that the District is selling proportionally more water in the lower rates versus the higher rates and he was wondering if the District has adjusted its tiers. Chief Financial Officer Beachem indicated that the District is planning to do a study next year and it may propose adjustment to the tiers at that time. No changes are planned for Fiscal Year 2013 as it would require a Proposition 218 hearing to adjust the tiers.

Director Croucher indicated with regard to the negotiations process, that once the District has the employee surveys completed, he thought it might be good to have the committee meet to discuss the current economic conditions, concerns, public climate, etc., prior to hiring the professional negotiator.

President Lopez indicated with regard to the Special Board Meeting held on March 19, 2012 to discuss water sales forecasting, that he supported retaining such consultants as those who attended the meeting to present on weather forecasting, price elasticity and the economy as it provides additional guidance to assist staff in preparing the budget. President Lopez inquired with regard to the District's credit rating, what is the timeline to try to improve the rating. Chief Financial Officer Beachem indicated that in the current proposed budget for Fiscal Year 2013, it is expected that the District would improve its debt coverage ratio in approximately three (3) years. At the third year mark and beyond, the rating agencies would review the District's finances and likely upgrade the District's rating back to an "AA." He noted that Standards & Poors did not downgrade the District, but it is possible that they could, but if they did, the District would expect them to reverse the rating back to an "AA" in three years. The District is not planning to issue debt for another six (6) years which gives the District plenty of time to improve its rating. He also stated that the District does not have debt that is impacted by its credit rating at this time.

President Lopez inquired with regard to the CIP budget that last year staff had projected that the Fiscal Year 2013 CIP to be \$21.3 million. This year staff is projecting the budget to be \$18 million. He wished to clarify the reason for the difference. Chief of Engineering Posada indicated that each year staff reviews the CIP projects and reprioritizes the projects that will be required to be built in the next six (6) years. This reprioritizing moved projects further out as they will not be required until then. Director Croucher indicated that this was an issue that was discussed in the Engineering Operations and Water Resources Committee to reevaluate the CIP on a regular basis to assure the District is moving forward with the appropriate projects as conditions change. Director Thompson inquired if projects were pushed out due to the debt coverage ratio. Director Croucher indicated that the goal at the committee level was to ensure that the District move forward with the projects that are required and that staff take advantage of any opportunities for cost savings and that the District is being as efficient as possible.

President Lopez thanked staff for the work they have done on the budget and the presentations presented today.

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

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

to accept staffs' recommendation and adopt Resolution No. 4195, approving the Fiscal Year 2012-2013 Operating and Capital Budget; approve the fund transfers for potable, recycled, and sewer; approve water and sewer rate changes on all billing

cycles that begin in calendar year 2013; adopt Ordinance No. 533 amending appendix A of the Code of Ordinances with the proposed water and sewer rate changes; and approve the rate increase notices.

General Manager Watton indicated that staff will provide the board responses to the questions they had asked during today's meeting and thanked them for their support of the budget.

7. ADJOURNMENT

With no further business to come before the Board, President Lopez adjourned the meeting at 6:19 p.m.

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President

ATTEST:

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District Secretary



**STAFF REPORT**

TYPE MEETING:	Regular Board	MEETING DATE:	July 11, 2012
	Daniel Kay Associate Civil Engineer	PROJECT:	P2370- DIV. NO. 3 001103
SUBMITTED BY:	Ron Ripperger Engineering Manager		
	<input checked="" type="checkbox"/> Rod Posada, Chief of Engineering <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
APPROVED BY:			
SUBJECT:	Change Order No. 2 to the Contract with TC Construction, Inc. for the La Presa System Improvements Project		

**GENERAL MANAGER'S RECOMMENDATION:**

That the Otay Water District (District) Board of Directors (Board) approve Change Order No. 2 to the existing contract with TC Construction, Inc. in an amount not-to-exceed \$42,412.96 for the La Presa System Improvements Project (see Exhibit A for Project location).

**COMMITTEE ACTION:**

Please see Attachment A.

**PURPOSE:**

To obtain Board authorization for the General Manager to execute Change Order No. 2 in an amount not-to-exceed \$42,412.96 to the contract with TC Construction, Inc. for the La Presa System Improvements Project.

**ANALYSIS:**

At the November 2, 2011 Board Meeting, the Board awarded a construction contract in an amount of \$978,995 to TC Construction for the La Presa System Improvements Project. Change Order No. 1 (see

Exhibit B) was approved by the General Manager in February 2012 for \$31,906.39, bringing the total contract amount to \$1,010,901.39.

The Project consists of several components which includes, the demolition to the existing facility at the La Presa Site, installation of a new pressure reducing station, installation of various interconnections throughout the 640 pressure zone, and the demolition of the Dorchester Reservoir and pressure reducing station.

This Project eliminates the 590 pressure zone and those facilities that are no longer needed. It will improve the reliability of water delivery to the District's customers and improve the operations and maintenance of the District's system.

TC Construction, Inc. is complete with the Project except for soil remediation at the Dorchester site and minor punch list items such as paving, painting of above ground piping, and clean up. Change Order No. 2 (Exhibit C) includes a variety of items including time and materials for additional potholing, revisions to the SDG&E connection at the La Presa site, and various credits for deleted items in the contract.

The following is a table summarizing the items in Change Order No. 2. The Location column depicts the general location for each item as shown in Exhibit A:

Item	Description	Location (Exhibit A)	Amount
1	Additional Potholing at Paradise Valley Road	Site 6	\$13,554.83
2	Electrical and Control Revisions	Site 1	\$3,710.44
3	Additional Potholing at San Carlos and Grand Avenue	Site 4	\$1,611.45
4	Soil Remediation and Sound Wall Credit	Site 1	<\$25,910.00>
5	Paradise Valley Road Rock Excavation	Site 6	\$55,687.18
6	Pressure Transmitter Modifications	Site 1	\$317.21
7	Conduit Installation for Future Security	Site 1	\$3,157.37
8	Connection for SDG&E Service	Site 1	\$3,857.00
9	Not Used	N/A	\$0.00
10	Security	Site 1	\$4,695.60
11	Dorchester Site Modifications Credit	Site 2	<\$9,021.99>
12	Dorchester Reservoir Delay	Site 2	\$753.87
13	Soil Remediation at Dorchester Site	Site 2	\$10,000.00
14	Dewatering Allowance Credit	N/A	<\$20,000.00>
		<b>TOTAL</b>	<b>\$42,412.96</b>

In summary, the net increase to the Project for Change Order No. 2 is \$42,412.96. Change Order No. 2 brings the total Change Order amount to \$74,319.35 or 7.6% of the total contract value.

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

The total budget for CIP P2370, as approved in the Fiscal Year 2013 budget, is \$1,430,000. Total expenditures, plus outstanding commitments and forecast, are \$1,429,262. See Attachment B for budget detail.

Based on a review of the financial budget, the Project Manager anticipates that the budget for CIP P2370 will be sufficient to support the Project.

Finance has determined that 100% of the funding is available from the Betterment Fund for CIP P2370.

**STRATEGIC GOAL:**

This Project supports the District's Mission statement, "To provide customers with the best quality water, wastewater, and recycled water service in a professional, effective, and efficient manner."

**LEGAL IMPACT:**

None.

DK/RR:jf

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- Attachments:
- Attachment A - Committee Action
  - Attachment B - Budget Detail
  - Exhibit A - Location Map
  - Exhibit B - Change Order No. 1
  - Exhibit C - Change Order No. 2



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b> P2370-001103	Change Order No. 2 to the Contract with TC Construction, Inc. for the La Presa System Improvements Project
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### COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on June 20, 2012 and the following comments were made:

- Staff is requesting that the Board approve Change Order No. 2 to the existing contract with TC Construction, Inc. in an amount not-to-exceed \$42,412.96 for the La Presa System Improvements Project.
- Staff stated that the Project consists of several components which are indicated on page 2 of the staff report. It was noted that on November 2, 2011, the Board awarded a contract to TC Construction for \$978,995.
- Subsequently, Change Order No. 1 (Exhibit B) was approved by the General Manager in February 2012 for approximately \$32,000 bringing the contract amount to just over \$1,000,000.
- Staff indicated that Change Order No. 2 reflects a variety of items which are summarized in the table on page 2 of the staff report. Some examples of the items include additional potholing, rock excavation, SDG&E connection revisions, and various credits for deleted items of work.
- A progress update of the work was provided, which staff stated that TC Construction, Inc. is almost complete with soil remediation at the Dorchester site, paving, painting, and clean up left to perform.
- In response to a question by the Committee, staff indicated that the Project budget is sufficient to support the change order amount.

- It was noted that TC Construction, Inc. has previously worked with the District and has worked well with staff and professionally completes projects.

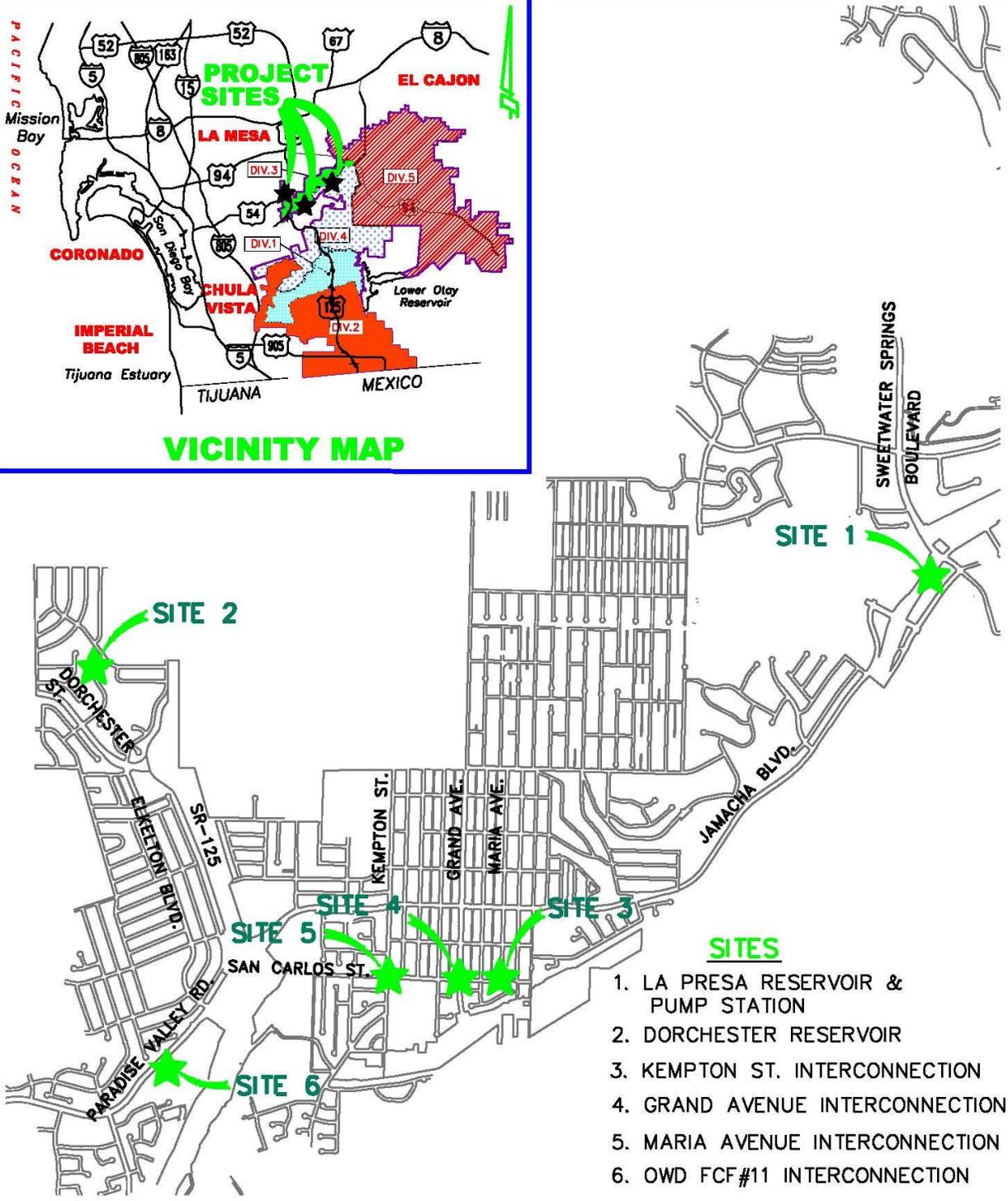
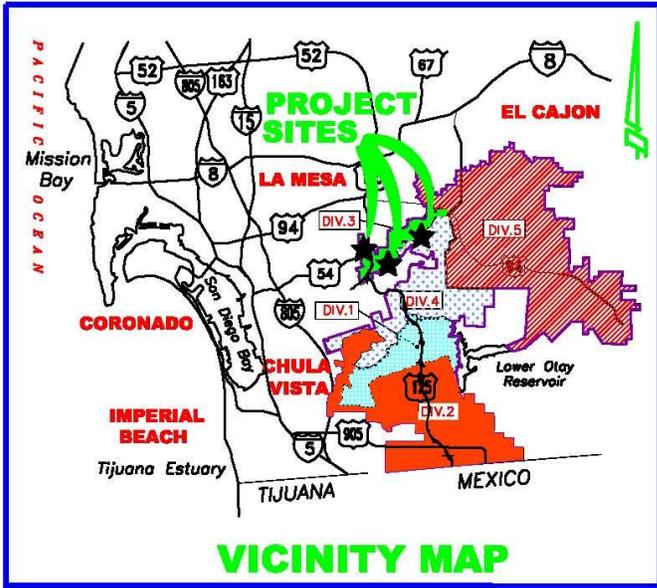
Following the discussion, the Committee supported staffs' recommendation and presentation to the full board on the consent calendar.



## ATTACHMENT B

<b>SUBJECT/PROJECT:</b>	Change Order No. 2 to the Contract with TC Construction, Inc. for the La Presa System Improvements Project
P2370-001103	

Otay Water District					Date Updated: June 06, 2012
P2370 - La Presa System Improvements					
<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment &amp; Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor/Comments</i>
<b>1,430,000</b>					
<b>Planning</b>					
Labor	2,772	2,772	-	2,772	
Regulatory Agency Fees	50	50	-	50	PETTY CASH CUSTODIAN
Service Contracts	204	204	-	204	US BANK CORPORATE PAYMENT
<b>Total Planning</b>	3,026	3,026	-	3,026	
<b>Design</b>					
Labor	95,787	95,787		95,787	
Professional Legal Fees	1,802	1,802	-	1,802	STUTZ ARTIANO SHINOFF
Consultant Contracts	1,285	1,285	-	1,285	ALTA LAND SURVEYING INC
	2,148	2,148	-	2,148	V & A CONSULTING ENGINEERS
	8,550	8,550	-	8,550	ENGINEERING PARTNERS INC, THE
	900	900	-	900	MTGL INC
Construction Contracts	2,687	2,687	-	2,687	CPM PARTNERS INC
Service Contracts	304	304	-	304	SAN DIEGO UNION-TRIBUNE LLC
	175	175	-	175	SAN DIEGO DAILY TRANSCRIPT
<b>Total Design</b>	113,638	113,638	-	113,638	
<b>Construction</b>					
Labor	97,956	97,956	6,500	104,456	
Regulatory Agency Fees	6,527	6,527	-	6,527	COUNTY OF SAN DIEGO - DPW
	2,100	2,100	-	2,100	COUNTY OF SAN DIEGO
Other Agency Fees	12,326	12,326	-	12,326	SAN DIEGO GAS & ELECTRIC
Consultant Contracts	64,000	35,149	28,851	64,000	MTGL INC
	1,875	1,875	-	1,875	ENGINEERING PARTNERS INC, THE
Construction Contracts	881,095	637,062	244,033	881,095	TC CONSTRUCTION INC
	31,906	-	31,906	31,906	Change Order No. 1
	42,413	-	42,413	42,413	Change Order No. 2
	30,350	30,350	-	30,350	PACIFIC METER SERVICES INC
	6,801	6,801	-	6,801	SAN DIEGO GAS & ELECTRIC
	417	417	-	417	CLARKSON LAB & SUPPLY INC
	97,900	70,785	27,115	97,900	CALIFORNIA BANK & TRUST (Retention)
Service Contracts	4,295	4,295	-	4,295	MAYER REPROGRAPHICS INC
Infrastructure Equipment & Mat	778	778	-	778	PACIFIC PIPELINE SUPPLY
Rebates	22,325	15,675	6,650	22,325	PRESSURE REGULATOR
Inventory	1,357	1,357	-	1,357	
Contracted Services	1,677	1,635	42	1,677	RICK POST WELDING
<b>Total Construction</b>	1,306,098	925,087	387,511	1,312,598	
<b>Grand Total</b>	<b>1,422,762</b>	<b>1,041,751</b>	<b>387,511</b>	<b>1,429,262</b>	



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**OTAY WATER DISTRICT**  
 LA PRESA  
 SYSTEM IMPROVEMENTS

CIP P2370

**EXHIBIT A**

EXHIBIT B

OTAY WATER DISTRICT

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

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

PROJECT/ITEM: La Presa System Improvements

CONTRACTOR/VENDOR: TC Construction

APPROVED BY: General Manager

REF. P.O. No: 715479 & 715621

REF.CIP No.: P2370

DATE: 1/26/12

**DESCRIPTION:**

There are eight (8) items as part of this change order resulting in a net increase to the contract in the amount of \$31,906.39.

- Item 1: 10-Inch Water Line Relocation
- Item 2: PLC Cabinet Changes
- Item 3: 12-Inch Gate Valve Replacement
- Item 4: 18-Inch Plug and Plate in Diversion Structure
- Item 5: 18-Inch Disconnect for SDCWA
- Item 6: 18-Inch Disconnect for the District
- Item 7: Modifications to Existing Discharge Header
- Item 8: 16-Inch Disconnect for the District

See attached Change Order Requests 1 through 8 from TC Construction.

**REASON:**

**Item 1:** Due to the County of San Diego's Jamacha Boulevard widening project, 75 LF of 10-Inch ACP must be lowered to accommodate the construction of a bio-swale over the alignment of the existing pipe. This conflict was not apparent prior to the bid and was not included in the original contract documents. The total cost for this change is \$33,980. The District will exercise Bid Item No. 18 – Unknown Utility Allowance for \$20,000 and authorizes the contractor to bill against this item when work begins, resulting in a net change for this item at \$13,980.00.

**Item 2:** RFI #01 contained several questions where conflicts with the specified equipment did not match actual conditions or available materials. The result of these changes to the PLC cabinets is a cost of \$4,286.63.

**Item No. 3:** It was discovered during construction that the existing valve at the connection point for the new PRV at the La Presa Pump Station site needs replacement. This item was not part of the original contract documents. This item results in a cost of \$4,535.00.

**Item No. 4:** It was discovered during construction that the existing isolation valve for the SDCWA inlet to the forebay reservoir could not be closed. In order to keep water from flowing back into the street where the SDCWA inlet needed to be disconnected a plug and plate were installed at the diversion structure on site. The District will keep the plug for future use when the project is complete. This item results in a cost of \$3,162.38.

**Item No. 5:** After potholing the SDCWA 18-Inch disconnect, it was discovered that an existing sewer conflict no longer existed and installation of the new connection would be less material and labor than the original contract documents. In addition, due to the depth of excavation and conflict with the existing sound wall, the existing pipes will be abandoned in place and filled with sand in lieu of complete removal. This item results in a net credit of <\$4,500.00>.

**Item No. 6:** After potholing the 18-Inch disconnect for the 850 pressure zone, an unknown utility was discovered and conflicted with the work to perform the disconnect. Due to this changed condition, the contractor had to use a vactor truck in order to excavate around the unknown utility. The contractor

provided a credit for the original contract work, this item results in a cost of \$3,347.69.

**Item No. 7:** For continuous supplemental supply to the 657 pressure zone during demolition, the existing bypass was used, however the existing discharge header needed modifications such as removal of 90 degree bends and installation of blind flanges. This work was not part of the original contract documents. This item results in a cost of \$3,113.81.

**Item No. 8:** After potholing the 16-Inch disconnect for the 640 pressure zone, an unknown utility was discovered and conflicted with the work to perform the disconnect. The contractor had to use a vactor truck in order to excavate around the unknown utility. This item results in a cost of \$3,980.88.

**Summary:** This change order reflects eight (8) items (seven cost and one credit item) resulting a net increase to the contract in the amount of \$31,906.39. These items also result in an increase to the contract duration by 42 calendar days.

These additional costs also reflect impacts related to delays and the temporary suspension of work associated with shutting off the power to the La Presa Pump Station site. This includes mobilization, demobilization, supervision, overhead, profit, tax, bonding, insurance, and additional costs for down time or lost opportunities.

The deadline for completing the work as described in Item 2.a.i in Addendum No. 1 will be extended from 1/1/12 to 2/10/12 and Item 2.a.iii in Addendum No. 1 will be extended from 3/1/12 to 3/16/12.

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

There are two (2) Purchase Orders for this contract. One for TC Construction (PO#715479) and retention account for California Bank & Trust (PO#715621). Revise the Purchase Orders as follows:  
PO#715479: Revise Contract to add \$28,715.75 for a total Contract amount of \$909,811.25  
PO#715621: Revise Contract to add \$3,190.64 for a total Contract amount of \$101,090.14

ORIGINAL CONTRACT/P.O. AMOUNT:	\$	978,995.00
ADJUSTED AMOUNT FROM PREVIOUS CHANGE:	\$	0.00
TOTAL COST OF THIS CHANGE ORDER:	\$	31,906.39
NEW CONTRACT/P.O. AMOUNT IS:	\$	1,010,901.39
CONTRACT/P.O. TIME AFFECTED BY THIS CHANGE:		42 Days
ORIGINAL CONTRACT COMPLETION DATE:		7/21/12
REVISED CONTRACT COMPLETION DATE		8/31/12

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

**CONTRACTOR/VENDOR:**

SIGNATURE: Chad Cameron  
PRINTED NAME: Chad Cameron  
TITLE: Project Manager DATE: 1-30-12  
ADDRESS: 10540 Prospect Ave.  
Santee, CA. 92071

**STAFF APPROVALS:**

PROJ. MGR. [Signature] DATE: 1/30/12  
DIV. MGR. [Signature] DATE: 1/31/12  
CHIEF: [Signature] DATE: 1/31/12  
ASST. GEN. MANAGER: [Signature] DATE: 2/8/12  
**DISTRICT APPROVAL:**  
GEN. MANAGER: [Signature] DATE: 2/10/2012

COPIES:  FILE (Orig.)  CONTRACTOR/VENDOR  CHIEF-ENGR  CHIEF-FINANCE  AGM/ENG-OPS  
 ENGR. MGR.  INSPECTION  PROJ MGR  ENGR. SECRETARY  PURCHASING  ACCTS PAYABLE

## CHANGE ORDER LOG

**CIP Title - La Presa System Improvements**

Consultant/Contractor: TC Construction

Project: P2370  
Subproject: 001103

		APPROVED			
C.O.	AMOUNT	BY	DATE	DESCRIPTION	TYPE C.O.
1	\$31,906.39	GM		10-Inch Relocation, PLC Cabinet Changes, 12-Inch Gate Valve Replacement, 18-Inch Plug and Plate, 18-Inch Disconnect for SDCWA, 18-Inch Disconnect for District, Discharge Header Modifications, 16-Inch Disconnect for District	Owner
2					
3					
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Total C.O.'s To Date: \$31,906.39 3.3%

Original Contract Amount: \$978,995.00

Current Contract Amount: \$1,010,901.39

Month	Net C.O.\$	Limit	Authorization	Absolute C.O.\$	C.O. %
1/12	\$31,906.39	\$5,000	PM		0.0%
		\$10,000	Eng. Mgr.		0.0%
		\$15,000	Chief		0.0%
		\$25,000	AGM		0.0%
		\$50,000	GM	\$31,906.39	3.3%
		>\$50000	Board		0.0%

## EXHIBIT C

### OTAY WATER DISTRICT

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

# CONTRACT/P.O. CHANGE ORDER No. 2

PROJECT/ITEM: La Presa System Improvements

CONTRACTOR/VENDOR: TC Construction

APPROVED BY: Board

REF. P.O. No: 715479 & 715621

REF.CIP No.: P2370

DATE: 6/12/12

#### DESCRIPTION:

There are fourteen (14) items as part of this change order resulting in a net increase to the contract in the amount of \$42,412.96.

- Item 1:** Additional Potholing at Paradise Valley Rd. (COR#9)
- Item 2:** Electrical & Control Revisions (COR #10)
- Item 3:** Additional Potholing at San Carlos and Grand Ave. (COR#11)
- Item 4:** Soil Remediation and Sound Wall Credit (COR#12)
- Item 5:** Paradise Valley Rd. Rock Excavation (COR#13)
- Item 6:** Pressure Transmitter Modifications (COR#14)
- Item 7:** Conduit Installation for Future Security (COR#15)
- Item 8:** Connection for SDG&E Service (COR#16)
- Item 9:** Not Used (COR#17)
- Item 10:** Security (COR#18)
- Item 11:** Dorchester Site Modifications Credit (COR#19)
- Item 12:** Dorchester Reservoir Delay (COR#20)
- Item 13:** Soil Remediation at Dorchester Site
- Item 14:** Dewatering Allowance Credit

See attached Change Order Requests 9 through 20 (COR #17 was not used) from TC Construction.

#### REASON:

**Item 1:** During the pothole excavation of the 42-Inch pipeline at the Paradise Valley Rd. interconnection, TC encountered ¾" rock backfill material. As this material was excavated, the excavation became much larger than anticipated because the rock would fall into the trench and undermine the road. The backfill material was unknown prior to excavation and this item represents the additional time and material to excavate the ¾" rock material to create a safe trench to perform the work. This item results in a cost of \$13,554.83

**Item 2:** At the La Presa site, the connection to SDG&E was converted from an overhead source to an underground vault connection. This item covers the time and material to install additional conduit and relocate the transformer. This item results in a cost of \$3,710.44

**Item No. 3:** TC could not locate the existing 6-Inch water main on San Carlos and Grand Ave. for the proposed interconnection. TC potholed the 6-inch water line in a different location and located the water line to perform the interconnection. This item is for the time and material for the additional pothole and results in a cost of \$1,611.45

**Item No. 4:** The quantity of the contaminated soil removed at the La Presa Site exceeded the contract value. A portion of this item is for the additional costs to remove and haul off the additional material. This item also includes a credit to the contract for the deletion of the sound wall. During construction it was discovered that the sound wall was not necessary. Additional credits such as,

reducing the DG paving, deleting support blocks, reducing the depth of excavation for the pipe at La Presa, and for deleting two cut and plugs are also included in this item. The net value of this item is a credit for <\$25,910.00>

**Item No. 5:** Rock was encountered during construction for the Paradise Valley Road Interconnection. This was an unknown condition and the contractor performed the rock excavation on a T&M basis. The alignment of the interconnection was in close proximity to the County Water Authorities' aqueduct, therefore precautions and safe rock removal methods were used to perform the work. This resulted in a slower production (17 working days); however, it protected the surrounding utilities including the CWA aqueduct. The contractor used Dexpan which is a non-invasive rock breaking method by drilling holes into the rock profile, pouring the Dexpan material in the holes, then over time letting the material expand and crack the rock for removal. This item results in a cost of \$55,687.18.

**Item No. 6:** The original plan shows the pressure transmitters outside of the SCADA enclosure. To protect them from the outside elements, they were installed inside the enclosure. This item covers the time and material to install the transmitters inside the enclosure resulting in a cost of \$317.21

**Item No. 7:** This item is the time and material to install additional conduits for future security use for automatic gate operators, security cameras, access cards, etc. and results in a cost of \$3,157.37

**Item No. 8:** The conduit for the power connection from SDG&E was to be provided by the County's contractor as part of the Jamacha Road Widening Project. The contractor installed the conduit to the District's property line; however, an unknown utility conflicted with the connection point for the District's property. This item covers the time and material to install conduit below the conflict to make the necessary connection to SDG&E and results in a cost of \$3,857.00

**Item No. 9:** Not Used. This Change Order Request was for an additional enclosure inside the SCADA cabinet and was denied. The proposed modifications were not necessary.

**Item No. 10:** The La Presa site experienced a number of break-ins, vandalism, and theft throughout the duration of the project. In an effort to curb the security breach, TC Construction hired a security guard for night and weekend watch to protect the facility. This action proved to be successful. This item is for half of the cost to cover the security guard expense and results in a cost of \$4,695.60

**Item No. 11:** The interconnection at the Dorchester site required additional materials not shown on the plans to make the proper connection. In addition, the original plan at the Dorchester site required 4-inches of DG material to grade the site. The native material proved to be sufficient and the DG material was deleted from the contract. In lieu of the DG, hydroseed material was placed at the site to reduce erosion. Lastly, this item covers material credits for the 10-inch waterline relocation at the entrance to Pointe Parkway. It was discovered that the existing pipe to be removed was PVC, not asbestos cement pipe; therefore, the pipe was not considered hazardous and did not require special handling procedures. This item results in a credit of <\$9,021.99>

**Item No. 12:** The District delayed TC Construction by a half day due to water remaining in the Dorchester Reservoir when they were ready for demolition. This item covers the cost for a half day of standby delay to drain the last 4 feet of water from the reservoir. This item results in a cost of \$753.87

**Item No. 13:** The quantity of the contaminated soil to be removed at the Dorchester site will exceed the contract value. This item is for the additional costs to remove and haul off the additional material.

This item shall not exceed \$10,000 and the actual quantities will be determined when the work is complete.

**Item No. 14:** The Dewatering Allowance item was not used as part of this contract. This item results in a credit of <\$20,000>

**Summary:** This change order reflects fourteen (14) items (eleven cost and three credit) resulting a net increase to the contract in the amount of \$42,412.96.

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

There are two (2) Purchase Orders for this contract. One for TC Construction (PO#715479) and retention account for California Bank & Trust (PO#715621). Revise the Purchase Orders as follows:  
PO#715479: Revise Contract to add \$38,171.66 for a total Contract amount of \$947,982.91  
PO#715621: Revise Contract to add \$4,241.30 for a total Contract amount of \$105,331.44

<b>ORIGINAL CONTRACT/P.O. AMOUNT:</b>	\$	978,995.00
<b>ADJUSTED AMOUNT FROM PREVIOUS CHANGE:</b>	\$	1,010,901.39
<b>TOTAL COST OF THIS CHANGE ORDER:</b>	\$	42,412.96
<b>NEW CONTRACT/P.O. AMOUNT IS:</b>	\$	1,053,314.35
<b>CONTRACT/P.O. TIME AFFECTED BY THIS CHANGE:</b>		No
<b>ORIGINAL CONTRACT COMPLETION DATE:</b>		8/31/12
<b>REVISED CONTRACT COMPLETION DATE</b>		N/A

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

**CONTRACTOR/VENDOR:**

SIGNATURE:   
PRINTED NAME: Austin Cameron  
TITLE: Secretary DATE: 08/13/12  
ADDRESS: 10540 Prospect Avenue  
Santee, CA 92071

**STAFF APPROVALS:**

PROJ. MGR. \_\_\_\_\_ DATE: \_\_\_\_\_  
DIV. MGR: \_\_\_\_\_ DATE: \_\_\_\_\_  
CHIEF: \_\_\_\_\_ DATE: \_\_\_\_\_  
ASST. GEN. MANAGER: \_\_\_\_\_ DATE: \_\_\_\_\_

**DISTRICT APPROVAL:**

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

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 ENGR. MGR.  INSPECTION  PROJ MGR  ENGR. SECRETARY  PURCHASING  ACCTS PAYABLE

## CHANGE ORDER LOG

CIP Title - La Presa System Improvements

Consultant/Contractor: TC Construction

Project: P2370

Subproject: 001103

		APPROVED			
C.O.	AMOUNT	BY	DATE	DESCRIPTION	TYPE C.O.
1	\$31,906.39	GM	2/10/2012	10-Inch Relocation, PLC Cabinet Changes, 12-Inch Gate Valve Replacement, 18-Inch Plug and Plate, 18-Inch Disconnect for SDCWA, 18-Inch Disconnect for District, Discharge Header Modifications, 16-Inch Disconnect for District	Owner
2	\$42,412.96	Board		Thirteen items: Paradise Valley Rd. Pothole, Electrical & Control Revisions, Additional Potholing at San Carlos and Grand Ave., Soil Remediation & Sound Wall Credit, Paradise Valley Rd. Rock Excavation, Pressure Transmitter Modifications, Conduit Installation for Future Security, Connection for SDG&E Service, Security, Dorchester Site Modifications, Dorchester Reservoir Delay, and Dewatering Allowance Credit	Owner
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Total C.O.'s To Date:	\$74,319.35	7.6%
Original Contract Amount:	\$978,995.00	

Current Contract Amount:	\$1,053,314.35	
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Month	Net C.O.\$	Limit	Authorization	Absolute C.O.\$	C.O. %
6/12	\$74,319.35	\$5,000	PM		0.0%
		\$10,000	Eng. Mgr.		0.0%
		\$15,000	Chief		0.0%
		\$25,000	AGM		0.0%
		\$50,000	GM		0.0%
		>\$50000	Board	\$74,319.35	7.6%



**STAFF REPORT**

TYPE MEETING:	Regular Board	MEETING DATE:	July 11, 2012
	Alicia Mendez-Schomer, Customer Service Manager	PROJECT:	DIV. NO. ALL
SUBMITTED BY:			
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 Resolution No. 4200 to Continue Water and Sewer Availability Charges for District Customers for Fiscal Year 2012-2013 to be Collected through Property Tax Bills		

**GENERAL MANAGER'S RECOMMENDATION:**

That the Board adopt Resolution No. 4200 to continue water and sewer availability charges for District customers for Fiscal Year 2012-2013 to be collected through property tax bills.

**COMMITTEE ACTION:**

See Attachment A.

**PURPOSE:**

That the Board consider the adoption of Resolution No. 4200 to continue water and sewer availability charges for District customers for Fiscal Year 2011-2012 to be collected through property tax bills.

**ANALYSIS:**

State Water Code Section 71630-71637 authorizes the District to access such availability charges. The District levies availability charges each year on property in both developed and undeveloped

areas. In order to place these charges on the tax roll, the County of San Diego requires the District to provide a resolution authorizing the charges. Each year, the District provides a resolution along with the listing of charges by parcel. Current legislation provides that any amount up to \$10 per parcel (one acre or less) is for general use and any amount over \$10 per parcel (\$30 per acre for parcels over one acre) is restricted, to be expended in and for that Improvement District. The District uses amounts over \$10 per parcel to develop water and sewer systems within the Improvement Districts where the funds are collected. In accordance with legislation, the District places amounts up to \$10 per parcel in the General Fund.

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

The availability charges, as budgeted will generate approximately \$1.2 million in revenue.

**STRATEGIC GOAL:**

This revenue source will help the District meet its fiscal responsibility to its ratepayers.

**LEGAL IMPACT:**

None.

Attachments:    Attachment A - Committee Action Form  
                  Attachment B - Resolution No. 4200



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Adopt Resolution No. 4200 to Continue Water and Sewer Availability Charges for District Customers for Fiscal Year 2012-2013 to be Collected through Property Tax Bills
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### COMMITTEE ACTION:

The Finance, Administration and Communications Committee discussed this item at a meeting held on June 21, 2012 and the following comments were made:

- Staff indicated that the District began collecting water availability charges in 1963. These charges are authorized through State legislation.
- The purpose of the charges are to provide a means whereby developed and undeveloped properties would pay, on the basis of their acreage, their fair share of the cost involved in providing water and sewer services.
- Current legislation provides that the first \$10 assessed for each parcel be placed in the District's general fund. Any assessment over \$10 is restricted and can only be used within the improvement districts from which it was collected.
- In order to place these charges on the property tax bills, the County of San Diego requires that the District's Board adopt a resolution annually authorizing the charges.
- The revenue collected through the fees is approximately \$1.2 million.
- Staff is requesting that the board adopt Resolution No. 4200 to continue water and sewer availability charges for Fiscal Year 2012-2013.

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

RESOLUTION NO. 4200

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OTAY WATER DISTRICT CONTINUING PREVIOUSLY ESTABLISHED WATER AND SEWER AVAILABILITY CHARGES FOR FISCAL YEAR 2012-2013; REQUESTING THE COUNTY TO COLLECT SUCH AVAILABILITY CHARGES ON THE 2012-2013 SECURED TAX ROLL AND TAKING OTHER RELATED ACTIONS

WHEREAS, the Otay Water District (herein "District") is a member of the San Diego County Water Authority and the Metropolitan Water District of Southern California and, as a member, the District is entitled to purchase water for distribution within the District and water so purchased is available to property in the District that is also within the San Diego County Water Authority and the Metropolitan Water District of Southern California, without further need for annexation to any agency; and

WHEREAS, Improvement Districts No. 14 and 18 and Assessment District No. 4 (Hillside) have been formed within the Otay Water District (herein "District") and sanitary sewers have been constructed and sewer service is available to land within each of the said districts; and

WHEREAS, in consideration of the benefit that water availability confers upon property within the District, and in further consideration of the need for revenue to pay the cost of water storage and transmission facilities which directly and specially benefit property within the District, the District has previously determined that water availability charges be fixed and established under applicable provisions of law; and

WHEREAS, in consideration of the benefit which sewer availability confers upon property within Improvement Districts No. 14 and 18 and within Assessment District No. 4 (Hillsdale), and in further consideration of the need to pay the cost of sanitary sewers which directly and specifically benefit those properties, the District has previously determined that sewer availability charges be fixed and established for Improvement Districts No. 14 and 18 and Assessment District No. 4 (Hillsdale), all as provided under applicable provisions of law; and

WHEREAS, the District desires to continue the collection of such water and sewer availability charges without increases or revisions in methodology or application.

NOW, THEREFORE, the Board of Directors of the Otay Water District resolves, determines and orders as follows:

1. SCHEDULE OF WATER CHARGES

(A) The water availability charges previously fixed and established are hereby continued for Fiscal Year 2011-2012 at the existing rates, as follows:

- (1) In Improvement Districts No. 5 and La Presa No. 1 the charge shall be \$10.00 per acre of land and \$10.00 per parcel of land less than one acre.
- (2) In Improvement Districts No. 2, 3, 7, 9, 10, 19, 20, 22, 25 and 27 the charge shall be \$30.00 per acre of land and \$10.00 per parcel of land less than one acre.

- (3) For land located outside an improvement district and within one mile of a District water line, the charge shall be \$10.00 per acre of land and \$10.00 for each parcel less than one acre.
- (4) For land located outside an improvement district and greater than one mile from District facilities, the charge shall be \$3.00 per acre of land and \$3.00 for each parcel less than one acre.

(B) Modifications The charges provided for in subparagraphs (1) through (4) in (A) above shall be modified upon petition by the property owner where the property does not receive water from the District as follows:

- (1) where a parcel of land or a portion thereof is within an open space easement approved by San Diego County, the charge for such parcel or portion thereof shall be fifty percent (50%) of the charge determined pursuant to paragraph (A), provided the owner files with the District proof, satisfactory to the District, that said parcel of land or portion thereof is within such a designated permanent open space area;
- (2) where a parcel of land or portion thereof is in an agricultural reserve under a Land Conservation Contract with the County of San Diego, pursuant to the Land Conservation Act of 1965 as amended, the charge for such parcel shall be \$3.00 per acre, provided the owner files with the District proof,

satisfactory to the District, that said parcel of land or portion thereof is within such an agricultural preserve;

(3) where a parcel of land or a portion thereof is within an area designated as a floodplain by the County of San Diego, the charge for such a parcel or portion thereof shall be \$3.00 per acre, provided the owner files with the District proof, satisfactory to the District, that said parcel of land or portion thereof is within such designated floodplain; and

(4) where a parcel of land or portion thereof exceeds a 30% slope, and where such is not within a legal subdivision, lot-split or planned residential development, the charge for the slope portion shall be \$3.00 per acre, or if such a parcel is less than one acre and more than one-half of the area exceeds 30% slope, \$3.00 for the parcel, provided the owner files with the District proof, satisfactory to the District, that said parcel of land or portion thereof meets or exceeds the slope.

(C) Exceptions The charges provided for in (A) and (B) above shall not apply, upon petition by the property owner, to the following:

(1) land located within an area designated as a floodway by the County of San Diego;

- (2) land designated as a vernal pool area by a governmental agency authorized to make such a designation and which designation prohibits use of such area for any purpose;
- (3) land owned by non-profit, tax-exempt conservation organizations specializing in identifying and protecting the natural habitat of rare species; or
- (4) land that is located within the boundaries of the Otay Water District but not within the boundaries of the Metropolitan Water District of Southern California and the San Diego County Water Authority.

2. SCHEDULE OF SEWER CHARGES

(A) Sewer standby assessment or availability charges are hereby fixed and established for Fiscal Year 2012-2013 as follows:

- (1) In Improvement Districts No. 14, 18 and Assessment District No. 4 (Hillside), the charges shall be \$30.00 per acre of land and \$10.00 per parcel of land less than one acre. The preceding charges shall not apply, upon petition by the property owner, to the following:
  - (a) any portion of a parcel which is undeveloped and maintained in its natural state within an Open Space Area as a requirement under the San Diego County General Plan, provided the owner of such parcel files proof,

satisfactory to the District, of such  
designed Open Space Area;

- (b) any portion of a parcel located within an area designated by the County of San Diego as a floodway or floodplain; or
- (c) any portion of a parcel of land which exceeds a slope of 30% and which is not within a legal subdivision, lot split or planned lot split or planned residential development.

3. DEFERRALS

(A) Deferral of Charge, Purpose Situations may arise when an owner of a parcel of land does not use and has no present intention of using water and/or sewer provided by the District on a parcel of land, as defined in Section 4. The purpose of this section is to permit an evaluation by the District, on a case-by-case basis, of the circumstances which pertain to such situations to determine whether a deferral of charges should be approved according to the terms and conditions herein provided.

Any owner of a parcel of land who believes that the amount of the water and/or sewer availability charges fixed against such parcel should be deferred may file an application with the District for deferral of the charge, as follows:

- (a) Application The application shall include a statement describing the circumstances and factual elements which support the request for deferral.
- (b) The General Manager shall consider the request within sixty (60) days after the filing of a

completed application. If the application for deferral meets the established criteria, the General Manager may decide whether to approve the request and order the charge deferred accordingly. If the request is denied, the applicant shall be notified in writing stating the reasons for the denial.

(B) Appeal to Board of Directors If the General Manager denies a request, the owner may file an appeal with the Board of Directors within sixty (60) days after such denial. No new application for deferral need be considered by the General Manager until expiration of twelve (12) months from the date of a denial, unless differently directed by the Board of Directors.

(C) Deferred Charges on Restricted Parcels, Criteria The levy of the charge may be deferred annually as to any parcel of land which meets each of the following criteria:

- (a) The owner of such parcel makes a timely application requesting deferral of the charge.
- (b) The parcel, which is the subject of the request, will become subject to enforceable restrictions which prohibits the connection to the District sewer system or use of water on the parcel, except by means of natural precipitation or runoff; provided, however, if considered appropriate by the General Manager, local water may be used for limited domestic stock watering and irrigation uses.

- (c) The owner executed a recordable agreement which includes provisions that:
- (1) set forth the enforceable restrictions pertinent to the subject parcel;
  - (2) the agreement may be terminated upon written request by the owner and payment of all deferred water and/or sewer availability charges, plus interest thereon, compounded annually, and accruing at the legal rate from the date such charges would have been otherwise due and payable;
  - (3) no water and/or sewer service from the District shall be provided to such parcel for a period of ten (10) years after the total amount due for the charges deferred, plus annually compounded interest, is paid in full to the District, unless a surcharge penalty as described below is paid to the District prior to connection of any water and/or sewer service;
  - (4) if the surcharge is not paid, during the ten (10) year period, while water and/or sewer service is not available to the subject land, the owner shall pay all annual water or availability charges as fixed; and
  - (5) contains such other provisions considered by the General Manager to be appropriate.

(D) Surcharge Upon termination of the deferral agreement, an owner may elect to receive water and/or sewer service prior to the expiration of the ten (10) year penalty period upon payment of a surcharge. The surcharge shall be equal to the amount of the annual water and/or sewer availability charges fixed for the parcel(s) of land in the year of election to receive water and/or sewer service multiplied by the number of years remaining of the ten (10) year penalty period. This surcharge shall also apply if a property owner develops a parcel that is subject to a deferral agreement without termination of said agreement.

(E) Enforcement Procedures In order to insure that terms and conditions of the recordable agreement are being met, the General Manager shall:

- (1) Maintain a record of all parcels approved for deferral of the water assessments or availability charges.
- (2) Report to the Board of Directors any instances where the terms of the agreement are being violated.
- (3) Take such other actions or procedures considered appropriate.

4. DEFINITION OF PARCEL The term "parcel" as used herein shall mean a parcel of land as shown on the assessment rolls of the County Assessor of San Diego County as of March, 2012.

5. NOTICE AND REQUEST TO THE BOARD OF SUPERVISORS AND AUDITOR  
As provided in Sections 71634 to 71637, on or before the third

Monday in August, 2012, the Secretary of this District shall furnish, in writing to the Board of Supervisors of San Diego County and to the County Auditor, a description of the land within the District upon which availability charges are to be levied and collected for Fiscal Year 2012-2013 together with the amount of the assessments or charges. At the time and in the manner required by law for the levying of taxes for county purposes, the Board of Supervisors of San Diego County shall levy, in addition to taxes it levies, water and/or sewer availability charges in the amounts fixed by this Resolution for the respective parcels of land described in Section 1 of this Resolution. All County officers charged with the duty of collecting taxes shall collect the charges with the regular property tax payments in the same form and manner as County taxes are collected. Such availability charges are a lien on the property with respect to which they are fixed. Collection of the charges may be enforced by the same means as provided for the enforcement of liens for state and county taxes.

6. CERTIFICATION TO COUNTY BOARD OF SUPERVISORS The District certifies that this Resolution complies with the provisions of Article XIIIID of the California Constitution in that the availability charges are existing charges first set by the Board of Directors of the District prior to November 6, 1996. At the time the availability charges were initially established, the District followed the applicable provisions of law then in effect, and the District has continued to comply with such provisions, including any requirements for notices or hearings,

as from time to time in effect. Therefore, pursuant to Section 71632 and Section 71638 of the California Water Code, as currently in effect, the District may continue the availability charges in successive years at the same rate. The District further certifies that the charge is not increased hereby and the methodology for the rate is the same as in previous years. The charge is imposed exclusively to finance the capital costs, maintenance and operating expenses of the water or sewer system of the District, as applicable.

7. CERTIFIED COPIES The Secretary of this District shall deliver certified copies of this Resolution to the Board of Supervisors and to the Auditor of San Diego County with the list of charges described in Section 4 above.

8. CORRECTIONS; OTHER ACTIONS The General Manager of the District is hereby authorized to correct any clerical error made in any assessment or charge pursuant to this Resolution and to make an appropriate adjustment in any assessment or charge made in error. Furthermore, the General Manager and the Secretary of this District are hereby directed to take any further actions and deliver such documents and certificates as necessary to carry out the purpose of this Resolution.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting duly held this 11th day of July, 2012.

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President

ATTEST:

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Secretary

I HEREBY CERTIFY that the foregoing Resolution No. 4200 was duly adopted by the BOARD OF DIRECTORS of the OTAY WATER DISTRICT at a regular meeting thereof held on the 11th day of July, 2012 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

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District Secretary



**STAFF REPORT**

TYPE MEETING:	Regular Board	MEETING DATE:	July 11, 2012
SUBMITTED BY:	Rita Bell, Finance Manager	PROJECT:	DIV. NO. All
APPROVED BY:	<input checked="" type="checkbox"/> Joseph R. Beachem, Chief Financial Officer <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Adopt Resolution No. 4202 to Establish the Tax Rate for Improvement District No. 27 (ID 27) for Fiscal Year 2012-2013		

**GENERAL MANAGER'S RECOMMENDATION:**

That the Board adopt Resolution No. 4202 to establish the tax rate for Improvement District No. 27 (ID 27) at \$0.005 for Fiscal Year 2012-2013.

**COMMITTEE ACTION:**

See Attachment A.

**PURPOSE:**

Improvement District No. 27 has outstanding general obligation bonds and tax rates are calculated annually to ensure the amount of tax collections will meet the annual debt service. Currently, ID 27 is the only improvement district with outstanding general obligation debt service.

**BACKGROUND:**

In December 1992, the District sold \$11,500,000 of general obligation bonds in ID 27 for the construction of the 30mg reservoir. At the time of the formation of ID 27, the District intended to have a

maximum tax rate of \$0.10 per \$100 of assessed valuation. The tax rate has always remained well below the intended maximum rate.

With the refinancing of the bonds in 1998 and the rapid growth in past years, the tax rate for ID 27 had been reduced several times. In Fiscal Year 2010, the bonds were refinanced again, thus reducing the annual debt payment even further. The tax rate was kept at \$0.005 last fiscal year, despite a further reduction of 1.9% in the assessed values of properties in the region. The County Assessor anticipates that the assessed values will remain flat for the next fiscal year. Staff is proposing to keep the rate at \$0.005, drawing down the reserves rather than raising the rate. The rate and reserve balance will be reevaluated again next year. It is anticipated that the \$0.005 rate can be maintained for a number of years.

**FISCAL IMPACT:**             Joseph R. Beachem, Chief Financial Officer

The tax proceeds are legally restricted for the sole purpose of the repayment of this debt. They will be collected until the debt obligation is fully paid, at which time the fund will have a zero balance. The \$0.005 tax rate will generate \$596,975 in revenue. The estimated revenue, given the recommended tax rate combined with the current fund balance, will meet the annual ID 27 debt service payment of \$756,263. This action brings the fund balance closer to the target level of six months of bond payments, while maintaining a positive cash balance for the foreseeable future.

**STRATEGIC GOAL:**

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

**LEGAL IMPACT:**

None.

Attachments:

- A) Committee Action Form
- B) Resolution No. 4202
- C) ID 27 Tables



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Adopt Resolution No. 4202 to Establish the Tax Rate for Improvement District No. 27 (ID 27) for Fiscal Year 2012-2013
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### COMMITTEE ACTION:

The Finance, Administration and Communications Committee discussed this item at a meeting held on June 21, 2012 and the following comments were made:

- The District issued \$11.5 million general obligation bonds in 1992 for the construction of a 30 MG reservoir in Improvement District 27 (ID27) and has refinanced the bonds in 1998 and 2009.
- The assessed values for ID27 has grown from \$2 billion in FY 2001 to \$9.9 billion in FY 2012.
- Each year the District must establish a tax rate and adopt a resolution authorizing the collection of the debt service through the County of San Diego tax rolls.
- Staff is recommending that the tax rate be established at \$.005 per \$100 of assessed value for FY 2013. It is estimated that the tax will generate \$596,000 in revenues which along with taxes collected in prior years, will cover the principal and interest payments of \$756,000 on the debt.
- Currently, the District has excess in the reserve as the assessed property values over time had increased much higher than anticipated, which generated more tax revenues than needed. Property values have since declined and staff expects that values will hold relatively steady in the upcoming fiscal year. The goal is to keep the tax rate the same as in the past several years to slowly use up the excess in the reserve fund.
- The target for the reserve fund is \$370,000. The reserve fund currently holds \$1 million. At the proposed rate of \$.005 per \$100 of assessed value, it is anticipated that the fund will be drawn down to \$876,477 in FY 2013. Staff plans to continue to drop the reserve each year with the goal to draw the reserve down to \$0 at the end of the bond term in 2023. It was noted that the

tax could be adjusted each year if property assessed values increase.

- The committee noted that the District's proposed FY 2013 tax rate is much less than the intended maximum of 10 cents per \$100 of assessed value, indicating that the District is being a good steward of the public's interest.

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

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.

RESOLUTION NO. 4202

A RESOLUTION OF THE BOARD OF DIRECTORS OF OTAY WATER DISTRICT FIXING TAX RATES FOR FISCAL YEAR 2012-2013 FOR PAYMENT OF PRINCIPAL AND INTEREST ON GENERAL OBLIGATION BONDS OF IMPROVEMENT DISTRICTS (GF 1600)

WHEREAS, California Water Code Section 72091 authorizes the Otay Water District, as a municipal water district, to levy an ad valorem property tax which is equal to the amount required to make annual payments for principal and interest on general obligation bonds approved by the voters prior to July 1, 1978.

NOW, THEREFORE, the Board of Directors of the Otay Water District resolves, determines and orders as follows:

1. Findings. It is necessary that this Board of Directors cause taxes to be levied in Fiscal Year 2012-2013 for Improvement District No. 27 of the Otay Water District to pay the amount of the principal and interest on the bonded debt of such improvement district.

2. Amounts to be Raised by Taxes. The amount required to be raised by taxation during Fiscal Year 2012-2013 for the principal and interest on the bonded debt of Improvement District No. 27 is as follows:

Improvement District No. 27	\$596,975
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3. Tax Rates. The tax rates per one hundred dollars (\$100) of the full value of all taxable property within said improvement district necessary to pay the aforesaid amounts of principal and

interest on the bonded debt of said improvement district for Fiscal Year 2012-2013 is hereby determined and fixed as follows:

Improvement District No. 27                      \$0.005

4. Certification of Tax Rates. Pursuant to Water Code Section 72094, this Board of Directors hereby certifies to the Board of Supervisors and the County Auditor of the County of San Diego the tax rates hereinbefore fixed, and said County Auditor shall, pursuant to Section 72095 of said Code, compute and enter in the County assessment roll the respective sums to be paid as tax on the property in Improvement District No. 27, using the rate of levy hereinabove fixed for such improvement district and the full value as found on the assessment roll for the property therein, and the Secretary of this Board of Directors is hereby authorized and directed to transmit certified copies of this resolution, Attachment B, and made a part hereof, to said Board of Supervisors and said Auditor.

PASSED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 11th day of July, 2012.

Ayes:  
Noes:  
Abstain:  
Absent:

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President

ATTEST:

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Secretary

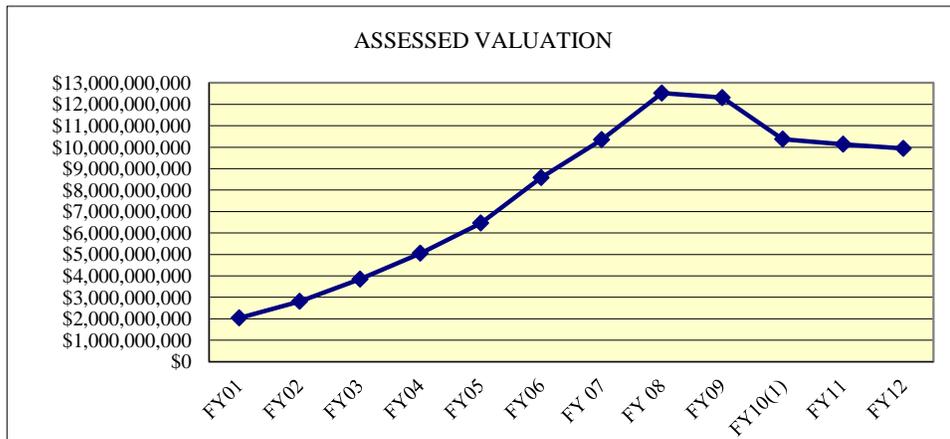
## IMPROVEMENT DISTRICT 27

**History**

- 1989** Improvement District 27 was formed with \$100,000,000 bonding authorized.
- 1992** District issued \$11,500,000 in General Obligation Bonds primarily for the construction of a 30 million gallon storage reservoir.
- 1998** District refinanced outstanding debt of \$10,900,000.
- 2009** District refinanced again outstanding debt of \$7,780,000.

Historical Data						
	TAXES COLLECTED	DEBT SERVICE	NET	TAX RATE	ASSESSED VALUATION	INC%
<b>FY01</b>	\$1,628,500	\$841,500	\$787,000	\$0.06000	\$2,037,206,308	32%
<b>FY02</b>	\$570,300	\$842,000	(\$271,700)	\$0.02000	\$2,809,479,840	38%
<b>FY03</b>	\$725,085	\$848,600	(\$123,515)	\$0.01500	\$3,837,693,353	37%
<b>FY04</b>	\$829,036	\$848,700	(\$19,664)	\$0.01400	\$5,047,625,296	32%
<b>FY05</b>	\$997,082	\$840,800	\$156,282	\$0.01200	\$6,454,909,846	28%
<b>FY06</b>	\$1,081,991	\$840,385	\$241,606	\$0.01000	\$8,579,576,581	33%
<b>FY 07</b>	\$868,624	\$837,936	\$30,688	\$0.00700	\$10,348,663,242	21%
<b>FY 08</b>	\$917,168	\$835,017	\$82,151	\$0.00600	\$12,518,643,676	21%
<b>FY09</b>	\$764,971	\$830,823	(\$65,852)	\$0.00500	\$12,308,043,285	-2%
<b>FY10<sup>(1)</sup></b>	\$605,405	\$934,674	(\$329,269)	\$0.00500	\$10,378,404,507	-16%
<b>FY11</b>	\$600,685	\$781,144	(\$180,459)	\$0.00500	\$10,131,397,697	-2%
<b>FY12</b>	\$612,288	\$752,378	(\$140,090)	\$0.00500	\$9,941,622,812	-2%

Change in Fund Balance						
	TAXES COLLECTED	DEBT SERVICE	NET	TAX RATE	ASSESSED VALUATION	INC%
	Fund Balance 6/30/12		\$1,031,440			
<b>FY13</b>	\$596,975	\$756,263	(\$159,288)	\$0.00500	\$9,941,622,812	0.0%
	Interest		\$4,325			
	Est Fund Balance 6/30/13		\$876,477			



<sup>(1)</sup> Due to the debt refinancing in FY2009, there was a refunding cost of \$150,625 that was added to the debt service amount this year.



## STAFF REPORT

TYPE MEETING: Regular Board	MEETING DATE: July 11, 2012
SUBMITTED BY: Geoff Stevens, Chief Information Officer	PROJECT: Various    DIV. NO. ALL
APPROVED BY: <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager  <input checked="" type="checkbox"/> Mark Watton, General Manager	
SUBJECT: INFORMATION TECHNOLOGY RELATED OPERATIONS & MAINTENANCE AND CAPITAL CONTRACTS FOR FY 2013	

**GENERAL MANAGER'S RECOMMENDATION:**

That the Board authorize the General Manager to enter into the following agreements:

1. AbleForce, Inc., in the amount of \$170,000.00 for programming services for financial and reporting systems enhancements (P2460).
2. One year O&M service agreements for FY 2013 with:
  - a. GTC Systems, Inc., in the amount of \$78,000.00 for network management and monitoring services.
  - b. AT&T in the amount of \$99,000.00 for local and long distance telephone and internet service.
  - c. Verizon Wireless in the amount of \$81,000.00 for cell phone device conversion and wireless services.
  - d. Soft Choice in the amount of \$83,546.00 for software licenses under the Microsoft Enterprise Agreement.

- e. Tyler Technologies in the amount of \$139,710.00 to cover the costs of a software maintenance agreement, annual support, and consulting services (O&M \$119,710.00/CIP P2470 \$20,000.00).

**COMMITTEE ACTION:**

See "Attachment A".

**PURPOSE:**

To authorize the purchase of equipment and services necessary to support both IT's daily operations and enhance the District's systems to meet emerging business needs as identified in the District Strategic Plan.

**ANALYSIS:**

The IT department presents to the Board specific technology related expenses that require Board approval because they exceed the General Manager's authorized approval limit of \$50,000.00 for a specific contract. These contracts and purchases are required to either operate the District's technology environment or to make planned technology related infrastructure improvements. Each item requiring the District to issue a purchase order or contract for greater than \$50,000.00 is described in detail in the following section. All of the items in this staff report are specifically itemized in the FY 2013 budget as well. By presenting these items collectively, we want to provide to the Board a more detailed view of expenses related to the Districts' information systems.

All purchasing guidelines have been met for the specific items in this report. Where possible, items have been competitively bid. Certain items, such as software licenses and vendor support, are sole source contracts, because only one vendor can support the product. Certain items are also purchased utilizing state authorized competitive contracts, primarily CALNET and WSCA, state and regional wide agreements which guarantees competitive pricing. We have attempted, wherever possible, to synchronize our contract renewal dates with the District's fiscal year and budget approval process. The following are detailed descriptions of the specific requests:

**Explanation of Costs**

## **Software Development and Implementation**

AbleForce \$170,000.00 - Staff purchases programming services through AbleForce Inc. These services allows staff to implement complex modifications and add important new functionality to our financial and reporting systems. A recent example is the addition of a capital budgeting and planning module which has allowed staff to eliminate significant consultant expenses and also improve process efficiencies. This item was competitively bid, and staff selected the lowest cost vendor. Funding comes from the IT Capital budget P2470.

## **Software and Support Agreements**

GTC \$78,000.00 - This allows staff to purchase network management and monitoring service. This year staff expanded these services from passive monitoring to 24/7 outsourcing all patching, software upgrades, and troubleshooting. This item was competitively bid and selected the low cost vendor. Funds for these services are in the IT O&M budget.

AT&T \$99,000.00 - This item covers the purchase of telephone and internet services to support our call center. This item utilizes CALNET pricing which has been competitively bid by the State of California. Funds for these services are in the IT O&M budget.

Verizon Wireless \$81,000.00 - Verizon was the lowest bidder for wireless telephone services. The District currently purchases wireless voice and data services to support cell phones and field mobile devices. As part of the migration to outsourced services, staff is replacing the Blackberry cell phones with alternative devices - which will save the District \$9,600.00 in fees for email and phone related services from the off-site Exchange provider. Funds for these services are in the IT O&M budget.

Softchoice \$83,546 - This is a one (1) year renewal of the Enterprise Agreement with Microsoft for desktop and server software licensing. Under this agreement, the District will be eligible for upgrades to any Microsoft product versions through the Enterprise Agreement and Software Assurance. Competitive pricing, utilizing the WSCA (Western States Contracting Alliance) agreement, assured competitive pricing. Funding for this contract comes from the IT O&M budget.

Tyler Technologies \$139,710 - The software maintenance licenses for Utility Billing, Financial, Human Resources and Permitting systems are provided by the integrated Eden Systems product, which is entirely owned by Tyler Technologies. The core license and support

costs include both the license and enhanced support agreements. This item is a sole source contract as only the product vendor is authorized to provide maintenance support. Funding for the license (\$119,710.00) comes from the IT O&M budget. Funding for consulting (\$20,000.00) comes from CIP P2470 - Capital budget.

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

This project will utilize funds from both the IT Operating Budget and FY 2013 CIPs (P2470).

The items referenced above request a total not-to-exceed \$651,256.00, plus applicable taxes. These items are also specifically included in the adopted FY 2013 Capital and O&M Budgets.

**O&M totals:**

O&M expenditures total \$461,256.00 and are funded by the general fund operations.

**Capital Funding:**

The total budget for CIP P2470 (Application Systems Development and Integration) is \$2,732,000.00. The approved FY 2013 budget for CIP P2470 is \$220,000.00. Expenditures LTD are \$1,447,000.00. As this is the first of the year, expenditures for FY 2013 are \$0. The remaining balance for FY 2013 is \$220,000; of which not more than \$190,000 will be used in these enhancements (\$20,000.00 Eden System - Consulting/\$170,000.00 AbleForce).

The Project Manager anticipates, based on financial analysis, that the budget will be sufficient to support this project.

Finance has determined that 40% of the funding for this project is available from the Expansion Fund and 60% is available from the Replacement Fund.

The Project Manager anticipates, based on financial analysis, that the budget will be sufficient to support this project.

Finance has determined that 100% of the funding for this project is available from the Replacement Fund.

**STRATEGIC GOAL:**

These items are in support of the District's Strategic Plan, specifically the strategy implementing asset management and business process improvement.

**LEGAL IMPACT:**

None.

Attachments:     Attachment A - Committee Action  
                    Attachment B - Summary of Bids and Current Costs for  
                                    Competitively Priced Contracts



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	INFORMATION TECHNOLOGY RELATED OPERATIONS & MAINTENANCE AND CAPITAL CONTRACTS FOR FY 2013
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### COMMITTEE ACTION:

The Finance, Administration and Communications Committee discussed this item at a meeting held on June 21, 2012 and the following comments were made:

- Each year staff presents for the boards approval annual expenditures that are necessary for daily Information Technology (IT) operations. They are fairly routine items and have been identified in the FY 2013 budget. Staff is requesting that the board approve agreements with:
  - AbleForce, Inc. for \$170,000 for programming services for financial and reporting systems enhancements. They would program new reports, modules or software that adds to the District's enterprise systems. As their services would increase our capital assets, the contract is funded through the Information Technology CIP Budget.
  - GTC Systems, Inc. for \$78,000 for network monitoring services. Staff sent out a RFP and interviewed 9 different vendors. A new service that they will provide through the contract this year is onsite patching, assuring servers are up-to-date and initiate any maintenance issues with vendors.
  - AT&T in the amount of \$99,000 for local, long distance telephone and internet services supporting the District's call center. This contract is under the CALNET agreement through the State of California that guarantees the pricing. It was discussed that AT&T supports the phone lines, the trunks that come in to support the call center and they provide internet services. Cox Communications provides back-up internet services should AT&T's system go down.

- Verizon Wireless, Inc. in the amount of \$81,000 for cell phone service and for the support of air cards for field services equipment. This contract is also under the CALNET guaranteed pricing through the State of California. Staff had bid the services to assure that the pricing was competitive. AT&T and Sprint had submitted bids and Verizon was the lowest cost bidder. Verizon is the District's current vendor and staff is pleased with the outcome as it is felt that, overall, Verizon's service is a little bit stronger. For example, Sprint does not yet offer 4G network services.
- Softchoice for \$83,546 for software licenses under the Microsoft Enterprise Agreement. This contract covers all enterprise software. The pricing is guaranteed under WSCA (Western States Contracting Alliance) which is an organization that has already received competitive pricing from multiple vendors and certifies the pricing as competitive.
- Tyler Technologies for \$139,710 for software maintenance support for financial, human resources and billing systems (EDEN Systems). The District has had this software in place for 8 years and it continues to function well for the District. The license cost has been reduced in comparison to last year as the District had replaced some functionality which allowed for the elimination of some of the modules. This reduced the contract by approximately \$10,000 from the previous year. The contract includes \$20,000 to fund specialized work to modify the software should it be needed to accommodate a change in the District's billing process, a rate change, etc.
- Staff followed the purchasing process and purchasing staff reviewed the full bidding process. Staff was successful in selecting the lowest cost bidder when it could. It was noted that the District is not obligated to select the lowest cost bidder. Staff may select the vendor that would support the District's needs more fully as was done with the newly implemented phone system.
- It was noted that the board had approved a three-year contract with Cox Communications and a multiple year contract for GIS Services last year and is the reason that agreements for these specific services were not included.
- It was also discussed that Softchoice provides software assurance. Their services would provide for software

upgrades to the newest version of software at no cost and a review service that monitors all software licenses on the District's network. Every three years, Softchoice will review the District's system to check the number of licenses the District is running. This protects the District from penalties that could be assessed if unauthorized licenses are discovered through the Microsoft audit process.

Following the discussion, the Committee supported staff's recommendation and presentation to the full board on the consent calendar.

## Pricing and Annual Costs for Specific IT Services

### Wireless Services

	Phone x 80	Aircard x 40	Costs for Wireless	
<b>Verizon v</b>	<b>\$59.00</b>	<b>\$37.00</b>	FY 2011	\$113,574.00
<u>AT&amp;T</u>	\$63.00	\$35.00	FY 2012	\$76,000.00 Estimate
Sprint	\$59.00	\$37.00	FY 2013*	\$81,000.00 (Requested)

\* Includes migration from Blackberry

All plans bid at \$.06 minute

Verizon offers discounts on accessories

Sprint does not have a 4G Network yet

Change from Verizon on aircards involves extra labor costs

Note: WSCA Pricing from all vendors

Competitively bid June 2012

### Network Monitoring and Management Services (NOC)

#### NOC SERVICES

	\$/per device/month	Costs for Network Operations Services (NOC):	
Logicalis	\$310.00	FY 2011	NA
Pointivity	\$99.00	FY 2012	NA
Scale matrix	\$155.00	FY 2013	\$78,000 Requested
<b>GTC v</b>	<b>\$50 or less depending on device</b>		
Centerbeam	\$125.00		
Critigen	\$200.00		
Abtech	\$65.00		

Pricing is complex but best overall metric is device cost per month of monitoring services

Competitively bid February 2012

### Programming Services

		Costs for Programming Services	
<b>Ableforce v</b>	<b>\$90</b>	FY2011	\$233,455
GTC	\$125 - \$140	FY 2012	\$172,000
Logicalis	\$150 - \$165	FY 2013	\$170,000 Requested

Bids are based upon per hour costs for senior level technical programming

Competitively bid March 2012





## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	July 11, 2012
SUBMITTED BY:	Mark Watton, General Manager	PROJECT:	Various DIV. NO. ALL
APPROVED BY:	<input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	California Special Districts Association (CSDA) Region 6 Board Election		

**GENERAL MANAGER' S RECOMMENDATION:**

That the Board consider casting votes to elect representatives to the California Special Districts Association (CSDA) Board of Directors, Region 6, Seats A and C.

**PURPOSE:**

To present for the board's consideration the ballot to elect representatives to Region 6, Seats A and C, on CSDA's Board of Directors.

**COMMITTEE ACTION:**

N/A

**ANALYSIS:**

CSDA is holding an election to fill Seats A and C of Region 6 on its Board of Directors. Ms. Jo MacKenzie of Vista Irrigation District, is the current incumbent of Seat A and is seeking re-election. Mr. Dewey Ausmus, North County Cemetery District, is retiring at the end of this year which will leave his seat vacant. There are two years remaining in his term which will expire December 31, 2014.

As there are two (2) seats to fill, the individual with the most votes during this election will fill Seat A; a full-term serving three (3) years. The individual with the second most votes will complete the remaining term of Seat C; two (2) years expiring December 31, 2014. Region 6 member districts are entitled to cast two (2) votes in the election. There are a total of six [6] regions with each region having three seats on the Board.

Attached is a copy of the mail-in ballot and the candidates' Statement of Qualifications. The ballot must be mailed and received by CSDA by 5:00 p.m. on Friday, August 3, 2012.

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

None.

**STRATEGIC GOAL:**

Participating would support the strategic goal of maintaining effective communications with other cities, special districts, State and Federal governments, community organizations and Mexico.

**LEGAL IMPACT:**

None.

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**General Manager**

Attachment A: Committee Action  
Attachment B: Ballot  
Attachment C: Candidates' Statements (3)

## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	California Special Districts Association (CSDA) Region 6 Board Election
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### COMMITTEE ACTION:

The Finance, Administration and Communications Committee discussed this item at a meeting held on June 21, 2012 and recommends that the District's votes be cast for Ms. Jo Mackenzie, Vista Irrigation District, and Ms. Elaine Sullivan, Leucadia Wastewater District, and that this item be presented to the full board on the consent calendar.



# CSDA BOARD OF DIRECTORS ELECTION 2012

All Fields Must Be Completed for ballot to be counted.  
(Please vote for two individuals.)

## REGION SIX

●  
Seat A - term  
ends 2015

Seat C - term  
ends 2014

- Jo Mackenzie\***  
Vista Irrigation District
- Cheryl Brothers**  
Orange County Vector Control District
- Elaine Sullivan**  
Leucadia Wastewater District

Please vote for two individuals as there are two open seats. Per the CSDA Bylaws, the candidate with the most votes will be elected to Seat A, and the candidate with the second most votes will be elected to Seat C.

\* incumbent

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Member District: \_\_\_\_\_

Must be received by 5pm, August 3, 2012. CSDA, 1112 I Street, Suite 200, Sacramento, CA 95814

**JO MACKENZIE****PROVEN EXPERIENCE LEADING  
SPECIAL DISTRICTS**

During my tenure on the CSDA Board, Special Districts have gained recognition as the third leg of local government. It is important CSDA continues to be the voice of all special districts. I am committed to building on the present foundation of educational programs and public outreach. My enthusiasm, commitment and comprehensive knowledge of special districts and LAFCO bring years of experience to the CSDA Board. It would be an honor to continue serving special districts in Region 6.

- ✓ **EXPERIENCED LEADER**
- ✓ **COMMITTED TO SPECIAL DISTRICTS**
- ✓ **FISCALLY RESPONSIBLE**
- ✓ **DEDICATED**

**CSDA EXPERIENCE:**

- ❖ Immediate Past President, 2012
- ❖ President, 2011
- ❖ Vice President, 2010
- ❖ Treasurer, 2008 and 2009
- ❖ CSDA Finance Corporation, 2007-2012, President 2012
- ❖ Fiscal Committee Chair, 2008 and 2009
- ❖ Audit Committee Chair, 2008
- ❖ Legislative Committee, 2004-2012; Chair, 2006-2010 and 2012

**DISTRICT EXPERIENCE:**

- ❖ Elected in 1992, Board of Directors, Vista Irrigation District (CSDA District of Distinction)
- ❖ Served on and chaired District Committees
- ❖ One of the principal negotiators for the San Luis Rey Water Rights Settlement Agreement between VID, five Indian Bands, the City of Escondido, and the Federal Government

**OTHER LEADERSHIP POSITIONS:**

- ❖ ACWA Region 10 Board, Vice Chair, Alternate Chair, Director, 1997-2010
- ❖ San Diego LAFCO Special District Advisory Committee, 1994-2008, Chair 2005-2008
- ❖ San Diego LAFCO, Alternate LAFCO Commissioner, 2008 to present
- ❖ CSDA San Diego Chapter, Board Member 1993 to present, President 1998-2000

**COMMUNITY INVOLVEMENT:**

- ❖ San Marcos Planning Commissioner, 1979-1986
- ❖ San Marcos Traffic Commission, 1999-2004
- ❖ San Marcos Budget Review Committee, 1980-1982 and 1995-2006, Chair 1996-2006
- ❖ San Marcos Chamber of Commerce, Lifetime Ambassador

**RECOGNITIONS:**

- ❖ Special District Official of the Year by PublicCeo, 2011
- ❖ CSDA Legislative Advocate of the Year, 2010
- ❖ Graduate CSDA Leadership Academy



**CSDA Region 6 Candidate Statement**

**Elaine Sullivan**

**Vice-President, Leucadia Wastewater District Board of Directors  
Carlsbad, CA 92009**

I am seeking to represent Region 6 because I have a passion for special districts and I believe that I can use that passion to serve CSDA members and enroll non-member agencies. I believe I bring a unique and proven set of skills from my 24 years of experience as past President, current Vice-President and a member of various committees at Leucadia Wastewater District (LWD). During my tenure, LWD has been recognized as a District of Distinction and has received CWEA's Statewide Collection System of the Year award 7 times, including this past year. LWD is currently debt-free and maintains one of the lowest rates in San Diego County.

I have also been a 24 year member of Encina Wastewater Authority's (EWA) Board of Directors where I served multiple terms as Board President and as Chair of several committees. EWA has been recognized many times for its outstanding operations and global biosolids and energy management program.

Other public service experience includes: member of the California Water Reuse Finance Authority Board for 12 years, Ambassador Committee member for the Carlsbad Chamber of Commerce and a member of CSDA San Diego Chapter's Scholarship Committee for 15 years. I was instrumental in the formation of its Teacher Grant Program which provides grants to local area teachers for projects related to special districts.

I have held my current positions, with over 98% attendance for 24 years, while owning and operating my own business. I have wished to be more involved in CSDA over the years but I never undertake any endeavor that I cannot fully commit to. Since I am now retired, I am willing to commit my time with the goal of giving back to CSDA while representing ALL Special Districts in Region 6.

Thank you for your consideration.

**Cheryl Brothers  
Orange County Vector Control District**

**Candidate Statement  
Region 6**

I have had opportunities to be involved in regional and state positions since 1992. Since then, I have held leadership positions in several diverse arenas. Serving one year on the Orange County Grand Jury, I worked with committees who looked into the governance of special districts in the county making me familiar with many types of special district operations. I was appointed by my city to the Orange County Vector Control District in 2005 while I served on the city council from 2002-2010. In 2011, I was selected by the district's 35 member board of trustees to serve as President.

While working for a County Supervisor from 1996-2002, I gained first-hand knowledge of county issues and process. Working with the League of California Cities on their Administrative Services Policy Committee I covered state legislative issues; and served on their annual conference planning committee for one year. I chaired the O.C. Council of Governments for 2 years when we wrote our Regional Sustainable Community Development Strategy to comply with AB 32 and SB 375.

In 2010, while on the O.C. and CA. LAFCO board, I was instrumental in forming a Coalition of seven Southern California County LAFCOs and helped to develop their governance documents.

Since retiring from city council and other related positions, I have focused my attention to OCVCD and special districts. I have traveled to Washington D.C. on Vector legislative days to lobby our representatives on bills that affect all California Vector Districts.

I have the time and dedication to bring my legislative and governance experience to CSDA and will be your voice for Region 6 at the state level. I look forward to working with you in the future.



## STAFF REPORT

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	July 11, 2012
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 2012 Calendar of Meetings		

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

At the request of the Board, the attached Board of Director's meeting calendar for 2012 is being presented for discussion.

### **PURPOSE:**

This staff report is being presented to provide the Board the opportunity to review the 2012 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 2012

**Board of Directors, Workshops  
and Committee Meetings  
2012**

**Regular Board Meetings:**

January 4, 2012  
February 1, 2012  
March 7, 2012  
April 4, 2012  
May 2, 2012  
June 6, 2012  
July 11, 2012  
**August 1, 2012**  
September 5, 2012  
October 3, 2012  
November 7, 2012  
December 5, 2012

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

January 18, 2012  
February 15, 2012  
March 21, 2012  
April 18, 2012  
May 16, 2012  
June 20, 2012  
**July 18, 2012**  
August 15, 2012  
September 19, 2012  
October 17, 2012  
November 21, 2012

**SPECIAL BOARD MEETING:**

**BOARD WORKSHOPS:**

Budget Workshops:

March 19, 2012 at 3:00 p.m.  
May 15, 2012 at 4:00 p.m.

Board Workshop: TBD



**STAFF REPORT**

TYPE MEETING:	Regular Board	MEETING DATE:	July 11, 2012
SUBMITTED BY:	Armando Buelna Communications Officer	PROJECT:	DIV. NO. ALL
APPROVED BY:	<input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	2012 Customer Awareness and Opinion Survey Report		

**GENERAL MANAGER'S RECOMMENDATION:**

That the Board of Directors receive the findings of the 2012 Customer Awareness and Opinion Survey conducted by Rea and Parker Research Inc.

**COMMITTEE ACTION:**

Please see Attachment A.

**PURPOSE:**

To present the Board of Directors with the findings of the 2012 Residential Customer Awareness and Opinion Survey.

**ANALYSIS:**

The Otay Water District's Strategic Plan calls for conducting a standardized potable and recycled water customer survey. The purpose of the survey is to obtain information from customers about their overall perception of District's programs, activities, and services. The goal of the survey is to improve customer service.

The draft questionnaire for the 2012 customer survey was presented to the Board of Directors at the March 7<sup>th</sup> meeting. The Board directed that a survey with a margin of error of plus or minus 4.5 percent at the 95% confidence level be conducted of customers residing within the District's service area.

Rea and Parker Research Inc. conducted the survey, which took place between March 14<sup>th</sup> and March 23<sup>rd</sup>, 2012. The survey was a random telephone survey with a sample size of 480 customers. The respondents were screened to exclude residents who have not lived in San Diego County for at least one year, and the survey was available to be conducted in English or Spanish (upon request). Highlights of the 2012 survey are as follows:

- The 2012 Customer Awareness and Opinion Survey have found high levels of satisfaction from customers with the District as their water service provider. Ratings, which were slightly lower in the 2009 and 2010 surveys, have returned to high levels.
- In this survey, 64 percent of customers rated the District as either excellent (29 percent) or very good (35 percent). This is a slight improvement over the 2011 survey, which is notable due to the smaller margin of error of this survey, and significantly higher than sentiments expressed in the 2009 (56 percent) and 2010 (54 percent) surveys.
- Customers are also expressing greater confidence in the ability of local water agencies to provide enough water. For instance, the percentage of customers who are "very confident" has increased from 32 percent in 2008 to 49 percent in 2012.
- Twenty-nine percent of Otay Water District customers rate water service as the utility with the best value for the money paid, higher than trash collection, gas and electric, cable, telephone and Internet access.
- Fifty-five percent of the respondents perceived an upward trend in water rates, a 15 percent decrease from the 2011 survey. Of those customers, 79 percent have been motivated to conserve water as a result of the higher cost of water (a 9 percent increase from 2011).
- The survey also reflects the willingness of customers to receive their bills by email and increased acceptance that bill paying will likely be paperless in one to two years.

The complete survey findings are included as Attachment C.

In conclusion, the 2012 Customer Awareness and Opinion Survey Report states that among customers, "there are strong indications of support for the work of the Otay Water District", and customers continue to "demonstrate a high level of satisfaction with the District as their provider of water service".

**FISCAL IMPACT:**

Joe Beachem, Chief Financial Officer

None.

**STRATEGIC GOAL:**

I. CUSTOMER - Measure customer satisfaction.

**LEGAL IMPACT:**

None.

Attachments: Attachment A - Committee Action  
Attachment B -2012 Customer Awareness and Opinion  
Survey Report PowerPoint Presentation  
Attachment C - 2012 Customer Awareness and Opinion  
Survey Report



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	2012 Customer Awareness and Opinion Survey Report
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### COMMITTEE ACTION:

The Finance, Administration and Communications Committee discussed this item at a meeting held on June 21, 2012 and the following comments were made:

- Staff indicated that an objective within the District's Strategic Plan is to conduct a customer opinion survey annually. Rea and Parker Research was retained to conduct the survey and will be presenting the findings of the District's 2012 Customer Satisfaction and Awareness Survey.
- The survey was conducted from March 14 - 23, 2012. It was indicated that the Board had directed staff to reduce the margin of error for the General Customer Satisfaction and Opinion Survey from +/- 5.7% to +/- 4.5%. To reduce the margin to +/- 4.5%, a larger number of individuals must be surveyed. The number of respondents, thus, was increased from 300 in 2011 to 480 in this year's survey.
- Dr. Richard Parker presented the findings. He first reviewed the characteristics of the respondents which was very consistent with the 2011 and other previous surveys:
  - 55% of the respondents was white, 26% latino, 10% asian/pacific islander, 5% black/african-american and 4% native american/middle eastern/other
  - Median household income is \$79,900
  - Median age is 53 years
  - 91% own their home
- He stated historically, the surveys have shown that the District's customers have a very high level of satisfaction with the District and in the 2012 survey, it is a little higher with 64% indicating their level of satisfaction as *excellent* or *very good* versus 63% in 2011. Customers have a substantial level of confidence in the District's ability to provide enough water for its customers with 92% of the respondents indicating that they

are very confident or somewhat confident. This view has held steady since 2005. While it is still high, there was a little decline in the responses with regard to the District's ability to provide clean/safe water with 65% indicating that they have a *Great Deal of Trust* or *Good Amount of Trust* in 2012 versus 78% in 2011. The survey did not include follow-up questions to probe why respondents views have declined. The trust in obtaining water at a reasonable price is staying stable with previous surveys with 39% indicating that they have either a *great deal of trust* or *good amount of trust*.

- A small minority, 25% of respondents, were concerned during the 2011 power outage that there may have been some problems with water supply or quality.
- Respondents were also asked what they felt was the best value among utilities, ranking each utility on a 1, 2, 3 scale. In 2011, trash collection was ranked number 1, with 36% of respondents ranking it as the best value utility. In 2012, however, water was selected as the best utility with 29% of respondents selecting water followed by trash collection with 28% of respondents.
- There is a reduced perception that water rates have increased from 70% in 2011 to 55% in 2012. Of the respondents who believe rates have increased, 55% (of the 55%) indicated that it has affected their satisfaction with the District. When these respondents were asked an open ended question as to what they believed the primary factors were for the increase, the main reasons cited is less rain and District management costs have increased. It was noted that there is considerable blame placed on governmental agencies versus climate or growth. Respondents also indicated that water rates are causing them to conserve.
- There is continued strong support for desalination and, for the first time, strong growth in the support for using recycled water to supplement drinking water supplies with 51% *strongly favoring* and *somewhat favoring* supplementing the drinking water supply with recycled water in 2012 versus 29% in 2011. In response to the committee's inquiry as to why there was a large change in just one year, it was indicated that in this year's survey, respondents were offered an explanation of the repurification process which was not offered in past surveys. This may have contributed to the change in perception.
- There is also an increase in support for the purchase of desalinated water from Mexico with 57% of respondents favoring doing so. Of those who did not favor desalinated water from

Mexico (28% of respondents), these respondents cited a lack of trust in the Mexican Government and in the quality of water from Mexico. In previous surveys, opposition to Mexican desalination was also due to the desire to keep jobs in the United States. This sentiment is not as strong as it was before.

- The survey indicates that there is an increasing frequency of customers who read the District's newsletter regularly with 31% reading it everytime it is published compared to 2011 where 24% read it everytime. There is also an increased use of the District's website with 52% of respondents having visited the District's website compared to 39% in 2011. The rating of the website has also improved with 73% rating it *excellent* and *good* versus 66% last year. The increase may be due to the recent upgrades/changes to the website. In 2009, the website design was about 9 years old and the main page was very busy. The new website is much more user friendly in look and feel and may be the reason for the higher ratings. More than half of the respondents indicated that they utilize social media. Facebook dominates with 42% of the respondents using it followed by 28% of the respondents using You Tube.
- The potential uses for social media included construction/repair notifications, emergency information, water industry news and information about the District. There does not seem to be any preference or demand for one over the other.
- Approximately 2/3 of respondents were satisfied with the new bill design and 1/4 were unaware of the change. Respondents willingness to receive bills by email has increased from 24% and 35% in 2008 and 2009 respectively, to 43% in 2012. Forty-one percent (41%) of respondents pay their bill online, followed by 36% by a check in the mail, and 18% by an automatic bank deduction. Forty-eight percent of respondents indicated that their actual preferred method of payment is to pay online, 29% indicated that they would prefer to pay by a check in the mail, and 18% preferred automatic bank deductions. The 59% of respondents who do not pay online were asked what the District could do to encourage them to pay online and 55% indicated nothing as they did not like online financial transactions, 20% indicated that they did not know. When respondents were pressed to provide a response other than, "I don't know," 10% indicated if they were provided a discount, they may be encouraged to switch.
- There was an increase in respondents who are willing to receive their bill by email with 43% of respondents indicating that they would be willing compared to 35% in 2011. When respondents were

asked if they are expecting to go paperless, there seemed to be an increased acceptance by respondents that billing and bill payments would likely be paperless in 1-2 years. The main objection by respondents to going paperless is they wanted a paper record.

- The committee discussed the slide which indicated respondents views of the reasons water rates are increasing. The committee indicated that they would like to see a message campaign to increase customer understanding of the factors causing water rate to increase including:
  - Increased reliance on imported water
  - Price increases from MWD
  - Price increases from CWA
- The committee indicated that they would like to see a comparison of where the District is now and next year after the message campaign. It was suggested if the District does not see progress, that it might consider engaging expert help to assist the District in getting accurate information to the public. It was noted that the data with regard to why rates are increasing only represents a subset of respondents (55% of those who were aware that rates have increased) and the statistics would look much different if it reflected all customers' responses.

Following the discussion, the Committee accepted the findings of the Customer Satisfaction and Opinion Survey and presentation to the full board.

# Customer Satisfaction and Awareness Survey

## Otay Water District-----July, 2012



OTAYWATERDISTRICT



REA &  
PARKER  
RESEARCH



*Survey/Market Research  
Economic Consultants*

**Principal Researchers:  
Richard A. Parker, Ph.D.  
Louis M. Rea, Ph.D.**

**Rea & Parker Research  
Professors, School of Public Affairs, SDSU**

**Otay Water District General Survey Respondent Characteristics (n = 480-----+/- 4.5% @ 95% confidence)**

Characteristic	2012	2011	2010	2009	2008	2006	2005
<b>Ethnicity</b>							
White	55%	56%	44%	55%	52%	55%	54%
Hispanic/Latino	26%	26%	29%	28%	30%	29%	24%
Asian/Pacific Islander	10%	14%	15%	8%	8%	9%	15%
Black/African-American	5%	2%	8%	6%	6%	6%	5%
Native American/ Middle Eastern/Other	4%	2%	4%	3%	4%	1%	2%
<b>Annual Household Income</b>							
Median	\$79,900	\$80,400	\$85,600	\$75,700	\$83,500	\$77,500	\$85,000
% over \$100,000	28%	32%	36%	26%	30%	33%	34%
% under \$25,000	6%	6%	10%	8%	5%	6%	2%
<b>Age</b>							
Median	53 years	53 years	53 years	53 years	47 years	49 years	47 years
<b>Years Customer of District</b>							
Median	12 years	15 years	9 years	12 years	8 years	10 years	---
<b>Education</b>							
High School or Less	17%	16%	12%	17%	22%	22%	14%
At Least One Year College, Trade, Vocational School	32%	24%	30%	32%	28%	24%	33%
Bachelor's Degree	34%	34%	41%	39%	33%	35%	25%
At Least One Year of Graduate Work	17%	24%	17%	12%	17%	19%	28%
<b>Own/Rent</b>							
Home Owner	91%	97%	85%	91%	88%	90%	92%
Renter	9%	3%	15%	9%	12%	10%	8%
<b>Mean Persons per Household</b>	<b>3.12</b>	<b>2.83</b>	<b>3.67</b>	<b>3.28</b>	<b>2.88</b>	<b>3.27</b>	<b>3.43</b>

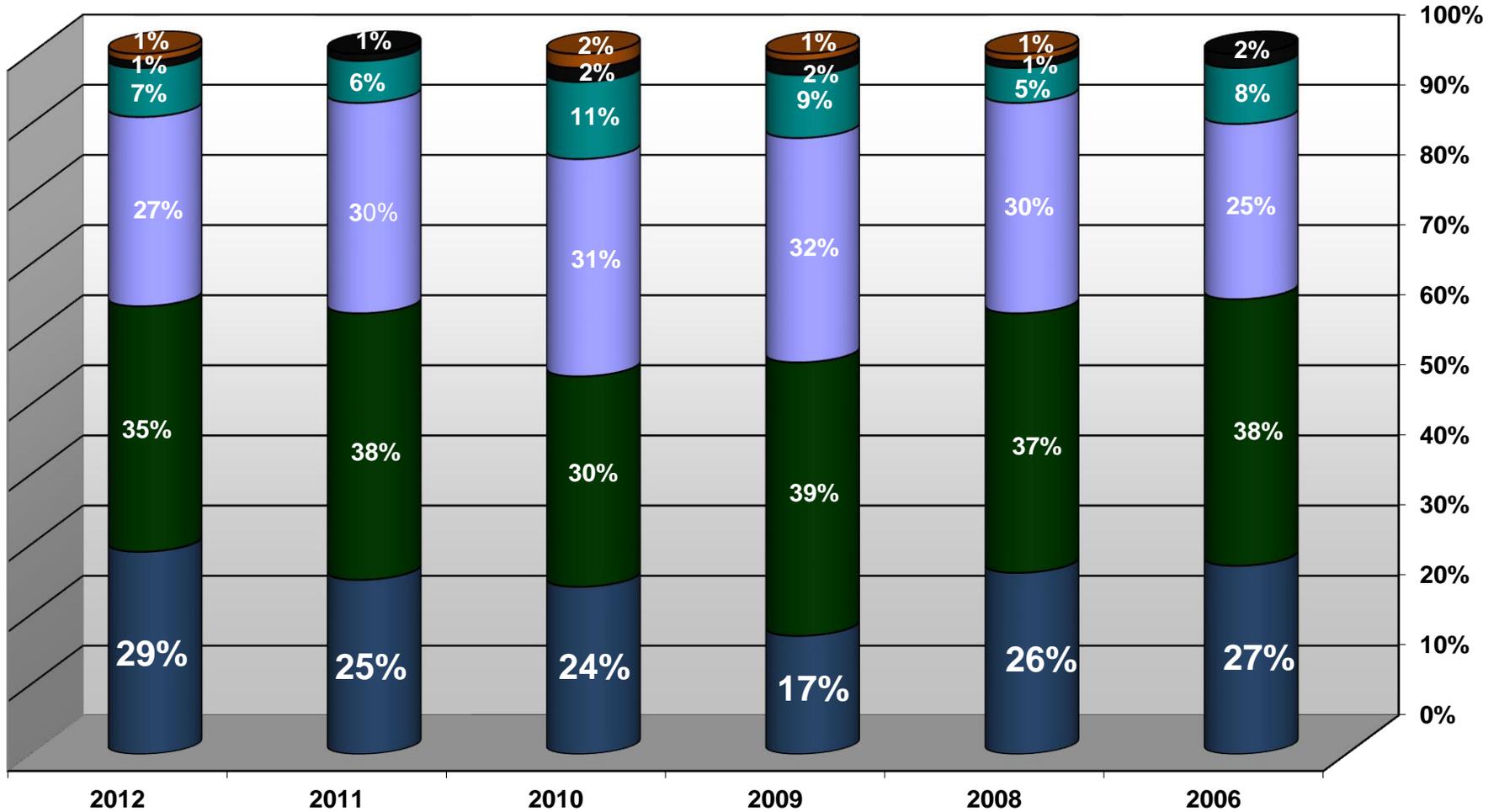
# Customer Satisfaction

- Customers demonstrate a high level of overall satisfaction with the Otay Water District
  - Historically very high and even better in 2012
- Substantial level of confidence in the District's ability to provide enough water for its customers
  - 92 percent very confident or somewhat confident – holding steady at 2005-2006 levels
  - Trust in clean, safe water down in 2012
  - Trust in obtaining water at a reasonable price is stable
- Minority concern (25 percent) during 2011 power outage regarding water supply or quality
- Water is rated as highest value among utilities

# Overall Satisfaction with Otay Water District as Water Service Provider

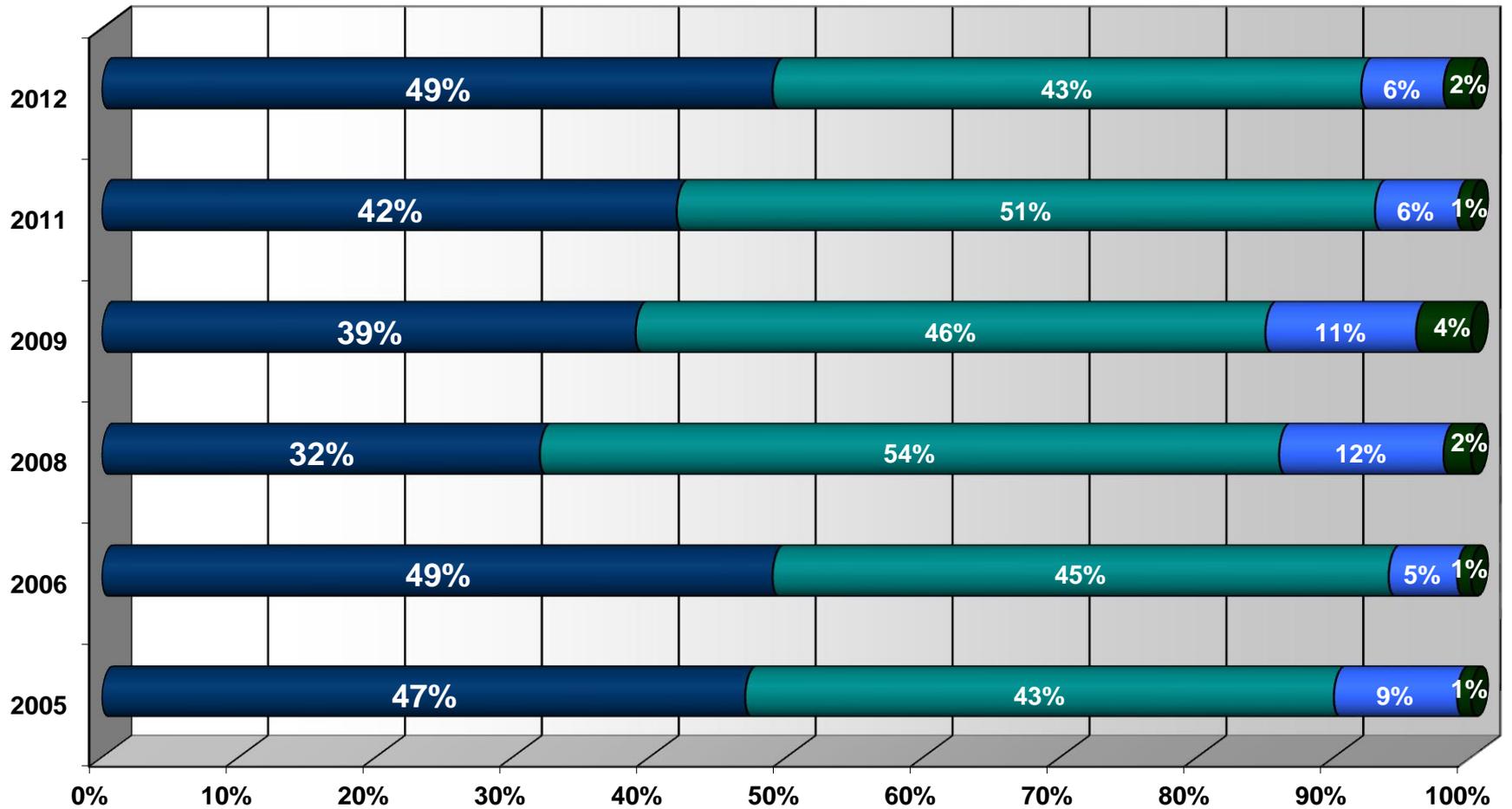
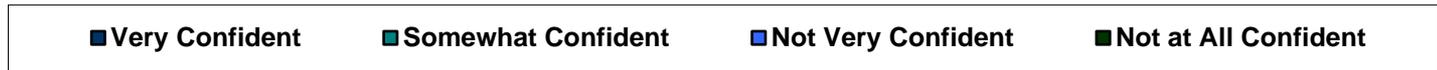
(2.19 = mean on 1-6 scale where 1 = Excellent)

■ Excellent   ■ Very Good   ■ Good   ■ Fair   ■ Poor   ■ Very Poor



# Confidence in Local Water Agencies to Provide Enough Water

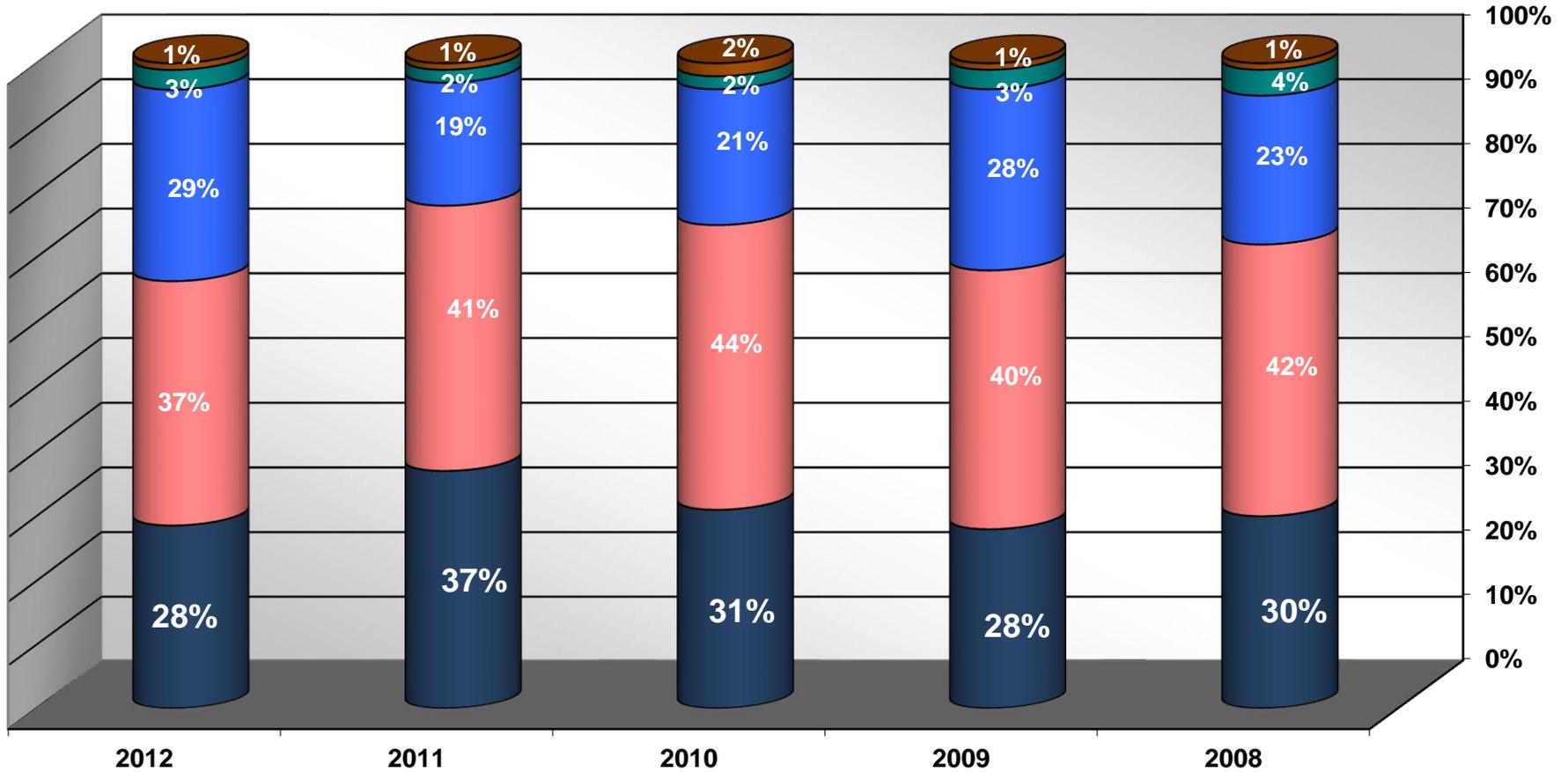
(1.61 = mean confidence on 1-4 scale, where 1 = very confident)



# Trust Otay Water District to Provide Clean, Safe Water

(2.06 = mean on 1-5 scale where 1 = Great Deal of Trust)

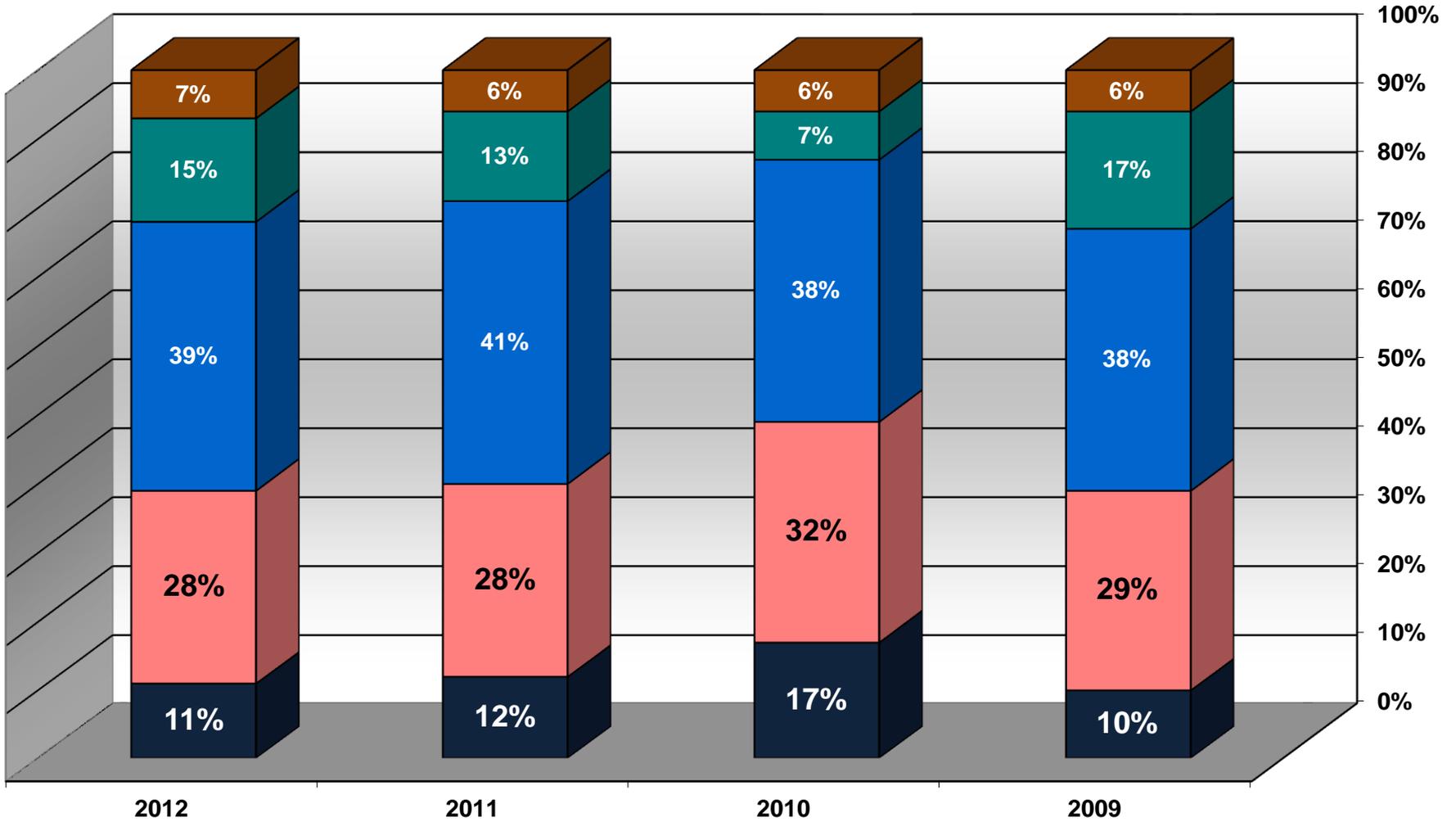
■ Great Deal of Trust   ■ Good Amount of Trust   ■ Some Trust   ■ Not Much Trust   ■ No Trust at All



# Trust Otay Water District to Obtain Water at a Reasonable Price

(2.79 = mean on 1-5 scale where 1 = Great Deal of Trust)

■ No Trust at All   ■ Not Much Trust   ■ Some Trust   ■ Good Amount of Trust   ■ Great Deal of Trust



# Concerns During 2011 Power Outage

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

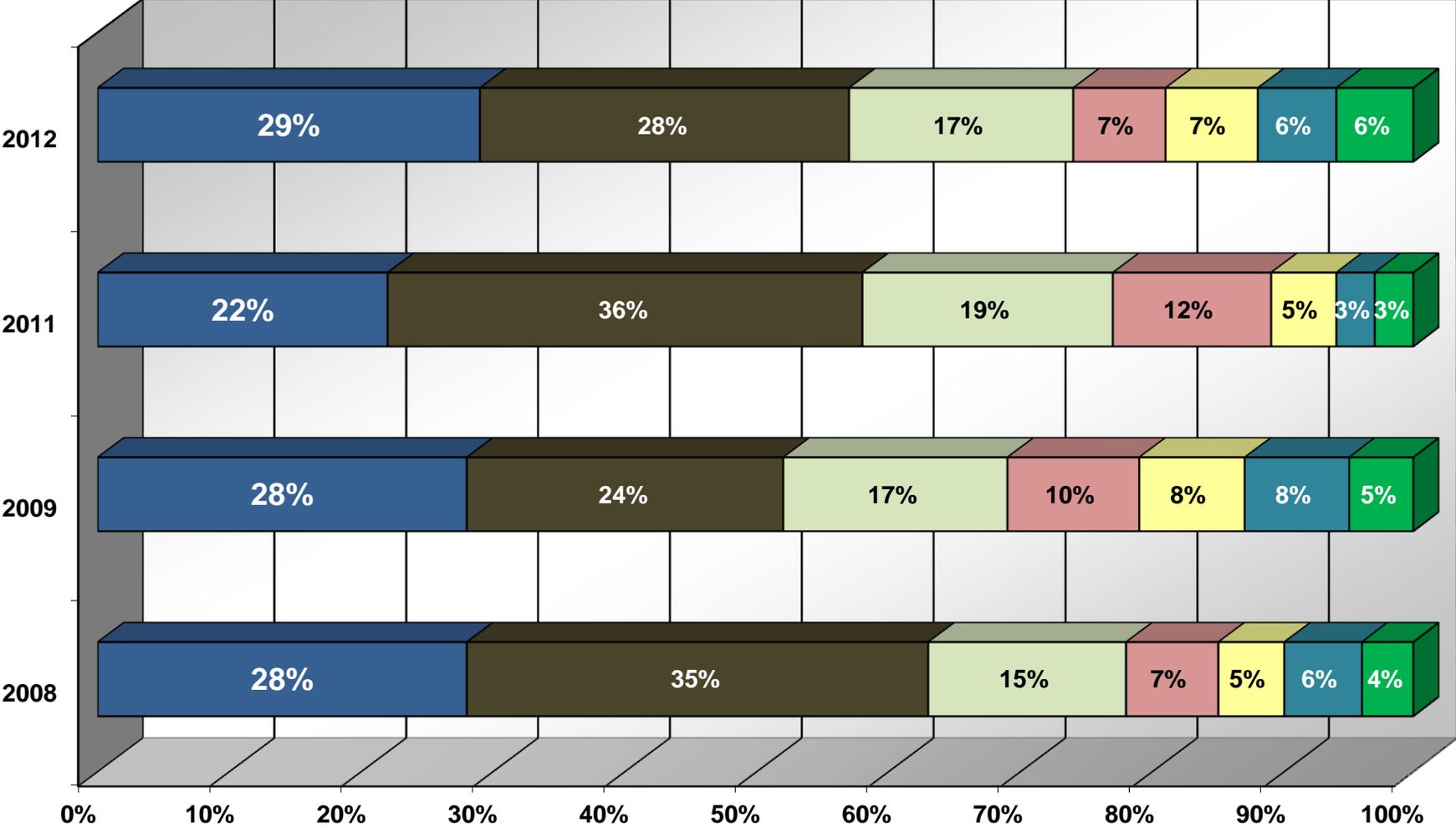
Water Quality



Possible Service Disruption



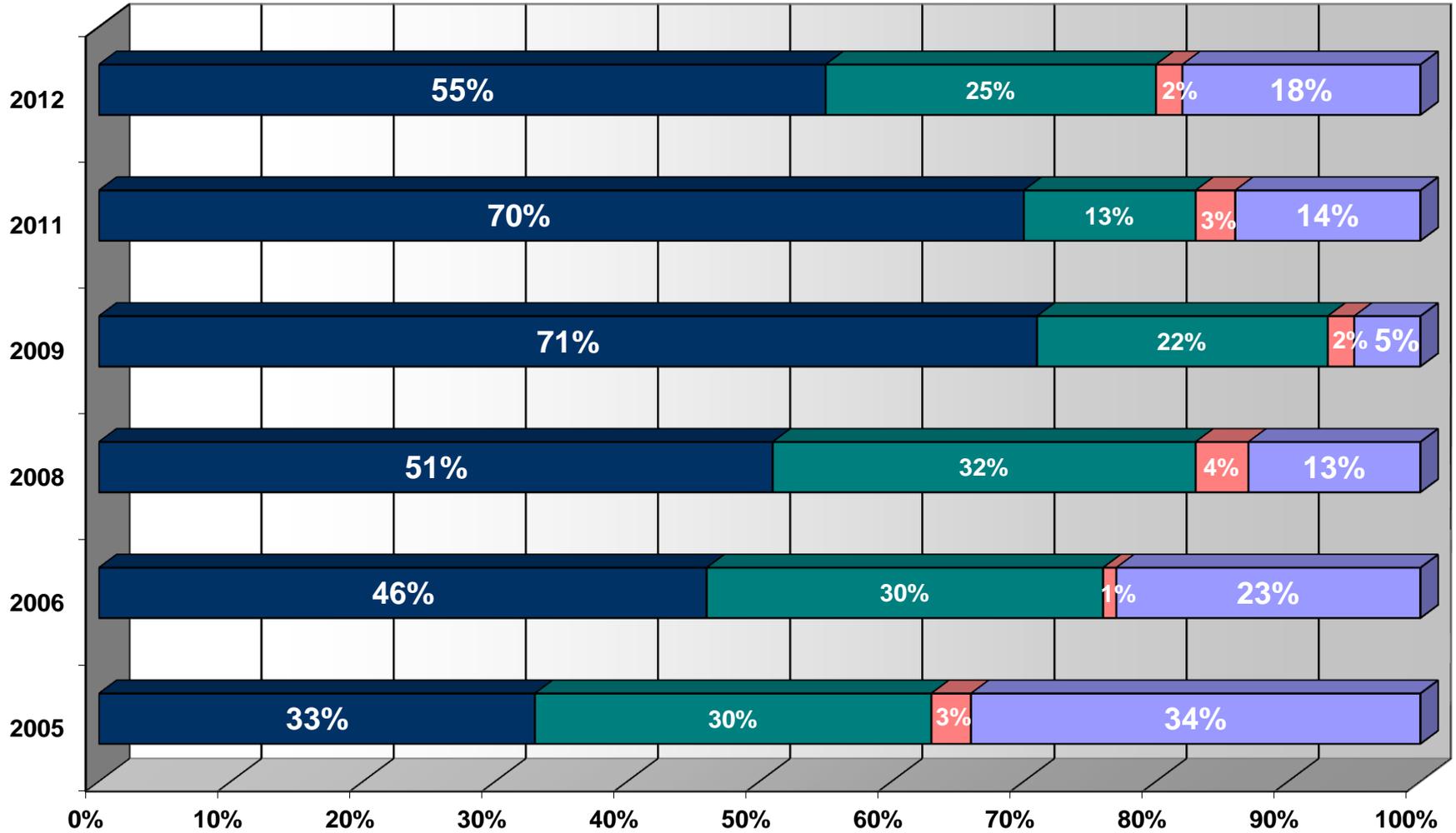
# Best Value Among Utilities



# Water Rates

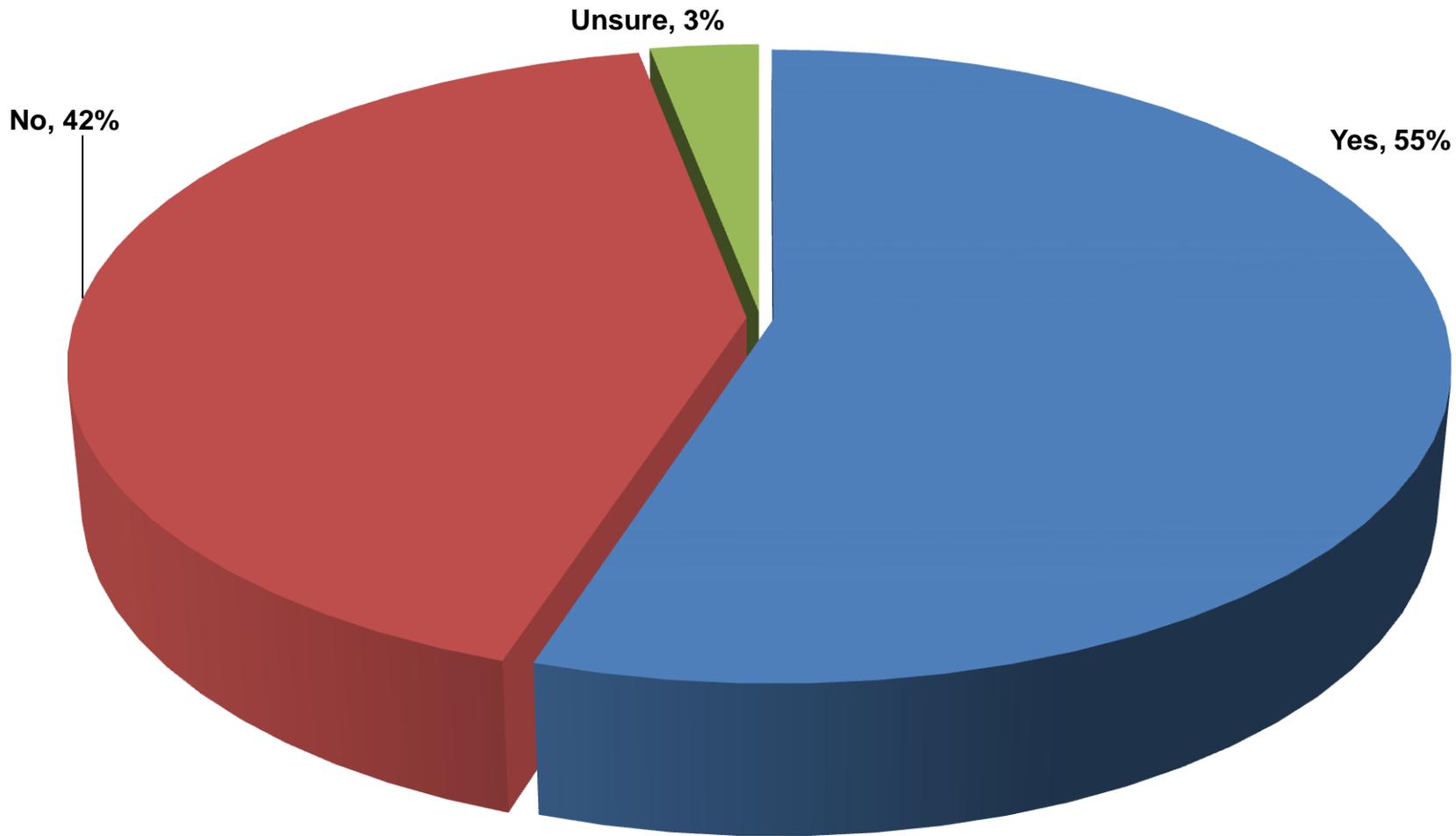
- Reduced perception that rates have increased
  - Some effect on satisfaction
- Less rain and District management costs seen as drivers of rate increases
  - Considerable blame to government vs. climate or growth
- Rates causing increasing numbers of customers to conserve

# Trend in Water Rates--Past Year



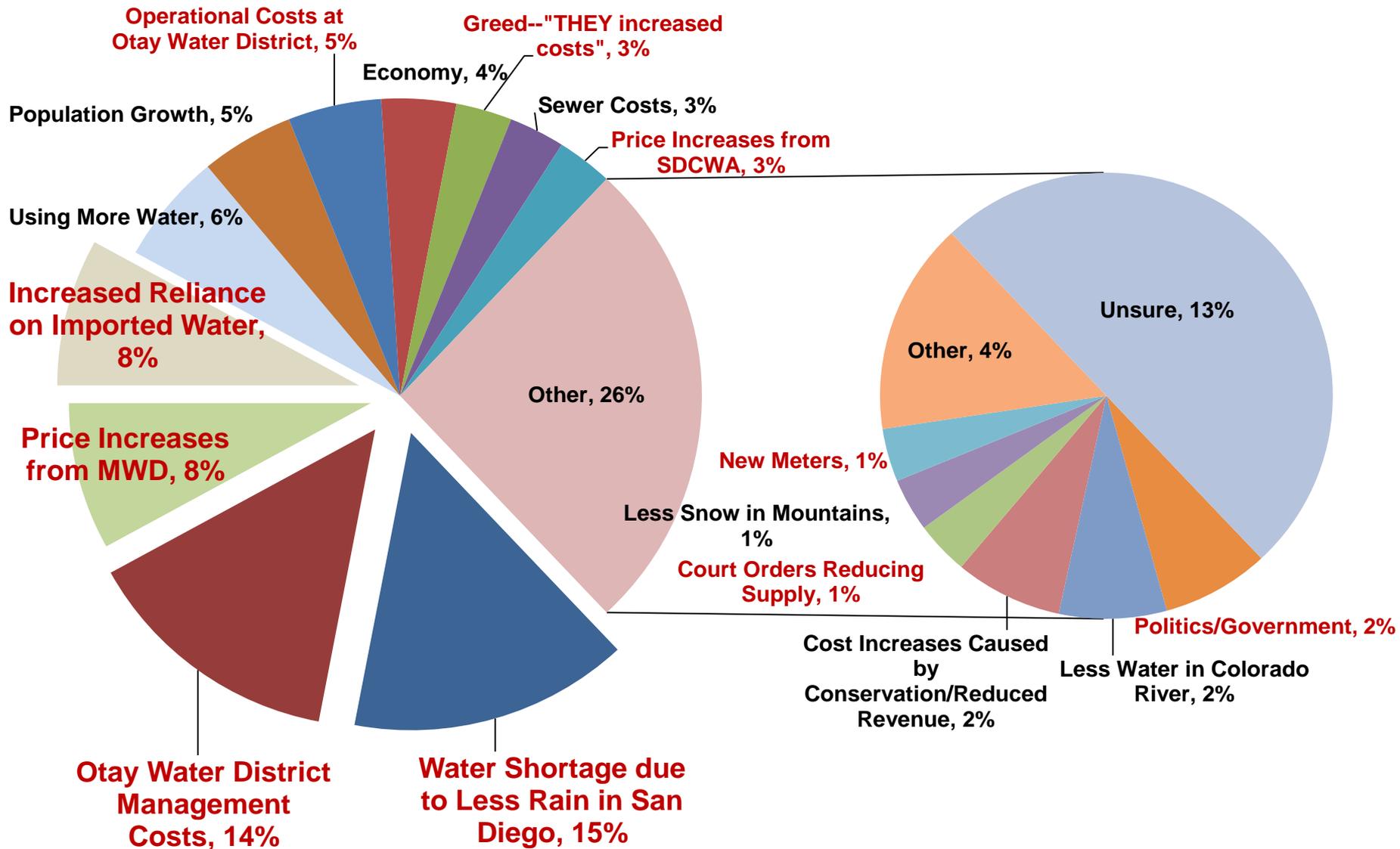
# Rate Increases Have Affected Satisfaction with Otay Water District

(among 55% who indicated that rates had increased)



# Reasons that Otay Water District Customers Cite for Increased Rates

(among 55% who indicated that rates had increased)



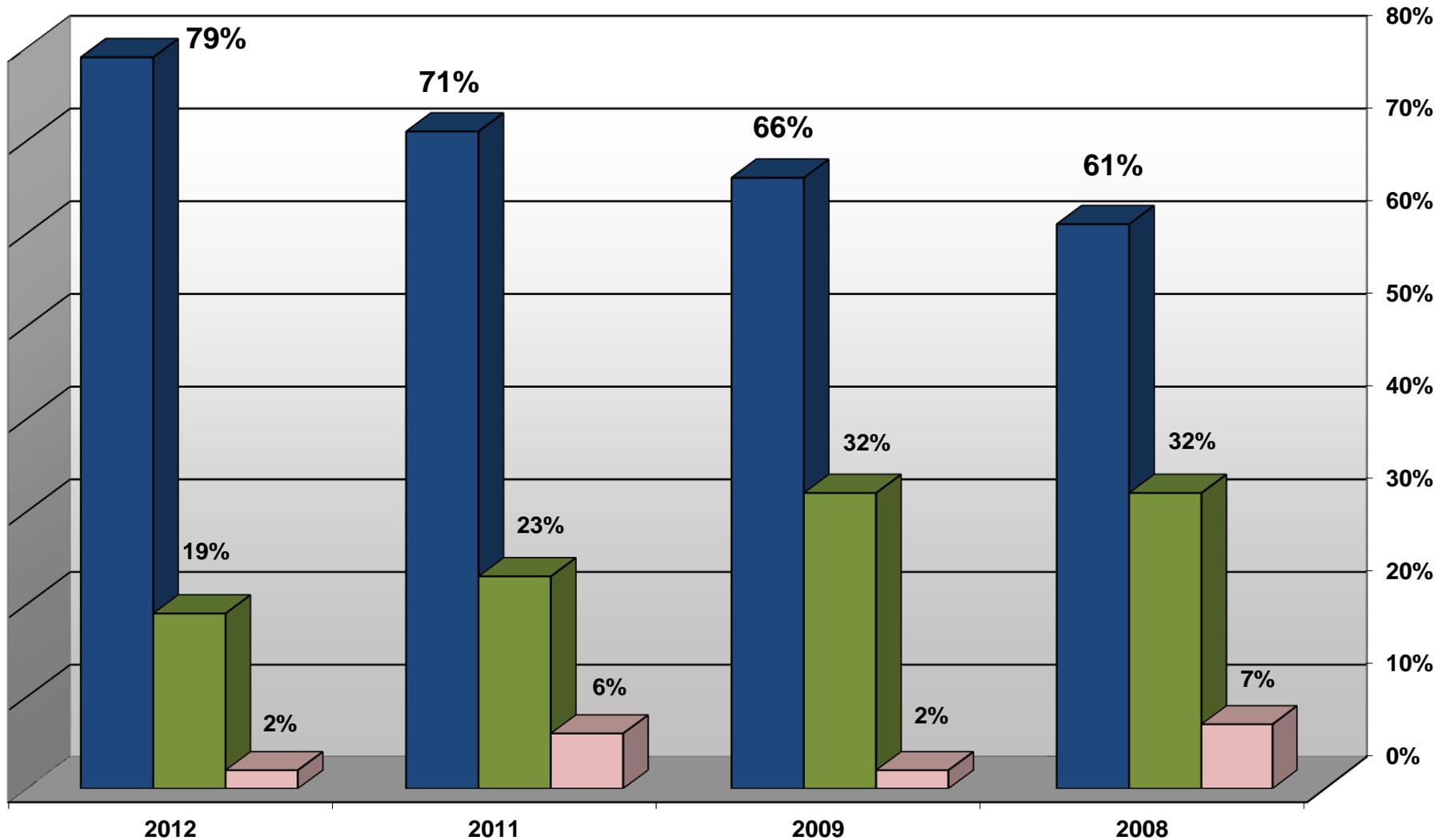
# Conservation Motivated by Higher Rates

(among 55 percent who think that rates have increased)

Not Sure

No

Yes

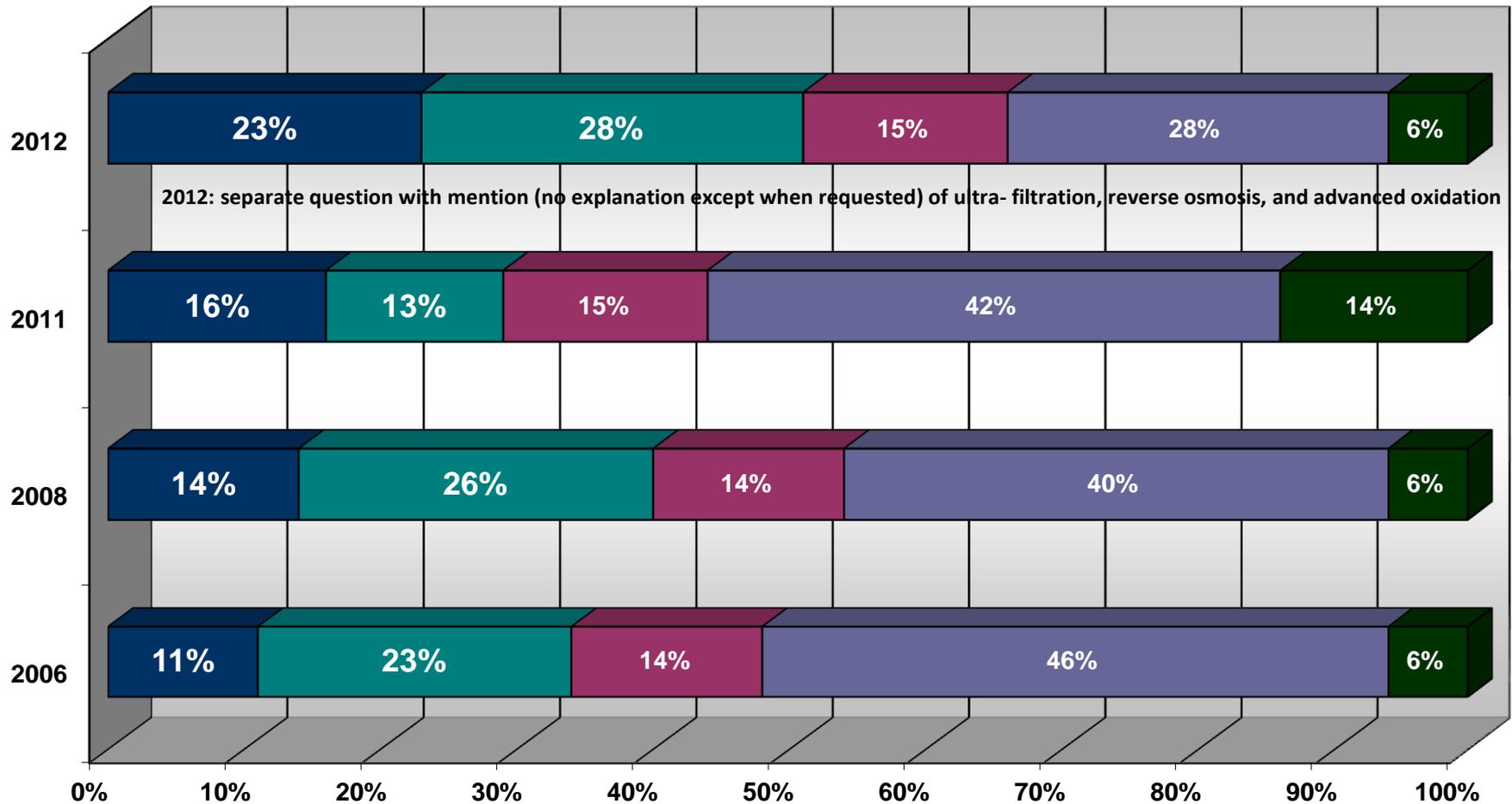


# Potable Recycled Water & Ocean Water Desalination

- Strong growth in support for using recycled water to supplement drinking water supplies
- Some growth but still strong support for ocean water desalination's potential importance to water supply
- Increasing support for desalination project at Rosarito Beach
  - Opposition rooted in lack of trust for Mexican government and water supply from Mexico.
  - Declining opposition because of preference for U.S.-based plant and jobs

# Favor/Oppose Recycled Water to Supplement Drinking Water Supply

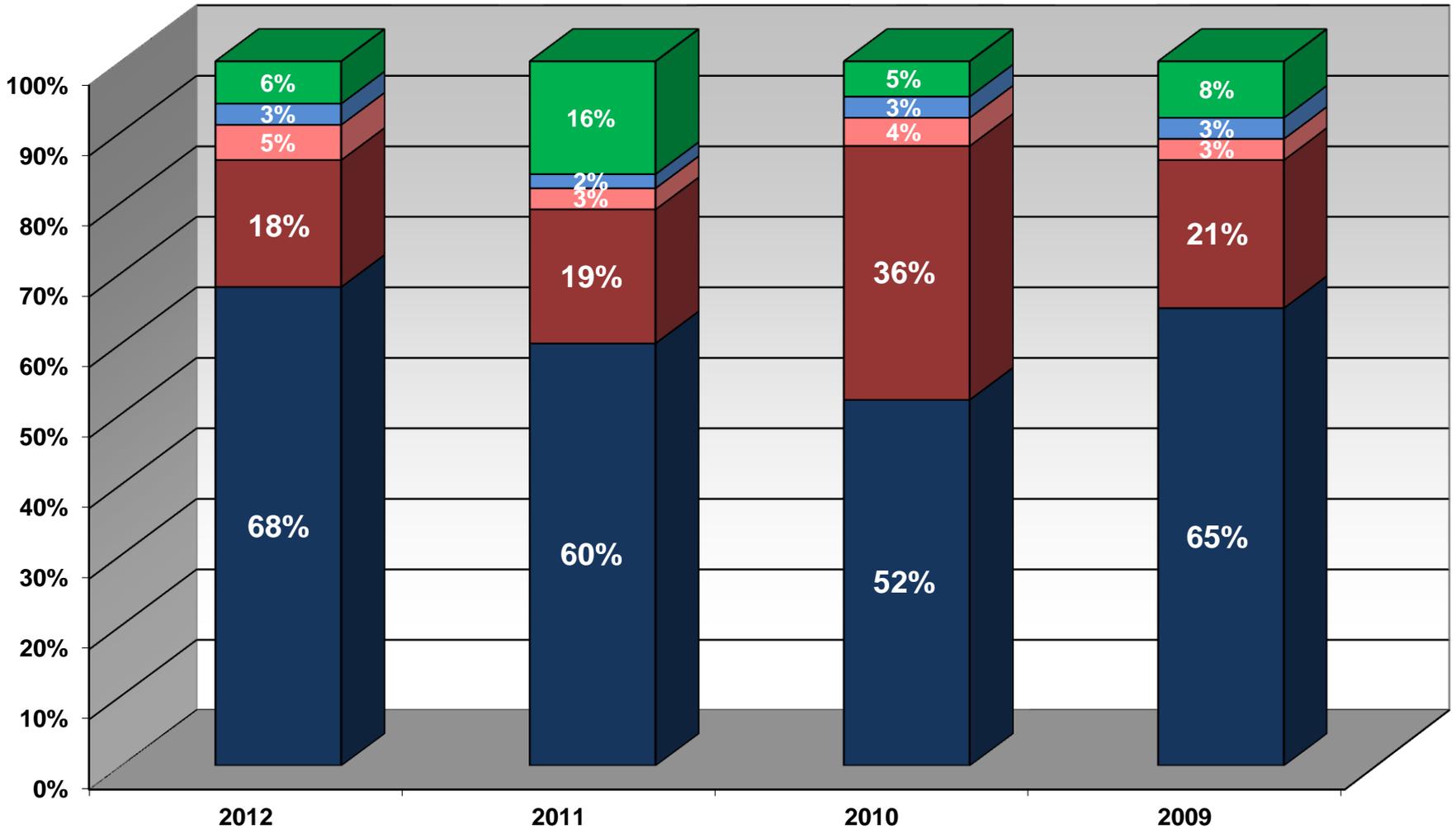
(2.51 = mean on 1-4 scale where 1 = Strongly Favor)



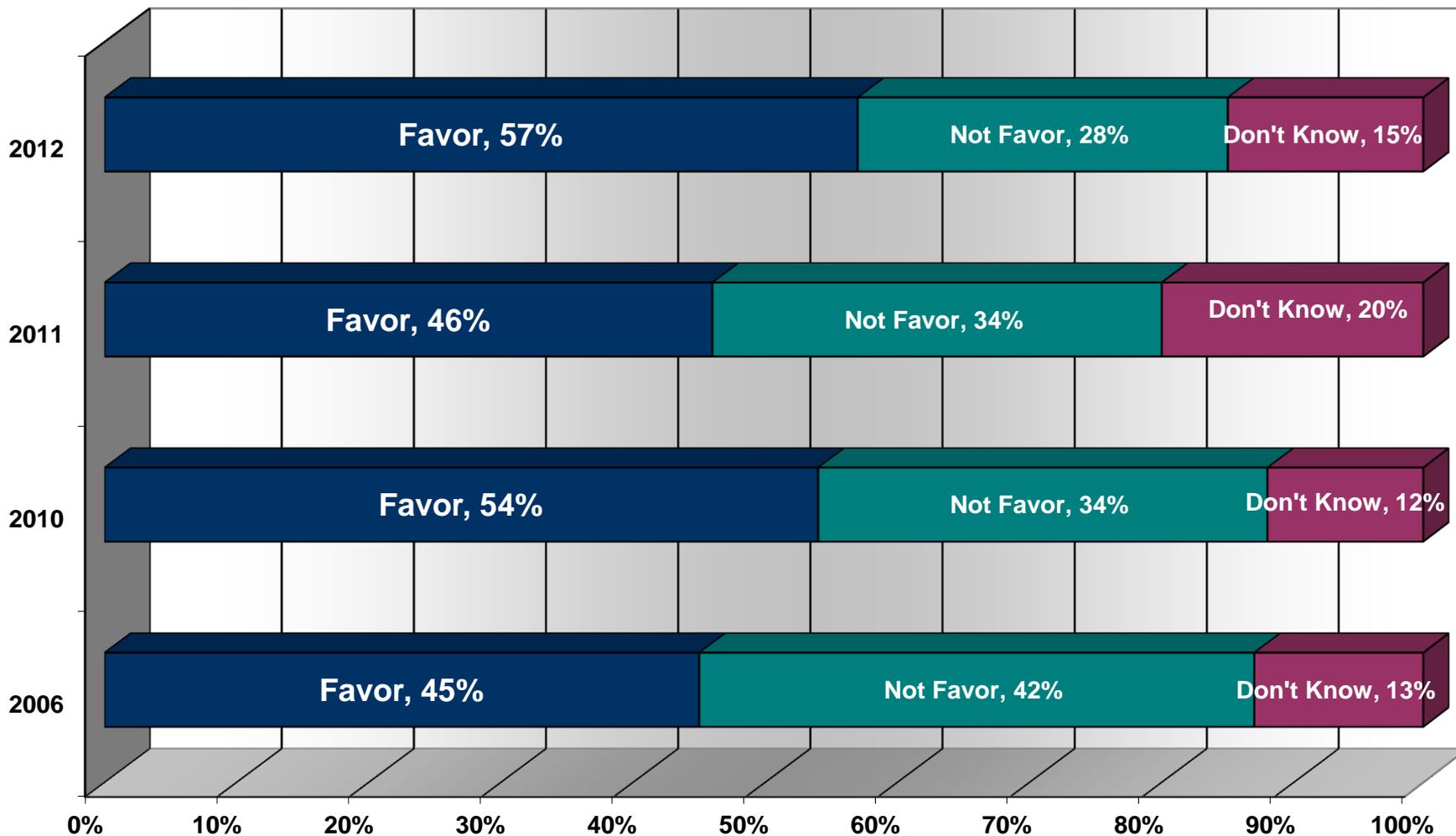
# Importance of Ocean Water Desalination to Water Supply

(1.39 = mean on 1-4 scale where 1 = Very Important)

■ Don't Know ■ Not at All Important ■ Not Very Important ■ Somewhat Important ■ Very Important

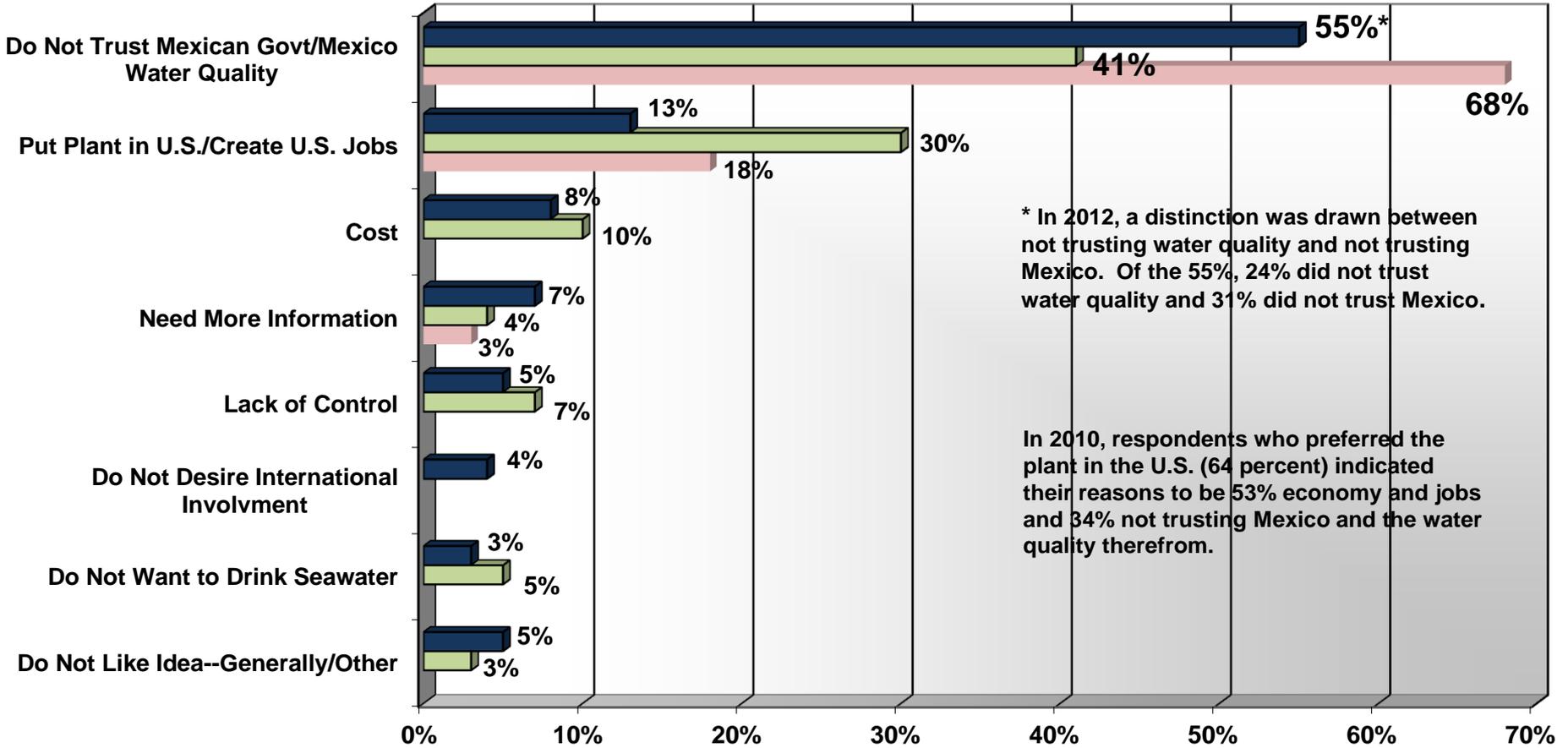


## Favor International Agreement to Purchase Desalinated Water from Rosarito Beach



# Why Not in Favor of Desalinated Water from Mexico

(asked of 28 percent who indicated opposition)



\* In 2012, a distinction was drawn between not trusting water quality and not trusting Mexico. Of the 55%, 24% did not trust water quality and 31% did not trust Mexico.

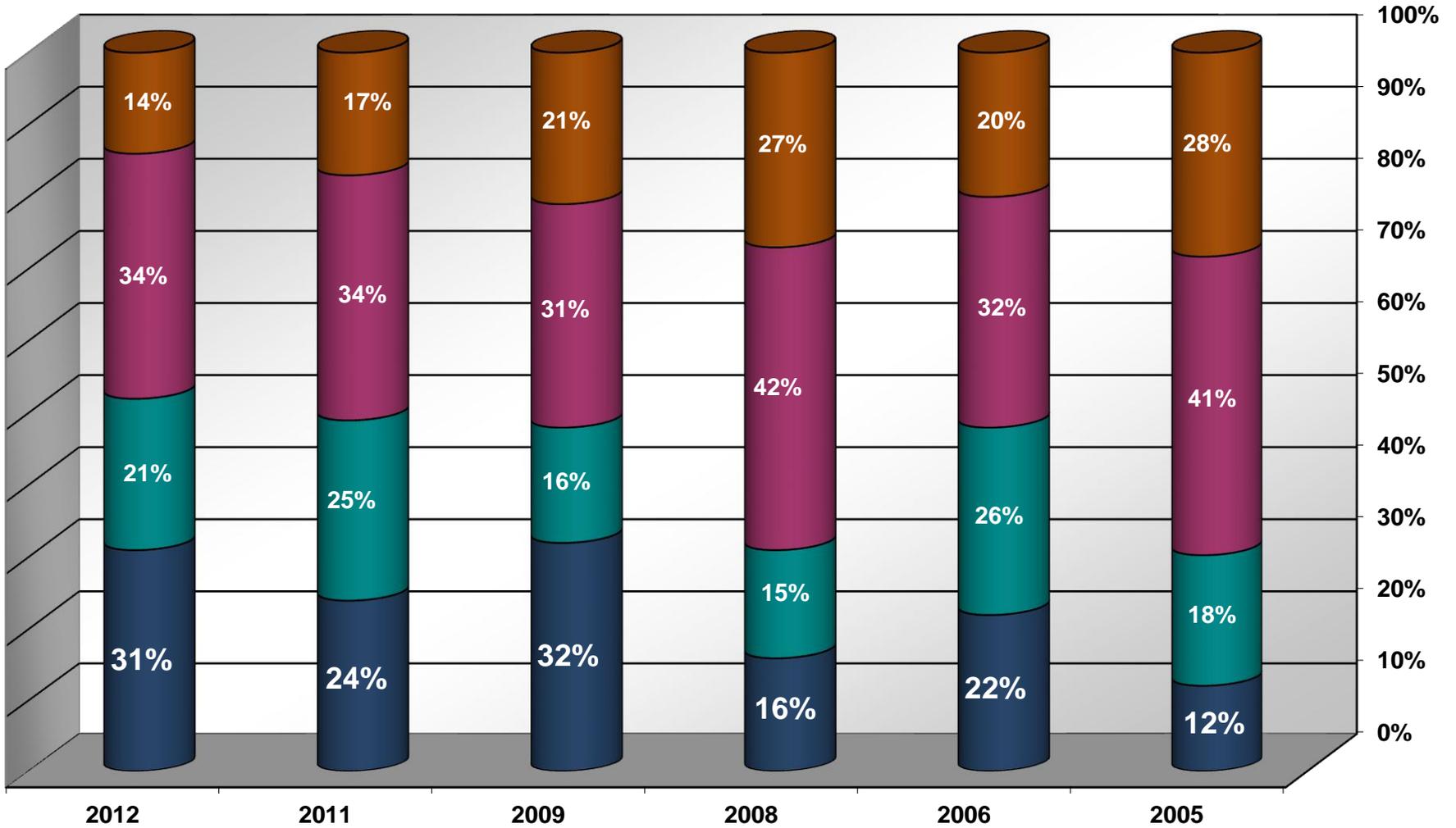
In 2010, respondents who preferred the plant in the U.S. (64 percent) indicated their reasons to be 53% economy and jobs and 34% not trusting Mexico and the water quality therefrom.

# Communications

- Increasing frequency of customers reading newsletter regularly
- Increasing use of Otay Water District website and improved rating of website quality
- Social media used by more than ½ of customers
  - Facebook dominates
  - Usefulness of social media by District recognized by increasing number of customers

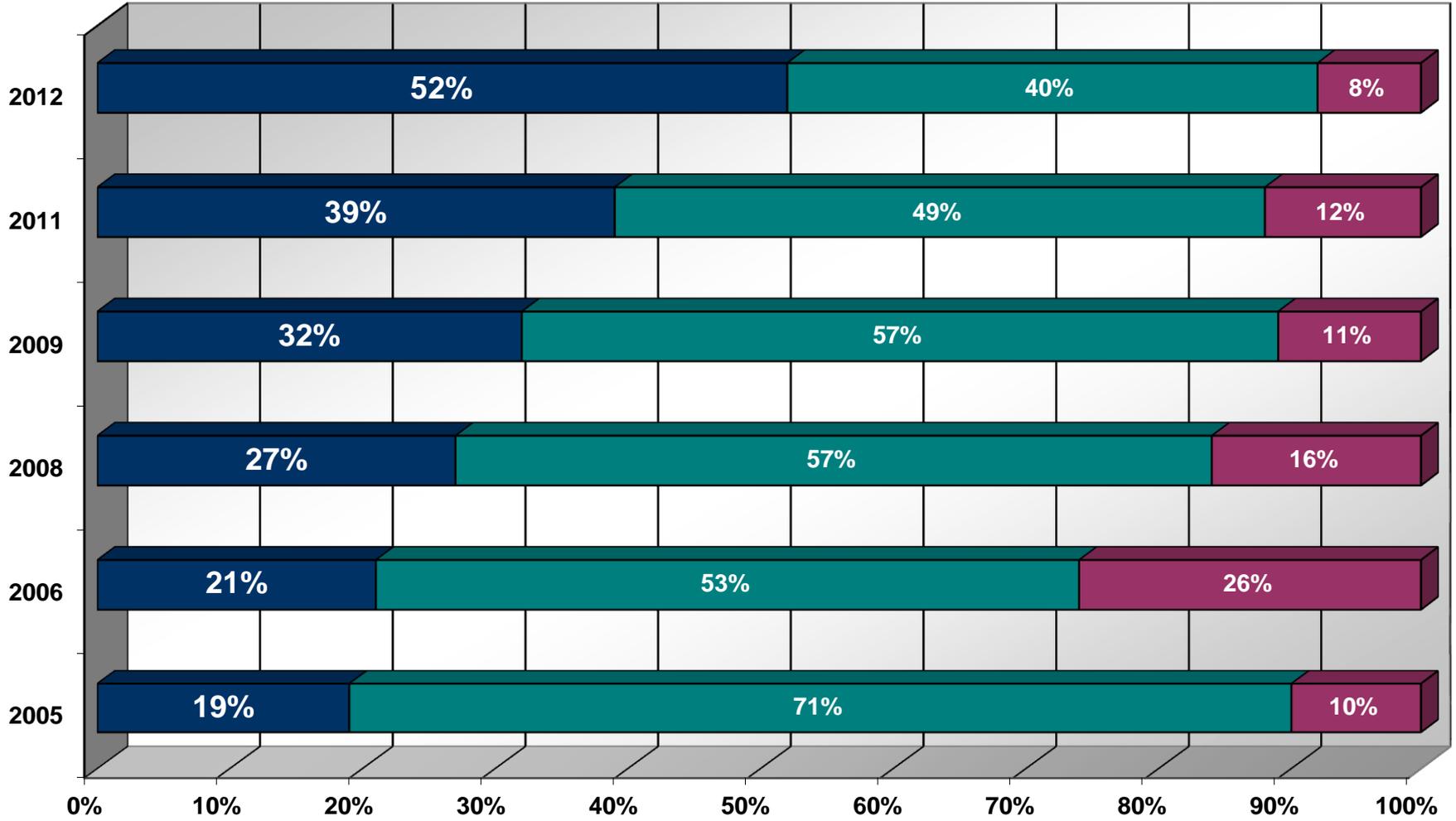
# Read Newsletter

■ Every Time   ■ Most Times   ■ Sometimes   ■ Never



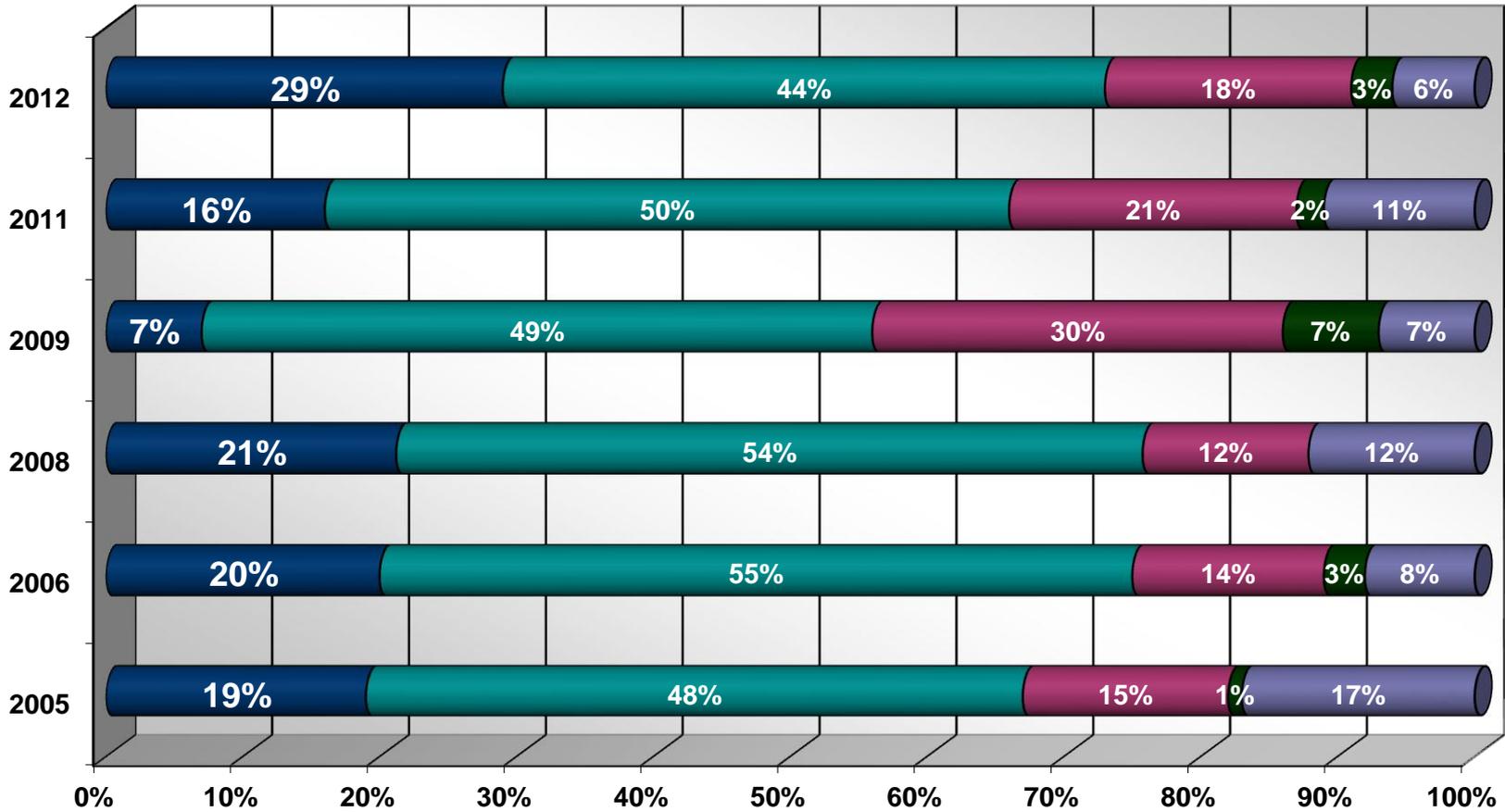
# Visit Otay Water District Website

■ Have Visited Website   ■ Have Internet Access But Have Not Visited Website   ■ Do Not Have Access to the Internet



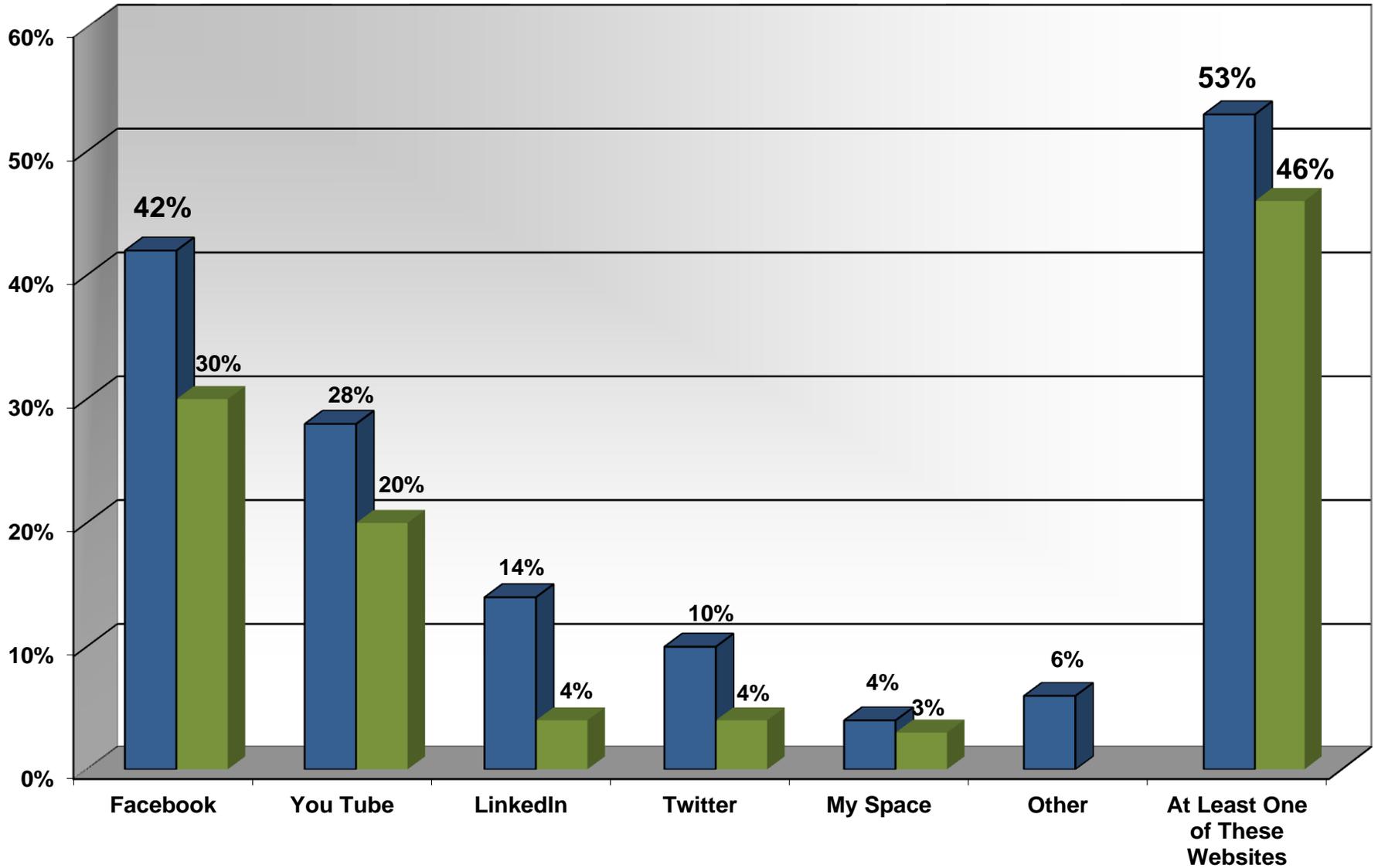
# Rating of Website

(1.95 = mean rating on 1-4 scale, where 1 = Excellent)  
(by 52 percent who have visited website)



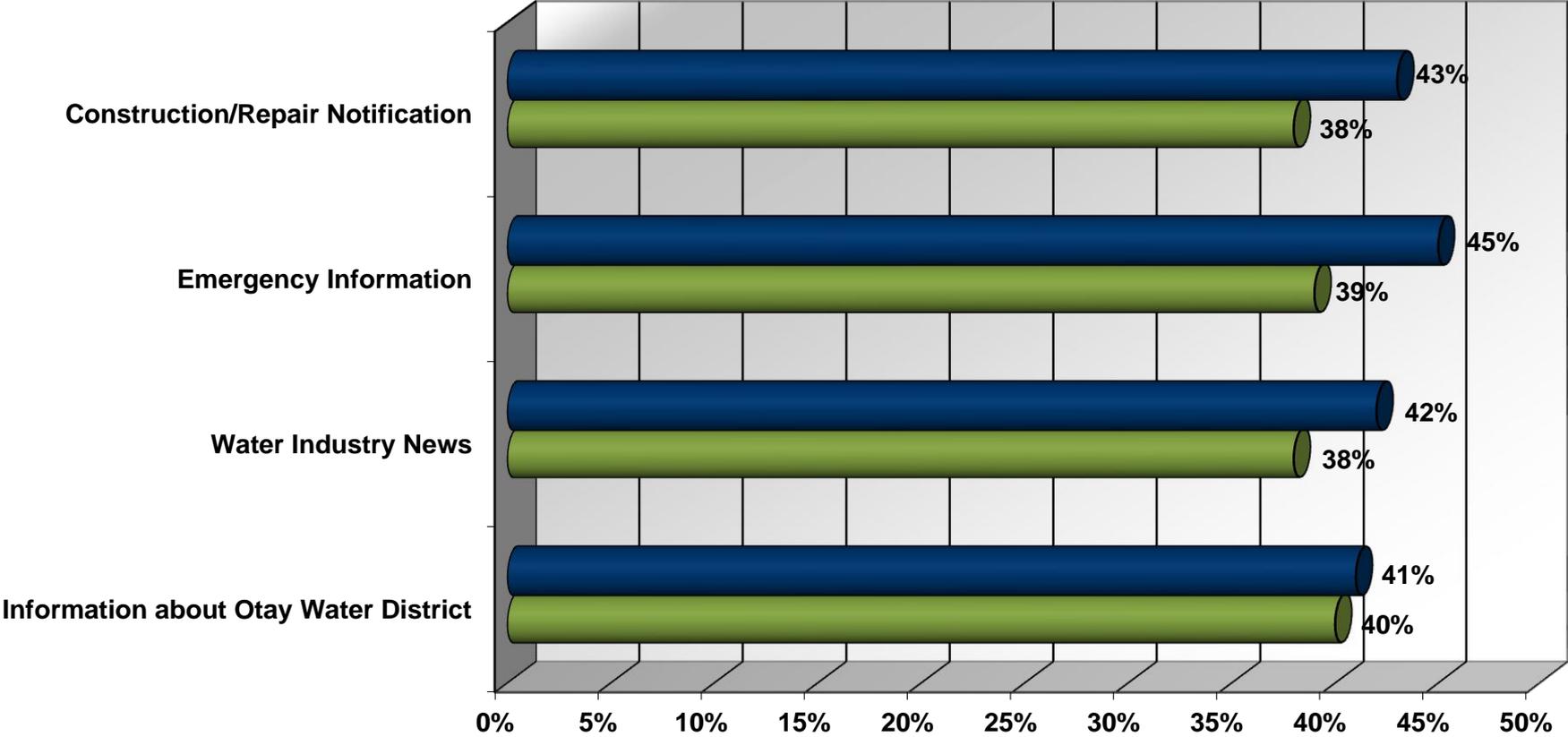
# Use of Social Media/Networks

■ 2012 ■ 2011



# Potential Uses for Social Media Websites

■ 2012 ■ 2011

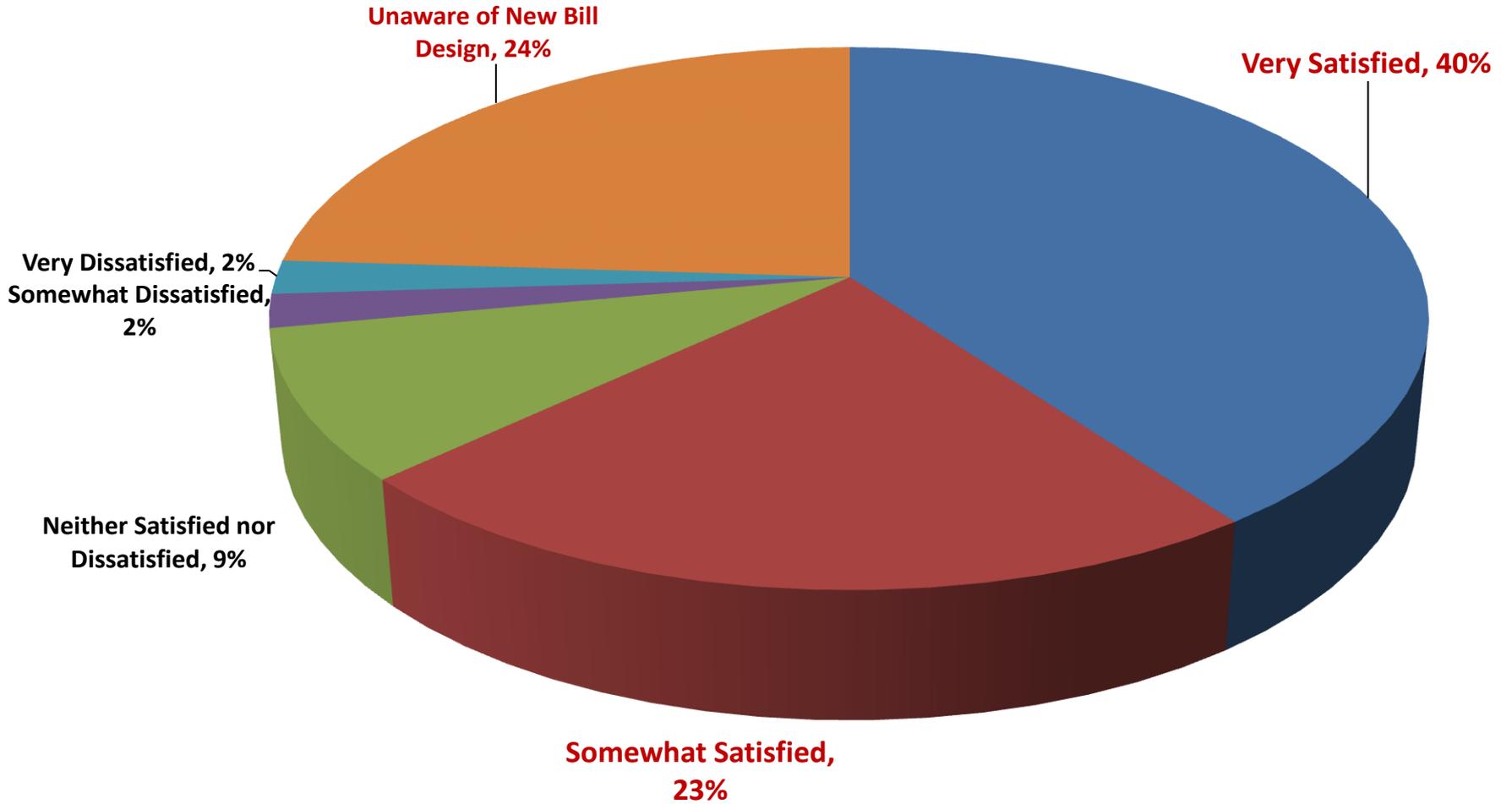


# Bill Payment

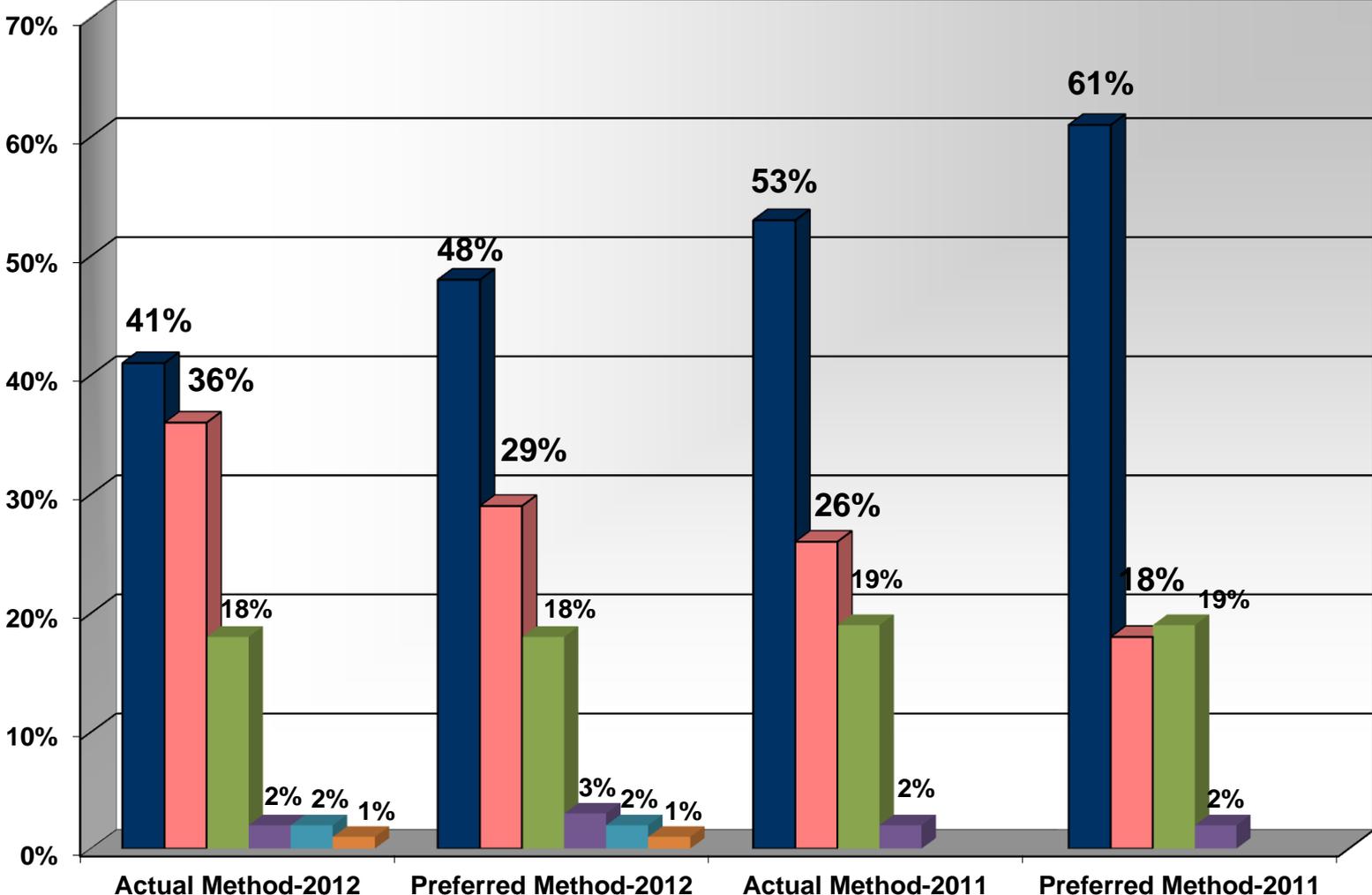
- **New bill design shows 2/3 satisfied but another 1/4 unaware of change**
- **Online bill payment preference shows decline from 2012**
  - Not much can be done to entice those who do not presently do so
- **Willingness to receive bill by e-mail has increased from 2008-2009**
- **Increased acceptance that bill paying will likely be paperless in 1-2 years**
  - Objections to paperless bill paying—desire for paper records, do not use computers, records are not secure

# Satisfaction with New Bill Design

(mean satisfaction = 1.72 on 1-5 scale--1 = very satisfied)



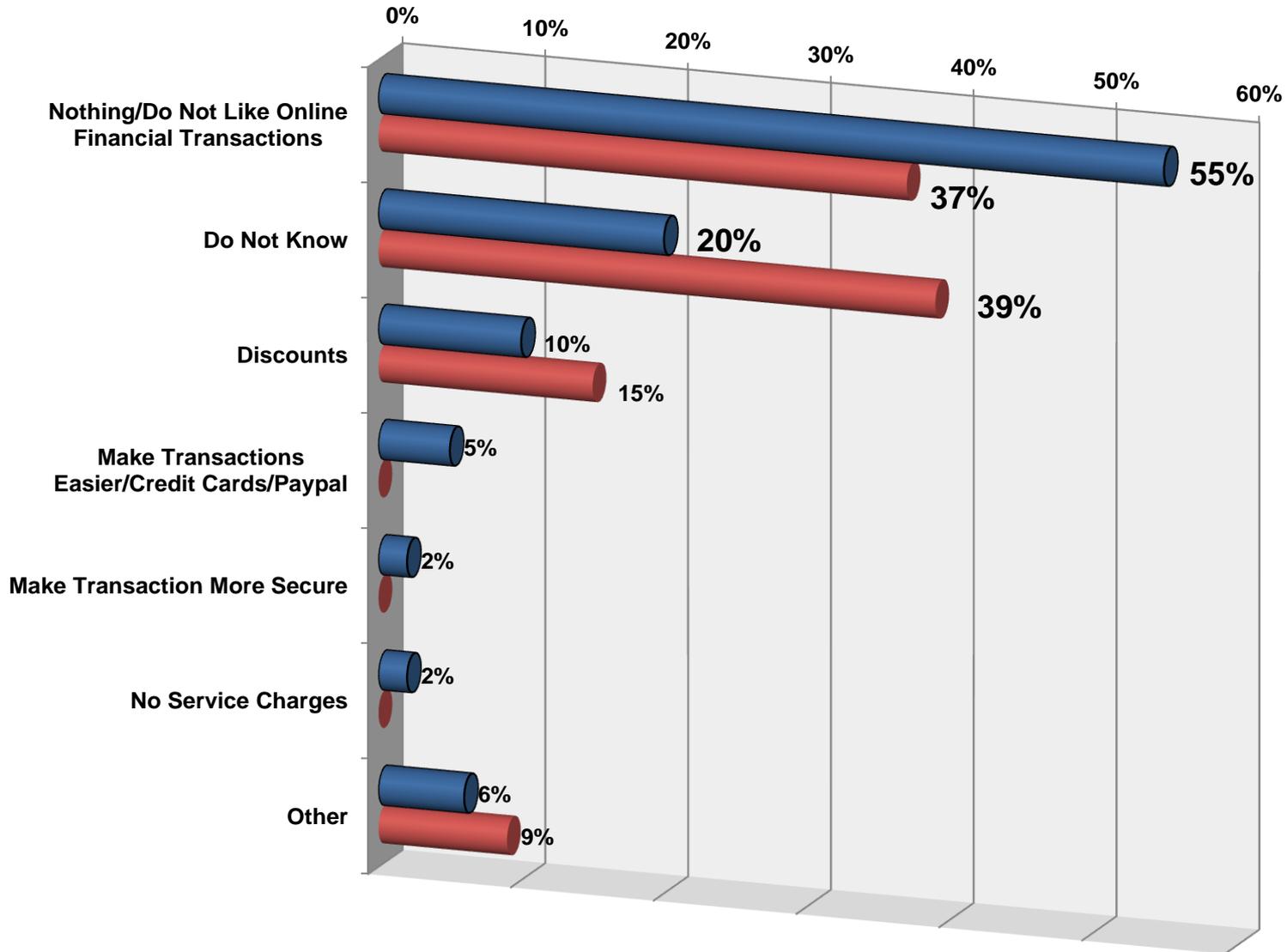
# Method of Paying Water Bill: Actual and Preferred Methods



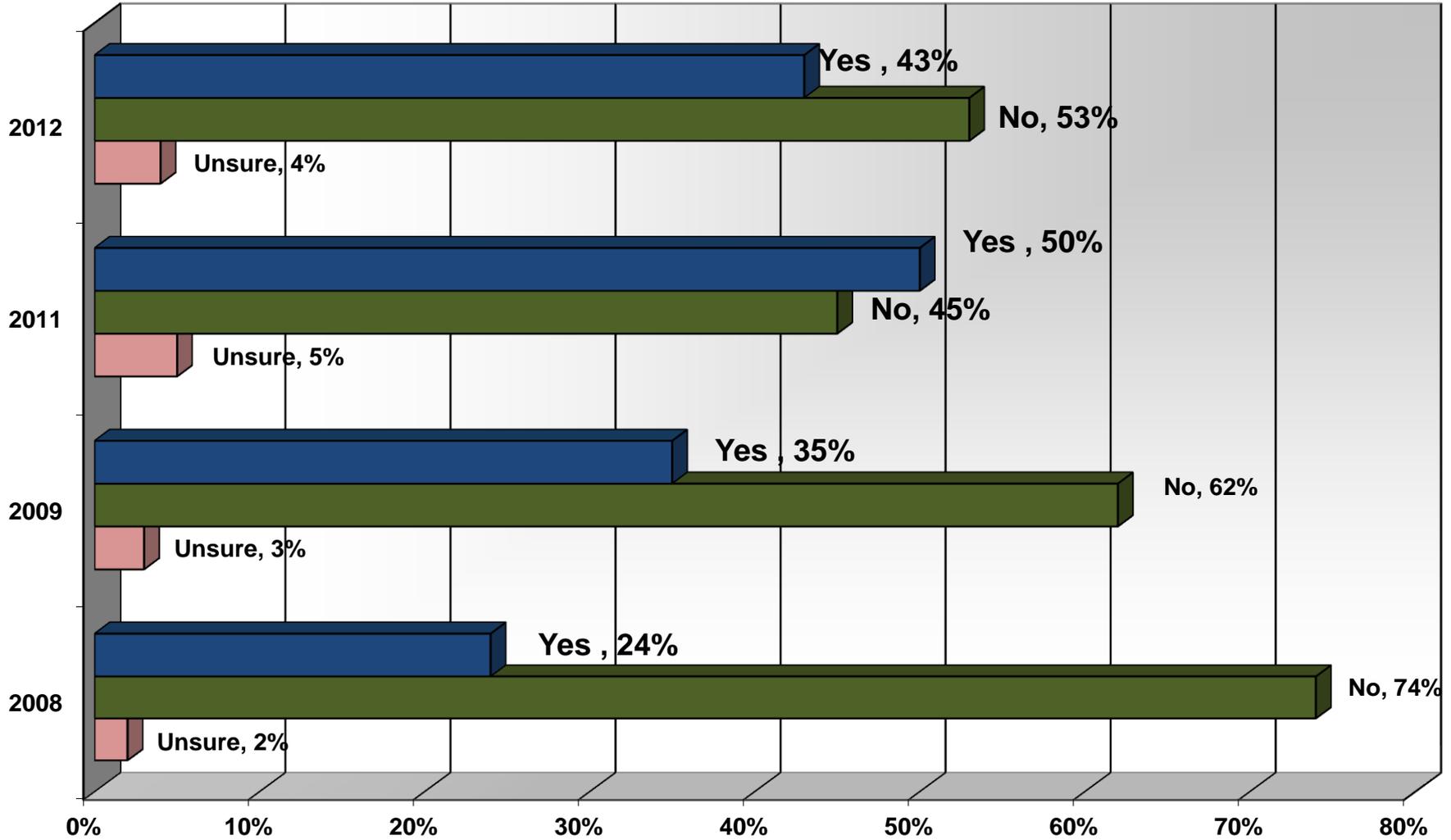
# What Can the District Do to Make Paying Online a More Appealing Option?

(asked of 59% who do not pay online)

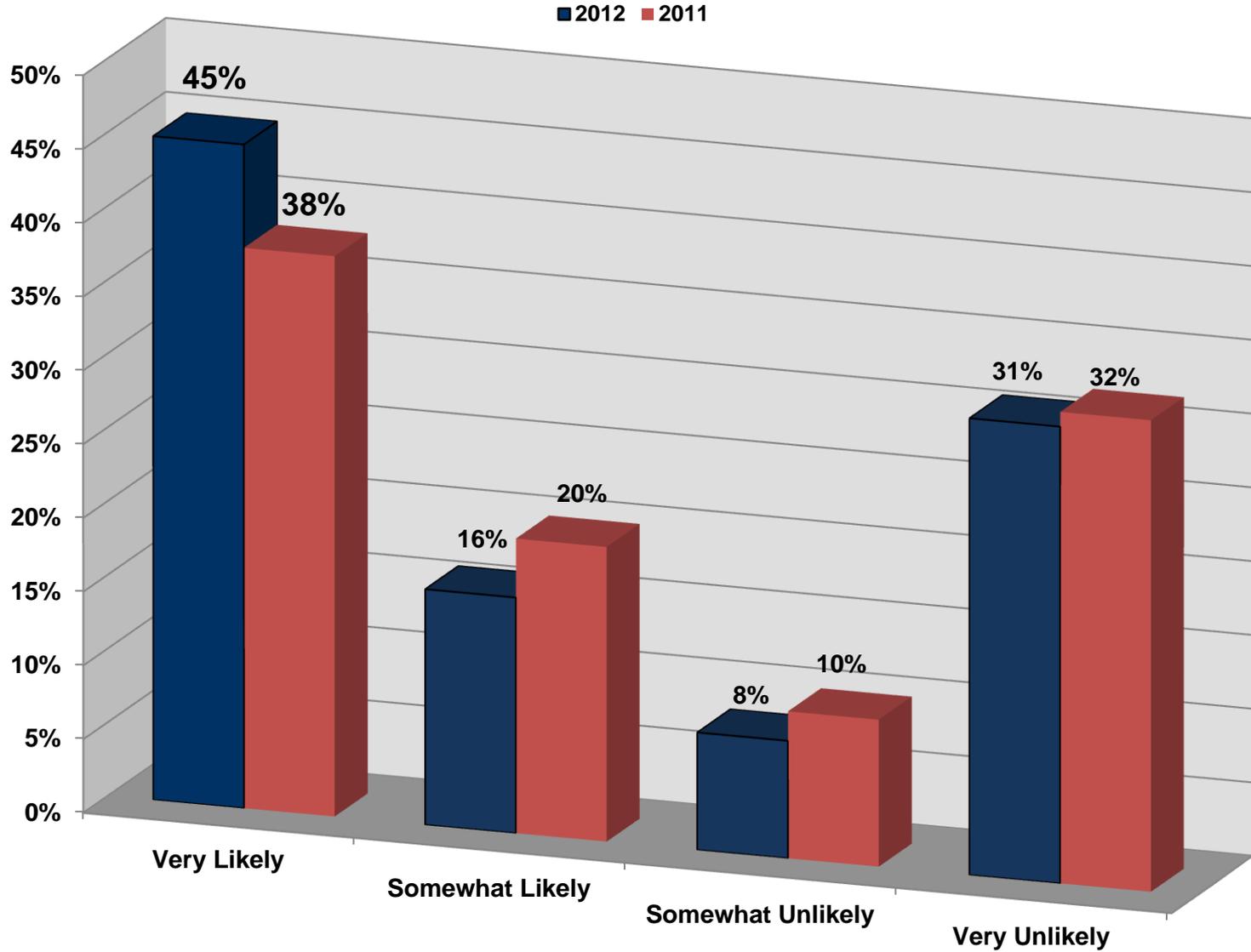
■ 2012 ■ 2011



# Receive Monthly Bill by E-mail?



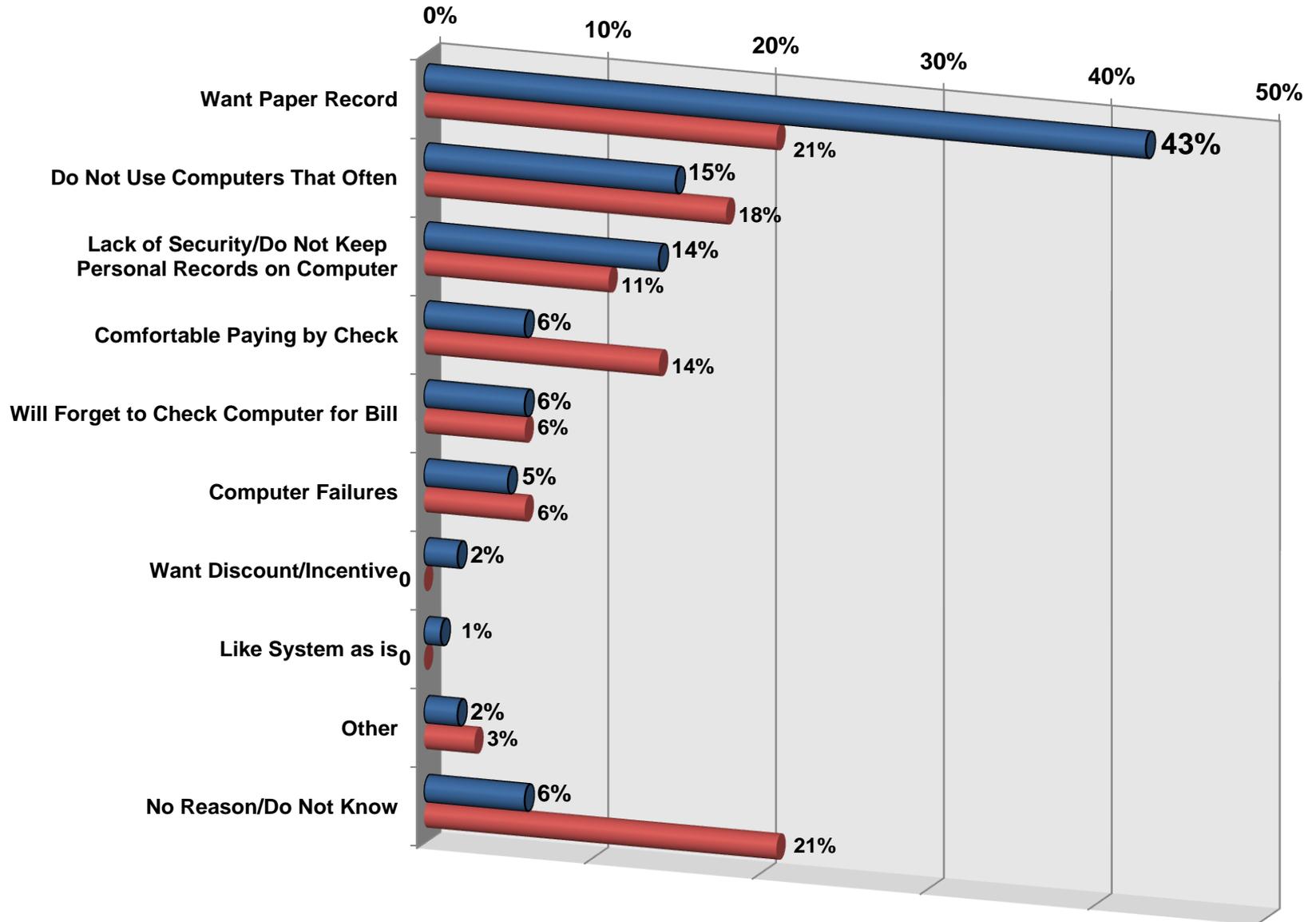
# Likelihood of Paperless Bill Paying Within Next 1-2 Years



# Objection to Paperless Bill Paying

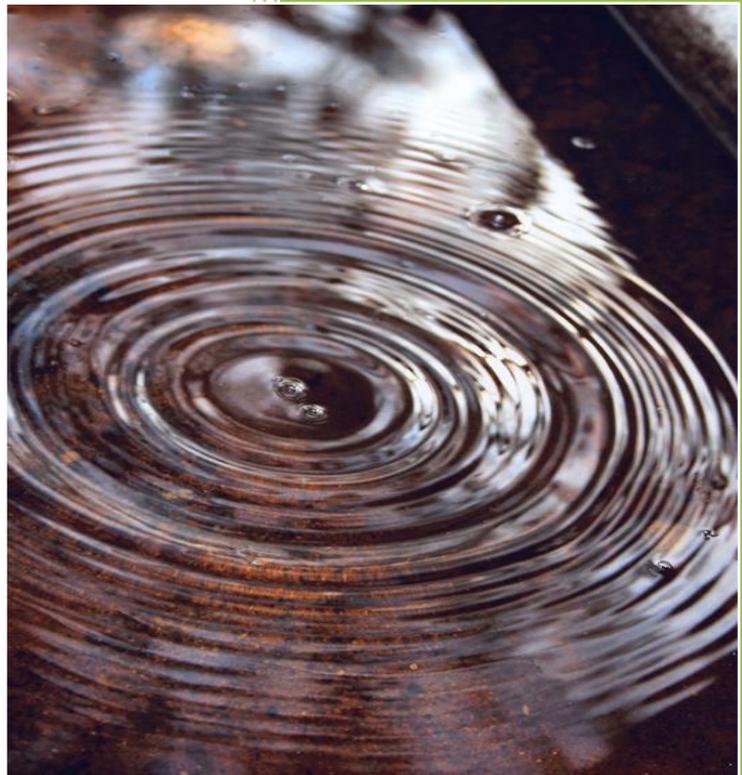
(asked of 39% who indicated that they were unlikely to utilize a paperless system)

■ 2012 ■ 2011



**2012**

**Otay Water District  
Customer Awareness and Opinion  
Survey Report**



**Rea & Parker Research  
May, 2012**

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# **Otay Water District 2012 Residential Customer Opinion and Awareness Survey**

## **Executive Summary**

The Otay Water District has elected to conduct a statistically reliable customer opinion and customer awareness telephone survey among residential customers. The purpose of the survey is twofold – first, to provide information concerning customer satisfaction and customer awareness of water issues and secondly to compare the results of this 2012 study with the results of the 2005, 2006, 2008, 2009, and 2011 Residential Customer Opinion and Awareness Surveys as well as the 2010 Ocean Water Desalination Opinion Survey where data are comparable for a limited number of questions only.

## **Sample**

The survey was conducted by a random telephone sample of 480 respondents, which equates to a margin of error of +/- 4.5% at the 95% confidence level.

Respondents are predominantly White (55 percent) and Hispanic/Latino (26 percent) and earn an annual median household income of \$79,900 (28 percent earning \$100,000 or more and 6 percent earning under \$25,000). They have a median age of 53 years and have been customers of the Otay Water District for a median of 12 years. Among these respondents, 51 percent possess a Bachelor's degree or more, with 17 percent having a high school education or less. Survey respondents are largely homeowners (91 percent) with a mean household size of 3.12.

## **Survey Findings**

This survey report has been divided into nine essential information components as follows:

- Demographic Statistics/Respondent Characteristics
- Customer Satisfaction and Confidence and Trust in Water Reliability
- Comparative Rating of Utilities
- Water Conservation
- Bill Payment
- Communication
- Social Media
- Alternative Water Supplies: Recycling and Desalination
- Issues Associated with the 2011 Power Outage

### **Customer Satisfaction and Confidence and Trust in Water Reliability**

- Otay Water District customers demonstrate a high level of satisfaction with the District as their provider of water service with almost two-thirds (64 percent) rating the District as excellent (29 percent) or very good (35 percent). These ratings are consistent with those recorded in the 2011 survey where 63 percent of respondents also rated their level of satisfaction as either excellent or very good.

- Customers express a great deal of confidence in the ability of local water agencies to provide enough water for their customers (92 percent very confident or somewhat confident and 8 percent expressing a lack of confidence). These ratings are similar to the ratings in the 2011 survey where 93 percent were either very confident or somewhat confident in the ability of local water agencies to provide enough water and 7 percent indicated a lack of such confidence. These ratings are somewhat higher than the level of confidence portrayed in the 2008 and 2009 General Surveys and represent a sustained return to the confidence level expressed in the 2005 and 2006 General Surveys.
- Nearly two-thirds of respondents (65 percent) have a substantial amount of trust in the ability of the Otay Water District to provide clean, safe, water for its customers (28 percent a great deal of trust and 37 percent a good amount of trust). Only 4 percent expressed a lack of trust. These ratings represent a decline in the amount of trust respondents have in the ability of the District to provide clean, safe, water reversing the ratings portrayed in 2010 and 2011, where 78 percent and 75 percent respectively indicated either a great deal of trust or a good amount of trust.
- Nearly two-fifths (39 percent) of customers have either a great deal of trust (11 percent) or a good amount of trust (28 percent) in the ability of the Otay Water District to obtain water at reasonable prices. This level of trust is quite consistent with the trust ratings in the 2011 Survey as well as with the findings of the 2009 General Survey. In 2012, 9 percent of customers have called the Otay Water District for service or help in the past 6 months. This call rate is somewhat lower than the call rate in the 2009 and 2011 surveys – both at 17 percent. Among the 9 percent who called for service in 2012, 80 percent indicated that their service was either excellent (39 percent), very good (23 percent), or good (18 percent).

### **Comparative Rating of Utilities**

- The critical finding is that 23 percent of Otay Water District customers rate water as the utility with the best value for the money paid. Trash collection (21 percent) and gas and electric (17 percent) follow water in perceived value. This represents a reversal from the 2011 ratings where trash collection was rated as the utility with the best value followed by water.

### **Water Conservation**

- Respondents (55%) believe that water rates have increased over the past year and 25 percent think that rates have stayed the same. This represents a considerable decline over the previous two survey periods in terms of those who believe water rates have increased.
- Among those who believe water rates have increased in the previous year, the water shortage is thought to be due to less rain in San Diego (15 percent) or increased management costs of the Otay Water District (14 percent).
- Among those who feel that water rates have gone up during the previous year, well over one-half (55 percent) have indicated that these higher water rates have caused their overall satisfaction with the Otay Water District to decline, although this is not reflected in the consistently high satisfaction ratings that the District has received over the years.
- Among those who think that water rates have increased, 79 percent indicate that these higher rates have motivated them to conserve water. This is indicative of a steady increase in the percentage of those who are motivated to conserve water from previous surveys in 2008, 2009, and 2011.

- Among District customers, 80 percent have automatic adjustable controllers and they have adjusted these controllers an average of 4.0 times during the past year.
- Nearly one-half of the respondents (48 percent) have visited the Cuyamaca College Water Conservation Garden. This represents an increase of 11 percent in visitation from the 2011 survey where 16 percent of respondents visited the Garden.
- Nearly three-fifths (59 percent) of those who visited the Water Conservation Garden made changes to their landscaping that resulted from that visit.

### **Bill Payment**

- Over three-fifths (63 percent) of customers are either very satisfied (40 percent) or somewhat satisfied (23 percent) with the new design of the water bill. Over two fifths (41 percent) of customers pay their bill on-line and over one-third (36 percent) pay by sending a check in the mail. It is noteworthy that 48 percent of customers would prefer to pay on-line (7 percent more than actually do so) and 29 percent would prefer to use postal mail (6 percent less than actually do so).
- Over two fifths (43 percent) of customers of the Otay Water District would prefer to receive their bill by e-mail instead of through the Postal Service. This preference has declined to some extent from the results of the 2011 survey where one half of the customers indicated a preference to receive their bill by e-mail. However, the preference for e-mail expressed in both the 2011 and 2012 surveys represent an increase since 2008 and 2009.
- Regardless of their current interest in receiving bills by e-mail, there is a greater degree acceptance that future bill paying will likely be paperless. Customers were asked if they were likely to receive their bill from the District by e-mail and then proceed to make their payment by one of various paperless methods other than by check or cash within the next 1-2 years. Over three-fifths of customers (61 percent) indicated that this was likely – 45 percent very likely and 16 percent somewhat likely. This response is consistent with the response in 2011 where 58 percent were predisposed to receive their bill by e-mail and then pay the bill through a method other than the Internet.

### **Communication**

- Nearly three-fifths (59 percent) of the respondents think that using their home e-mail is a good way to receive information from the Otay Water District.
- More than 3 in 10 customers (31 percent) always read the newsletter or bill inserts that come in the mail with the monthly water bill, 21 percent read these materials most months, and another 34 percent read them sometimes, leaving 14 percent who never read the newsletter or bill inserts. These results show a consistent increase in readership patterns since 2008.
- Over one-half of customers (52 percent) have visited the Otay Water District website. This represents a substantial increase over the 2011 survey results where 39 percent indicated they visited the website. Further, there has been a steady increase of customers who have visited the Otay Water District website since 2005.
- Visitors give the Otay Water District website high ratings – 73 percent excellent or good, 18 percent fair, and 3 percent poor. These ratings represent an increase over the 2011 survey ratings where 66 percent rated the website as either excellent or good.

## **Social Media**

- Over one-half (53 percent) of customers use at least one form of social media. This represents an increase of 7 percent over the 2011 survey where 46 percent indicated that they used at least one social media website.
- Customers continue to be somewhat positive about the potential for the Otay Water District to use social media sites to better serve their needs. Approximately two-fifths of customers (range of 41 percent to 45 percent) provide an affirmative response to 4 specific potential uses of social media (distribute information; emergency information; notify about construction; and provide water industry news).
- Over two-fifths (45 percent) feel that a social media presence is either very important (22 percent) or somewhat important (23 percent). Based on a scale of 1 to 5, where 1 = very important and 5 = very unimportant, customers rated the importance of the Otay Water District having a presence using social media at 2.99. These responses represent a decline in the importance accorded by customers to the potential use of social media by the Otay Water District since 2011. It is clear that while customers can appreciate the potential use of social media by the District to serve their interests, they do not regard such endeavors as having great importance.

## **Alternative Water Supplies: Recycling and Desalination**

- Respondents continue to support the use of recycled water for watering landscape along freeways, open space, parks, and golf courses. In the current survey, 95 percent either strongly favor (76 percent) or somewhat favor (19 percent) the use of recycled water for landscape and golf courses. This finding is consistent with all previous surveys since 2005.
- Respondents also support the use of recycled water for watering residential front lawns – 90 percent either strongly favor (66 percent) or somewhat favor (24 percent) such use of recycled water. This positive sentiment was also reflected in the 2008 and 2009 surveys where 96 percent and 90 percent respectively supported the use of recycled water for watering front yards. The level of support for the use of recycled water to replenish recreational lakes (50 percent strongly in favor) is consistent with the 2011 survey where 47 percent of respondents strongly favored the use of recycled water for this purpose. Current levels of support (2011 and 2012 survey periods) are still well above 2005 and 2006 levels of support (30 percent in 2006 and 34 percent in 2005).
- Over one-half (51 percent) of respondents either strongly favor (23 percent) or somewhat favor (28 percent) the use of recycled water to supplement the drinking water supply. This represents a substantial increase over previous survey periods – favorability in 2011: 29 percent; favorability in 2008: 40 percent; and favorability in 2006: 34 percent.
- A considerable proportion of District customers (86 percent) feel that ocean water desalination can be substantially important in maintaining a reliable supply of water in San Diego County (68 percent – very important and 18 percent – somewhat important). This relatively high level of importance attributed to maintaining a reliable water supply was also exhibited by District customers in the 2011, 2010, and 2009 Surveys.
- Among the 28 percent who oppose the international agreement with Mexico to construct a desalination facility at Rosarito Beach, one half indicates that they do not trust the quality of water in Mexico and/or they do not trust the Mexican government. Another 13 percent feel that the plant should be located in the United States in order to create jobs domestically. In the 2009, 2010, and 2011 surveys, customers expressed the same

reasons for opposing the international agreement with Mexico as they did in the current 2012 survey.

### **Issues Associated with the 2011 Power Outage**

- Just over one-fourth (26 percent) of residents of the Otay Water District indicated that they were concerned about the quality of their water during and after the massive power outage of September 8, 2011.
- One-quarter (25 percent) of customers further indicated that they were concerned that during the power outage, there would be a disruption in the delivery of their water by the Otay Water District.
- Customers obtained information during the power outage largely through battery-operated radios or car radios (54 percent of all responses) and they would largely use this same method to obtain information if another mishap should occur.

### **Conclusions**

There are strong indications of support for the work of the Otay Water District. The results of the 2012 survey continue to show this strength. For example, Otay Water District customers demonstrate a high level of satisfaction with the District as their provider of water service. Customers also have a great deal of confidence in the ability of the District to provide an adequate supply of water at a reasonable price.

Water is rated as the best value for the money paid by customers while trash collection is given the next highest value. Water and trash collection have been the top two utilities in the District's surveys since 2008.

Customers are aware that water rates have increased, and this knowledge has prompted a greater motivation to conserve water. Customers continue to support alternative sources of water including the use of recycled water for watering golf courses, open space and along freeways. They also support recycled water for use on lawns and public landscape and in replenishing recreational lakes. Use of recycled water for drinking purposes has achieved majority favorability for the first time in these Otay Water District surveys. Customers also strongly support ocean water desalination and are in favor of an international agreement with Mexico to promote or facilitate desalination.

Visitation of the District website is also rising and the rating of the website has increased as well. Customers of the District support the potential use of social media websites by the District to disseminate information and to otherwise communicate with customers.

The results of this survey should be viewed as ratification by the public of the importance and quality of the work done by the District and as an expression of the high value to the public of the work in which the Otay Water District is engaged.

## **Introduction and Methodology**

In 1956, the Otay Water District was authorized by the State Legislature and gained its entitlement to imported water. Today, the District serves the needs of approximately 208,000 people within 125.5 squares miles in southern San Diego County by purchasing water from the Metropolitan Water District of Southern California through the San Diego County Water Authority and Helix Water District. Sewer services are also provided to portions of the customer base. Since its inception, the Otay Water District also has collected and reclaimed wastewater generated within the Jamacha Drainage Basin and pumped the reclaimed water south to the Salt Creek Basin where it is used for irrigation and other non-potable uses.

The Otay Water District has elected to conduct a statistically reliable customer opinion and customer awareness telephone survey among its residential customers. The purpose of the survey is twofold – first, to provide information concerning customer satisfaction and customer awareness of water issues and secondly to compare the results of this 2012 study with the results of the 2005, 2006, 2008, 2009, and 2011 Residential Customer Opinion and Awareness Surveys (referred to throughout this report as General Surveys) as well as the 2010 Ocean Water Desalination Opinion Survey where data are comparable for a limited number of questions only.

Rea & Parker Research was selected to conduct the 2012 study, as it was for the 2005, 2006, 2008, 2009 and 2011 studies. The purpose of the research is to:

- Determine overall satisfaction with the services of the Otay Water District including the level of trust in the District to provide enough water at reasonable rates;
- Determine opinions and perceptions of various issues, including:
  - Water rates
  - Awareness and interest in water conservation
  - Methods of and attitudes toward water conservation
  - Attitudes toward recycling and desalination
  - Formal district communication efforts including the official website
  - Potential use of social media websites to distribute information
  - Customer service
  - Issues associated with the 2011 power outage and possible future outages
  - Relative value of water service in comparison to other utilities
- Obtain demographic data about the population for use in descriptive analysis and crosstabulations of data that can result in new, optimally targeted and tailored public awareness programs.

- Compare the results of this survey with the results of the 2005, 2006, and 2008, 2009, 2010, and 2011 surveys of District customers.

### **Sample**

The survey was conducted by a random telephone sample of 480 respondents in order to secure a margin of error not to exceed +/-4.5 percent @ 95 percent confidence<sup>1</sup>. This figure represents the widest interval that occurs when the survey question represents an approximate 50 percent-50 percent proportion of the sample. When it is not 50 percent-50 percent, the interval is somewhat smaller. For example, in the survey findings that follow, 52.0 percent of respondent households do not recall having seen or heard messages about the Cuyamaca College Water Conservation Garden. This means that there is a 95 percent chance that the true proportion of the total population of the District's service area that has not seen or heard these messages is between 56.5 percent and 47.5 percent (52.0 percent +/- 4.5 percent).

Survey respondents were screened to exclude those customers who have not lived in San Diego County for at least one year. When respondents asked about who was sponsoring the survey, they were told "this project is sponsored by the Otay Water District, and it's about issues related to your household water supply."

The survey was conducted in both English and Spanish. Spanish language respondents comprised 2 percent of the survey population. The distribution of respondents according to gender was 55 percent male and 45 percent female.

The survey was conducted from March 14, 2012 to March 23, 2012. The total survey cooperation rate was 51.3 percent, as indicated in Table 1. This survey report has been divided into nine essential information components as follows:

- Demographic Statistics/Respondent Characteristics
- Customer Satisfaction and Confidence and Trust in Water Reliability
- Comparative Rating of Utilities
- Water Conservation
- Bill Payment
- Communication
- Social Media
- Alternative Water Supplies: Recycling and Desalination
- Issues Associated with the 2011 Power Outage

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<sup>1</sup> Past years' general surveys have been conducted with 300 respondents and a +/- 5.7 percent margin of error at 95 percent confidence.

Each section of the report begins with a very brief abstract or summary of highlights within the ensuing section, in order to orient the reader to what is to follow.

<b>Table 1</b> <b>Otay Water District 2012 Customer Survey</b> <b>Telephone Call Disposition Report</b>	
<b>Unknown Eligibility</b>	
<b>No Answer</b>	<b>2099</b>
<b>Busy</b>	<b>65</b>
<b>Answering Machine</b>	<b>1181</b>
<b>Not Home—Call Back</b>	<b>492</b>
<b>Language Barrier</b>	<b>69</b>
<b>Refusal</b>	<b>457</b>
<b>Total Unknown</b>	<b>4313</b>
<b>Ineligible</b>	
<b>Disconnect</b>	<b>484</b>
<b>Fax/Wrong Number</b>	<b>145</b>
<b>Total Ineligible</b>	<b>629</b>
<b>Not Qualified—less than one year</b>	<b>20</b>
<b>Eligible</b>	
<b>Complete</b>	<b>481</b>
<b>Total Attempts</b>	<b>5,892</b>
<b>Cooperation Rate (Complete/(Complete + Refusal))</b>	<b>51.3%</b>

Charts have been prepared for each of these major components depicting the basic survey results. Subgroup analyses for different age groups, various levels of education, gender, home ownership/rental status, household size, residential tenure in the community, different income categories, and ethnicity of residents of the service area will be presented in succinct bulleted format when statistical significance and relevance warrants such treatment.

Lists of open-ended responses to survey questions as well as the survey instrument are contained in the Appendix.

## Survey Findings

### Demographic Statistics/Respondent Characteristics

<b>Table 2</b>							
<b>Otay Water District General Survey Respondent Characteristics</b>							
<b>Characteristic</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2006</b>	<b>2005</b>
<b>Ethnicity</b>							
<i>White</i>	55%	56%	44%	55%	52%	55%	54%
<i>Hispanic/Latino</i>	26%	26%	29%	28%	30%	29%	24%
<i>Asian/Pacific Islander</i>	10%	14%	15%	8%	8%	9%	15%
<i>Black/African-American</i>	5%	2%	8%	6%	6%	6%	5%
<i>Native American/Middle Eastern/Other</i>	4%	2%	4%	3%	4%	1%	2%
<b>Annual Household Income</b>							
<i>Median</i>	\$79,900	\$80,400	\$85,600	\$75,700	\$83,500	\$77,500	\$85,000
<i>% over \$100,000</i>	28%	32%	36%	26%	30%	33%	34%
<i>% under \$25,000</i>	6%	6%	10%	8%	5%	6%	2%
<b>Age</b>							
<i>Median</i>	53 years	53 years	53 years	53 years	47 years	49 years	47 years
<b>Years Customer of Otay Water District</b>							
<i>Median</i>	12 years	15 years	9 years	12 years	8 years	10 years	---
<b>Education</b>							
<i>High School or Less</i>	17%	16%	12%	17%	22%	22%	14%
<i>At Least One Year College, Trade, Vocational School</i>	32%	24%	30%	32%	28%	24%	33%
<i>Bachelor's Degree</i>	34%	34%	41%	39%	33%	35%	25%
<i>At Least One Year of Graduate Work</i>	17%	24%	17%	12%	17%	19%	28%
<b>Own/Rent</b>							
<i>Home Owner</i>	91%	97%	85%	91%	88%	90%	92%
<i>Renter</i>	9%	3%	15%	9%	12%	10%	8%
<b>Persons Per Household</b>							
<i>Mean</i>	3.12	2.83	3.67	3.28	2.88	3.27	3.43

**Table 2** presents selected demographic characteristics of the survey respondents. Respondents are predominantly White (55 percent) and Hispanic/Latino (26 percent) and earn an annual median household income of \$79,900 (28 percent earning \$100,000 or more and 6 percent earning under \$25,000). They

have a median age of 53 years and have been customers of the Otay Water District for a median of 12 years. Among these respondents, 51 percent possess a Bachelor's degree or more, with 17 percent having a high school education or less. Survey respondents are largely homeowners (91 percent) with a mean household size of 3.12.

Respondent characteristics for the general customer sample survey conducted in 2011 differ from the 2012 respondent characteristics in the following ways:

- The percentage of households earning an annual income over \$100,000 is 28 percent in 2012 and was 32 percent in 2011.
- Over one-half (51 percent) of respondents in 2012 have a bachelor's degree or more while in 2011, 58 percent had a bachelor's degree or more.
- The average household size in 2012 (3.12) is higher than the average household size in 2011 (2.83) but is very much in the range of 2006 and 2009.
- The median number of years respondents were customers of the Otay Water District is 12 years in 2012 and was more (15 years) in 2011.
- In 2012, home ownership is 91 percent while in 2011, it was 97 percent.

### **Customer Satisfaction and Confidence and Trust in Water Reliability**

***SUMMARY:*** *Otay Water District customers demonstrate a high level of satisfaction with the District as their provider of water service with almost two-thirds (64 percent) rating the District as excellent (29 percent) or very good (35 percent). These ratings are consistent with those recorded in the 2011 survey and are substantially higher than those expressed in the 2009 and 2010 Surveys.*

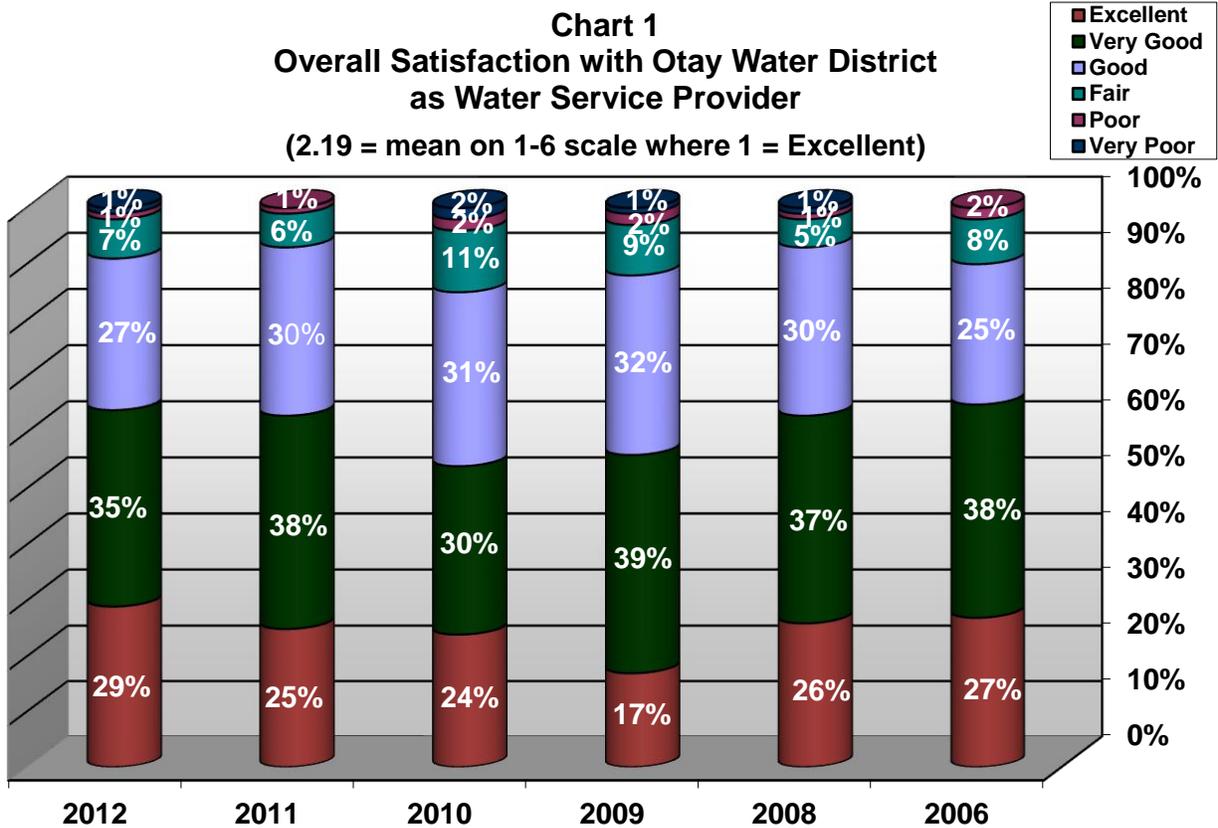
*Customers express a great deal of confidence in the ability of local water agencies to provide enough water for their customers (92 percent very confident or somewhat confident and 8 percent expressing a lack of confidence). These ratings are similar to the ratings in the 2011 survey where 93 percent were either very confident or somewhat confident in the ability of local water agencies to provide enough water.*

*Nearly two-thirds of respondents (65 percent) have a substantial amount of trust in the ability of the Otay Water District to provide clean, safe, water for its customers (28 percent: a great deal of trust and 37 percent: a good amount of trust). Only 4 percent expressed a lack of trust. These ratings represent a decline in the amount of trust respondents have in the ability of the District to provide clean, safe, water, reversing the ratings portrayed in 2010 and 2011, where 78 percent and 75 percent respectively indicated either a great deal of trust or a good amount of trust.*

*Nearly two-fifths (39 percent) of customers have either a great deal of trust (11 percent) or a good amount of trust (28 percent) in the ability of the Otay Water District to obtain water at reasonable prices. This level of trust is quite consistent with the trust ratings in the 2011 Survey as well as with the findings of the 2009 General Survey.*

*In 2012, 9 percent of customers have called the Otay Water District for service or help in the past 6 months. This call rate is lower than the call rate in the 2009 and 2011 surveys – both at 17 percent. Among the 9 percent who called for service in 2012, 80 percent indicated that their service was either excellent (39 percent), very good (23 percent), or good (18 percent). This percentage represents a small improvement in satisfaction levels over the 2011 survey where 77 percent of respondents rated their call service as either excellent, very good, or good.*

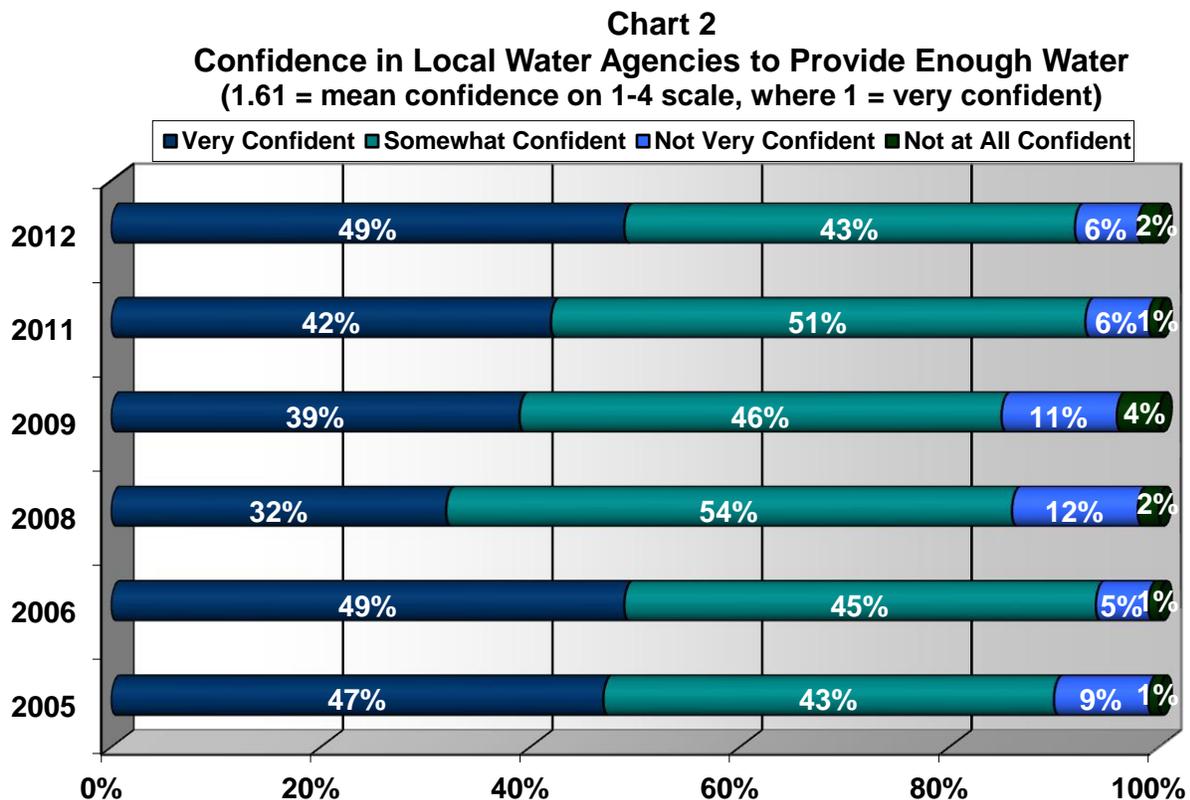
**Chart 1** shows that customers of the Otay Water District demonstrate a high level of satisfaction with the District as their provider of water service. In fact, 64 percent rate the Otay Water District as either excellent (29 percent) or very good (35 percent). These ratings are consistent with those recorded in the 2011 survey where 63 percent of respondents also rated their level of satisfaction as either excellent or very good. These ratings in 2011 and 2012 are substantially higher than those expressed in the 2009 and 2010 Surveys. For example, in 2009, 56 percent of customers rated the Otay Water District as either excellent or very good, and, in 2010, 54 percent indicated either a very good or excellent rating. The high satisfaction ratings in the latest two surveys represent a return to the ratings in 2006 (65 percent either very good or excellent) and 2008 (63 percent either very good or excellent).



The high level of satisfaction accorded to the Otay Water District by its customers is further affirmed by the mean satisfaction rating of 2.19. This mean rating is based on a scale of 1 to 6, where 1 = excellent, 2 = very good, 3 = good, 4 = fair, 5 = poor, and 6 = very poor. This mean rating is virtually identical to the mean rating of 2.21 that was recorded for the 2011 survey.

- Younger residents are more satisfied than older residents with the Otay Water District as their provider of water service (18 – 34 – mean of 1.86 versus 35-64 – mean of 2.23)

**Chart 2** indicates that there is a great deal of confidence in the ability of local water agencies to provide enough water for their customers (92 percent very confident or somewhat confident and 8 percent expressing a lack of confidence). These ratings are similar to the ratings in the 2011 survey where 93 percent were either very confident or somewhat confident in the ability of local water agencies to provide enough water and 7 percent indicated a lack of such confidence. These ratings are also higher than the level of confidence portrayed in the 2008 and 2009 General Surveys where 86 percent and 85 percent of respondents respectively expressed confidence in the ability of local water agencies to provide enough water. The current 2012 survey and the 2011 survey represent a sustained return to the confidence level expressed in the 2006 and 2008 General Surveys, when, for example, in the 2006 survey, 94 percent expressed confidence and only 6 percent indicated a lack of confidence in the ability of local water agencies to provide enough water.

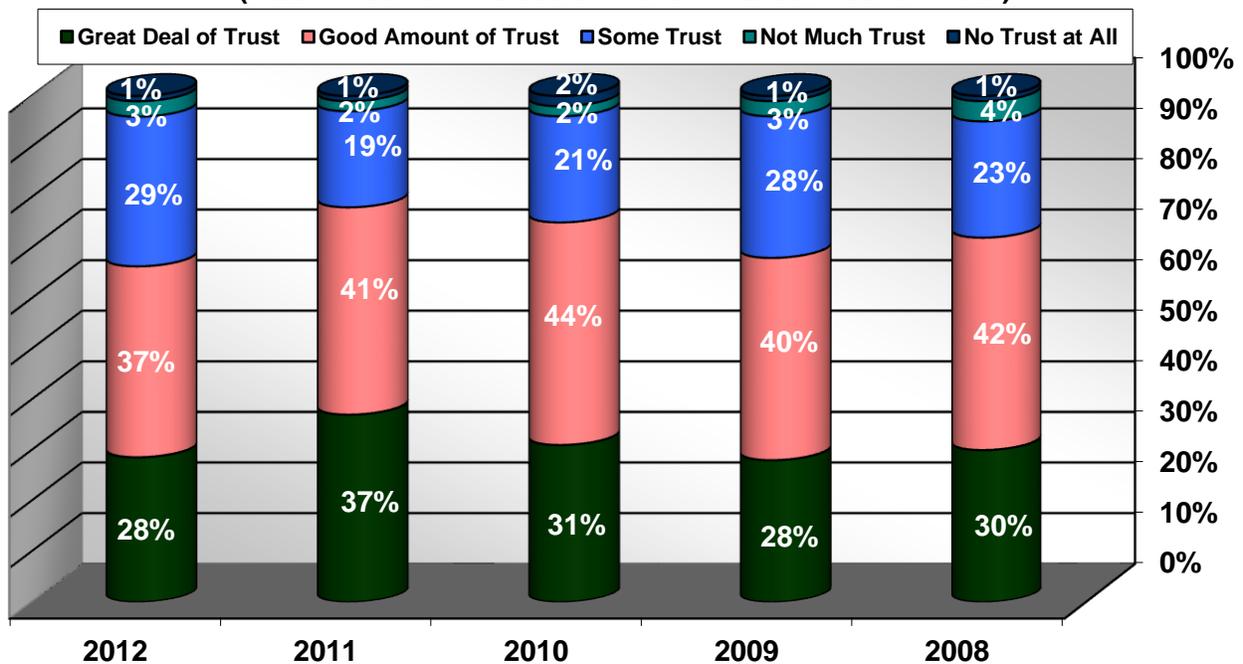


Customers who are confident in the ability of local water agencies to provide enough water are characterized as follows (scale: 1 = very confident, 2 = somewhat confident, 3 = not very confident, and 4 = not at all confident):

- Middle-aged residents (35 – 44 – mean of 1.47) are more satisfied than older residents (65 and over – mean of 1.79)
- Newer residents of the Otay Water District (3 years residence or less—mean of 1.56) versus long-term residents (35 years or more—mean of 1.82).

**Chart 3** shows that two-thirds of respondents (65 percent) have a substantial amount of trust in the ability of the Otay Water District to provide clean, safe, water for its customers (28 percent demonstrate a great deal of trust and 37 percent a good amount of trust). Only 4 percent expressed a lack of trust. These ratings represent a decline in the amount of trust respondents have in the ability of the District to provide clean, safe, water reversing the ratings portrayed in the 2010 and 2011 surveys where 78 percent and 75 percent respectively indicated either a great deal of trust or a good amount of trust. Customer trust in this area has reverted to the level found in the 2008 survey where 68 percent of respondents indicated either a great deal of trust or a good amount of trust in the ability of the District to provide clear, safe, water for its customers.

**Chart 3**  
**Trust Otay Water District to Provide Clean, Safe Water**  
 (2.06 = mean on 1-5 scale where 1 = Great Deal of Trust)



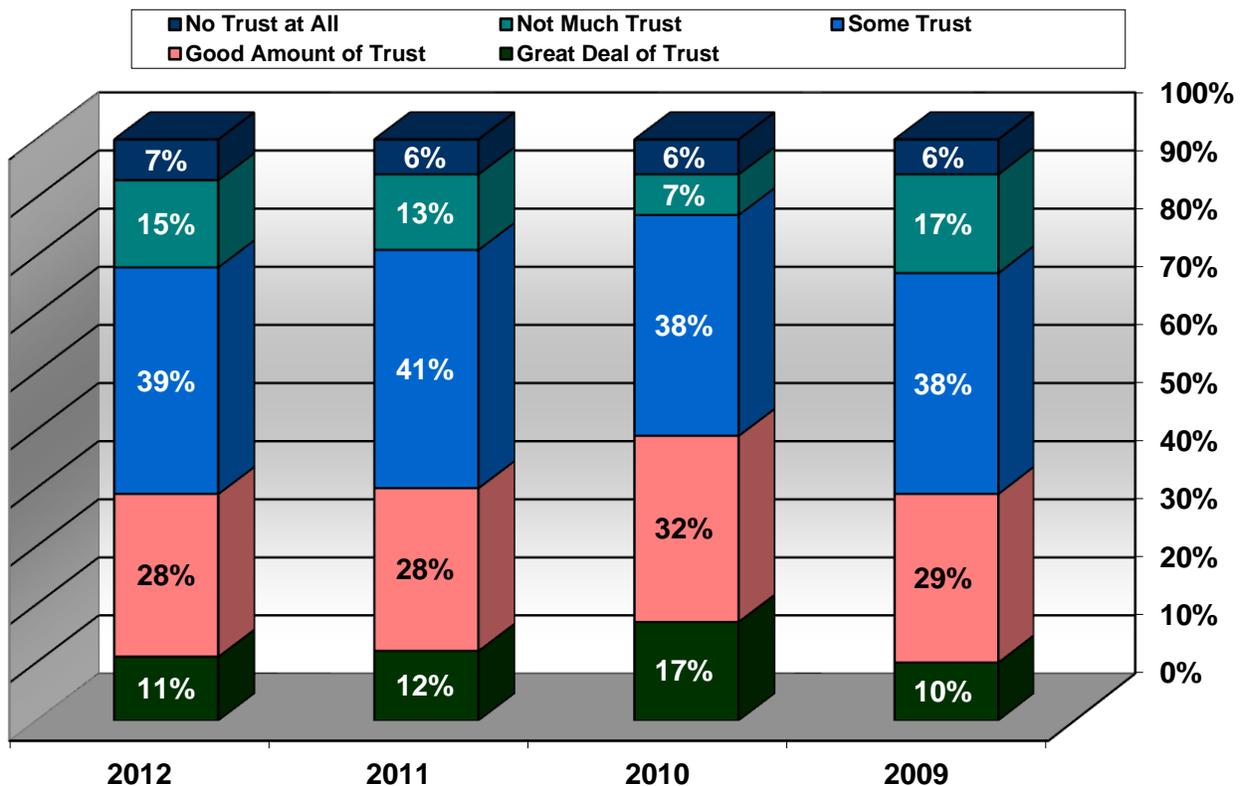
In 2006 and 2005, respondents were asked about their confidence in Otay Water District to prevent contamination of water supply. In 2006, 29% had "not much" or "no" confidence. In 2005, that percentage was 22%. It should also be noted that there was only one clearly positive option in those surveys, skipping from "great deal of confidence" to "some confidence."

Sub-groups of customers who have more trust in the ability of the Otay Water District to provide clean, safe water to the District are characterized as follows (scale: 1 = a great deal of trust, 2 = a good amount of trust, 3 = some trust, 4 = not much trust, and 5 = no trust at all):

- Males (mean of 2.04) versus females (mean of 2.20).
- Younger residents (18-34 – mean of 1.88) versus older residents (65 and older – mean of 2.21).

**Chart 4** shows that nearly two-fifths (39 percent) of customers have either a great deal of trust (11 percent) or a good amount of trust (28 percent) in the ability of the Otay Water District to obtain water at reasonable prices. Over one-fifth (22 percent) lack trust in the District’s ability to provide water at reasonable prices – not much trust (15 percent) and no trust at all (7 percent). This level of trust is quite consistent with the trust ratings in the 2011 Survey as well as with the findings of the 2009 General Survey where two-fifths of the District’s customers either exhibited a great deal of trust or a good amount of trust in the ability of the Otay Water District to obtain water at a reasonable price.

**Chart 4**  
**Trust Otay Water District to Obtain Water at a Reasonable Price**  
 (2.79 = mean on 1-5 scale where 1 = Great Deal of Trust)



In 2010, there was an aberration in the trust rating in that nearly one-half of respondents (49 percent) expressed a great deal of trust or a good amount of trust. It should be well noted that certain statistics and

opinions that have emerged from the 2010 Ocean Water Desalination Opinion Survey differ somewhat on occasion with the results of the Customer Opinion and Awareness Surveys (General Surveys). The Desalination Survey had a specific focus and questions were presented to respondents in a different sequence and within a framework and context that was not as was used in the General Surveys. This specific framework may well have oriented respondents to respond differently than they did in the more general surveys where the questions were varied over an assortment of water-related topics.

- Younger residents have more trust in the ability of the Otay Water District to obtain water at a reasonable price than do older residents (18-34 – mean of 2.28 versus 45 and older – mean of 2.88) scale: 1 = a great deal of trust, 2 = a good amount of trust, 3 = some trust, 4 = not much trust, 5 = no trust at all.

**Chart 5** indicates that 9 percent of customers have called the Otay Water District for service or help in the past 6 months. This call rate is lower than the call rate in the 2009 and 2011 surveys – both at 17 percent. This can be taken as a possible indication of the high satisfaction level demonstrated by Otay Water District customers. Among the 9 percent who called for service in the current 2012 survey, 80 percent indicated that their service was either excellent (39 percent), very good (23 percent), or good (18 percent) (**Chart 6**). This percentage represents a small improvement in satisfaction levels over the 2011, 2009 and 2008 surveys where 77 percent, 82 percent, and 82 percent of respondents, respectively, rated their call service as either excellent, very good, or good.

- African-Americans (25 percent) are more likely to call the Otay Water District for service or help than are Whites (6 percent), Asians (11 percent), and Latinos (12 percent).
- Larger households are more likely than are smaller households to call the Otay Water District for service or help (5 or more persons per household -- 19 percent versus 1 – 4 persons per household -- 7 percent).

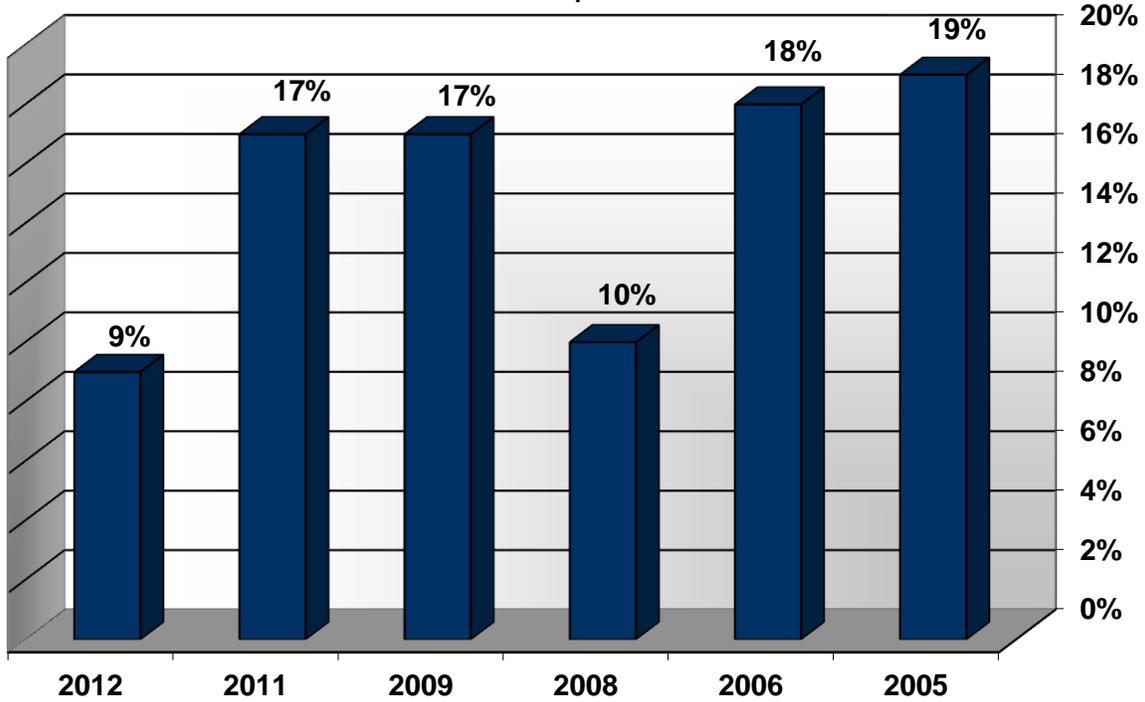
## **Comparative Rating of Utilities**

***SUMMARY:*** *The critical finding is that 23 percent of Otay Water District customers rate water as the utility with the best value for the money paid. Trash collection (21 percent) and gas and electric (17 percent) follow water in perceived value. This represents a reversal from the 2011 ratings where trash collection was rated as the utility with the best value followed by water.*

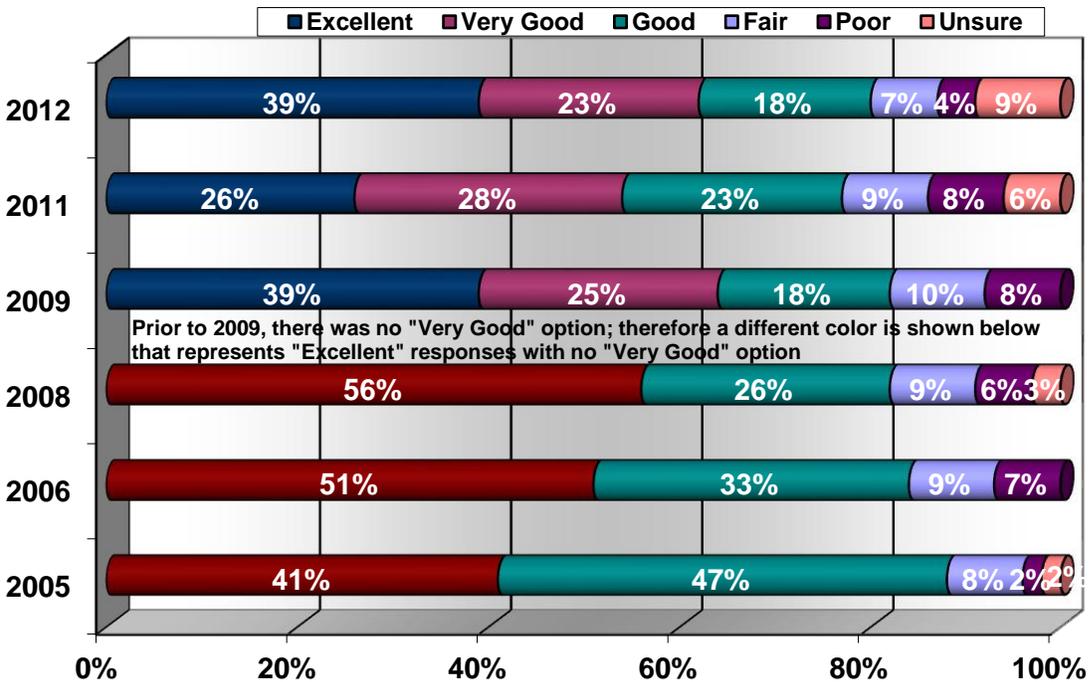
*Using a composite ranking that takes first, second, and third rankings for each utility into account, trash collection becomes the utility with the best value followed by water and gas and electric service.*

**Chart 5**  
**Called Otay Water District for Service in Past 6 Months\***

\* 2005: past 12 months



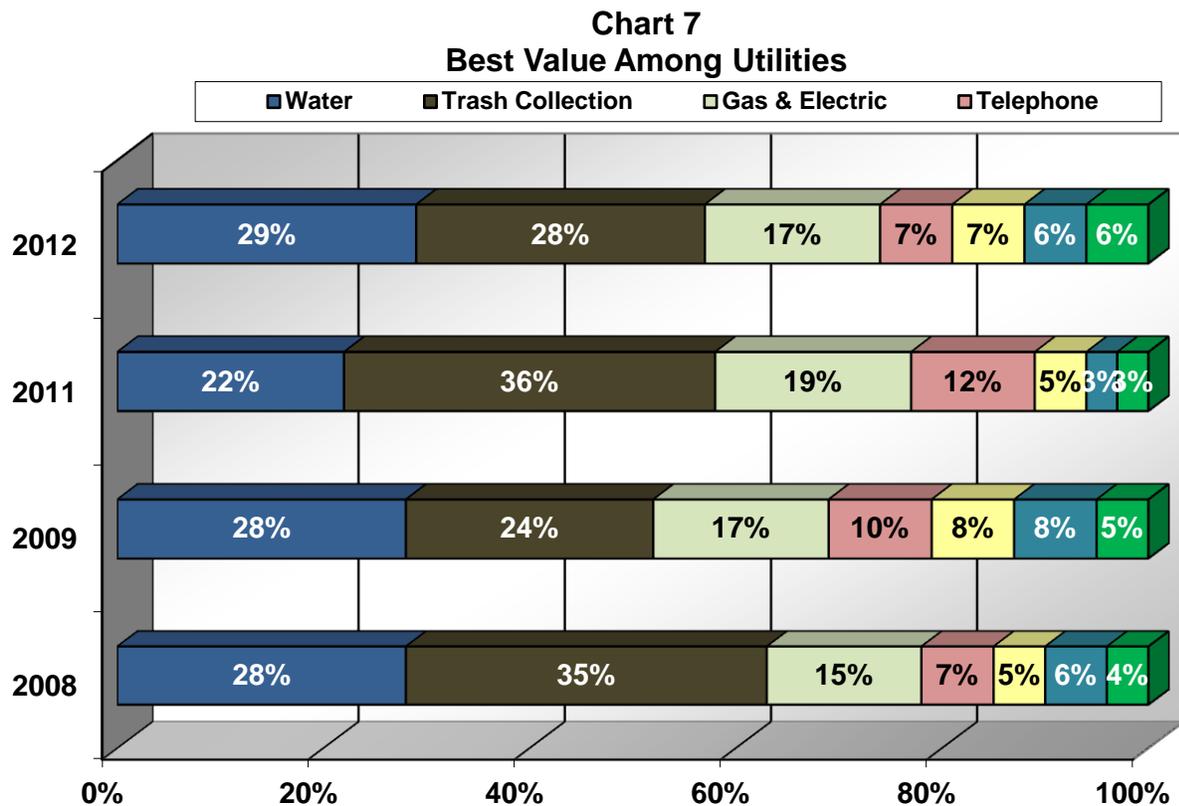
**Chart 6**  
**Satisfaction with Customer Service**  
 (among the 9% who had called)  
 (2.60 = mean on 1-5 scale where 1 = Excellent)



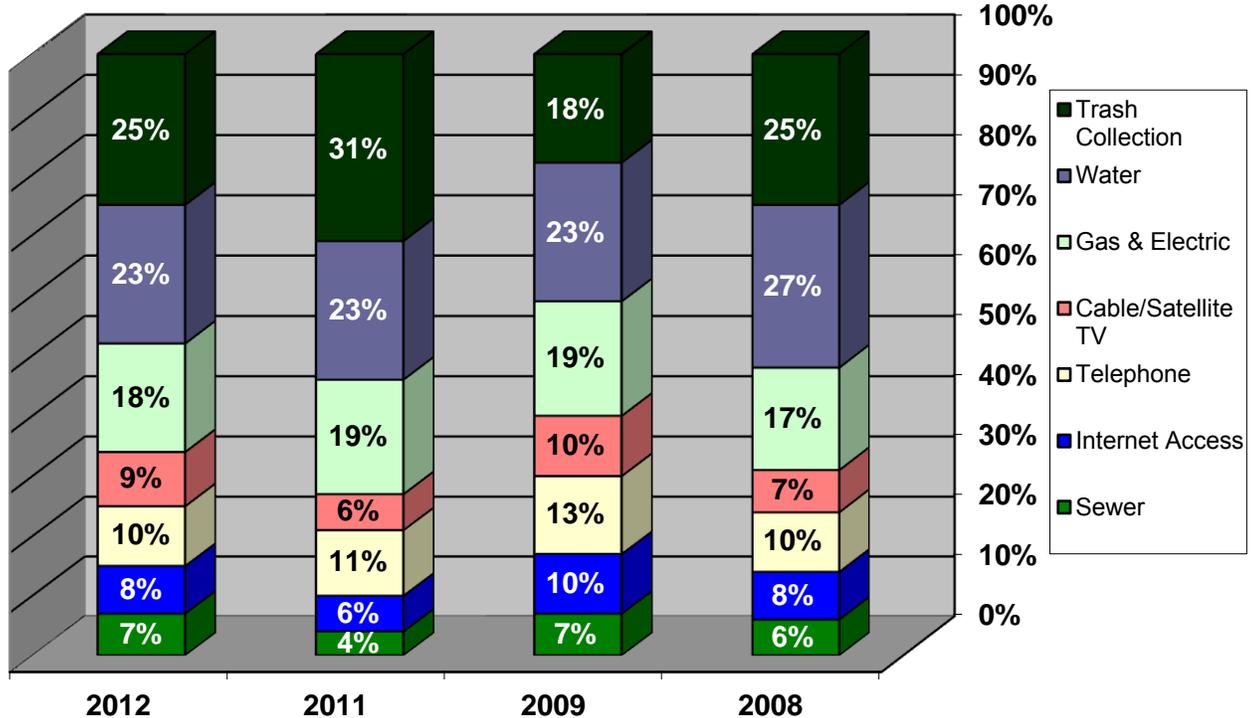
**Chart 7** indicates that 29 percent of Otay Water District customers rate water as the utility with the best value for the money paid. Trash collection (28 percent) and gas and electric (17 percent) follow water in perceived value. This represents a reversal from the 2011 ratings where trash collection was rated as the utility with the best value followed by water; moreover, the current 2012 ratings represent a return to 2009 where water was rated as the best value and trash collection was rated second.

- Customers who prefer to communicate in English rate trash collection as the best value (English: 37 percent versus Spanish: 17 percent).
- Customers who prefer Spanish rate water as the best value (Spanish: 58 percent versus English: 20 percent).

**Chart 8** further analyzes the customers’ ratings regarding the utility with the best value by accounting for second and third rankings. Using a composite ranking that takes first, second, and third rankings for each utility into account, trash collection becomes the utility with the best value followed by water and gas and electric. Other utilities are far behind by comparison. In 2011, trash collection also emerged as the best value when composite, weighted rankings were used. Similarly, water and gas and electric followed in second and third place.



**Chart 8**  
**Best Value Among Utilities--Weighted**  
 (Utilities ranked 1-2-3 and tallied 3 points for first, 2 points for second, and 1 point for third)



### Water Conservation

***SUMMARY:*** Well over half (55 percent) of respondents believe that water rates have increased over the past year and 25 percent think that rates have stayed the same. This represents a considerable decline over the previous two survey periods in terms of those who believe water rates have increased. For example, in the 2009 and 2011 surveys, about 7 in 10 customers believed that water rates had gone up over the previous year – approximately 15 percent more than in the current 2012 survey.

Among those who believe water rates have increased in the previous year, less rain in San Diego received the highest percentage of the blame (15 percent). Increased management costs of the Otay Water District received the second highest percentage of responses (14 percent).

Among those who feel that water rates have gone up during the previous year, well over one-half (55 percent) have indicated that these higher water rates have caused their overall satisfaction with the Otay Water District to decline.

Among those who think that water rates have increased, 79 percent indicate that these higher rates have motivated them to conserve water. This is indicative of a steady increase in the percentage of those who are motivated to conserve water from previous surveys in 2008, 2009, and 2011. Among the customers who indicate that higher water rates have motivated them to

*conserve water and have taken specific steps to conserve water, during the past 6 months, nearly one fifth (17 percent) spend less time watering outdoors and 11 percent take shorter showers.*

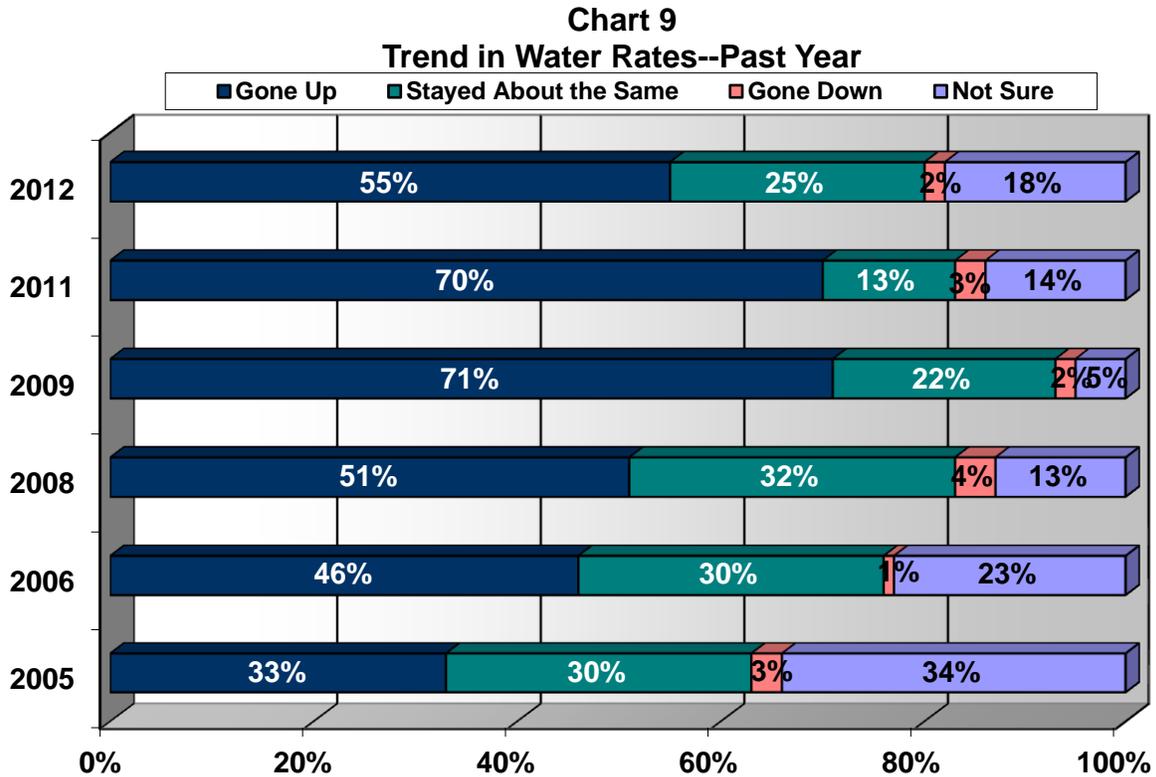
*More than 7 in 10 customers have some landscaping area for which their household is responsible. This is reasonably consistent with the findings of the 2011 survey where 75 percent had responsibility for some landscaping. More than three-fifths of respondents (61 percent) have landscaping area that includes a lawn – somewhat less than the 66 percent of respondents who were responsible for a lawn in 2011.*

*Eight out of ten customers (80 percent) of customers have automatic adjustable controllers. These customers have adjusted their controllers an average of 4.0 times during the past year. This mean adjustment is somewhat less than the average adjustment reported by customers in 2011 -- 4.7 times per year. The current mean adjustment is closer to the 2009 figure (4.1 times per year) and 2008 (4.4 times per year).*

*Respondents were asked if they had ever seen or heard about the Cuyamaca College Water Conservation Garden and nearly one-half of the respondents (48 percent) responded in the affirmative; 27 percent of all respondents have, in fact, visited the Cuyamaca College Water Conservation Garden. This represents an increase of 11 percent in visitation from the 2011 survey where 16 percent of respondents visited the Garden. The visitation pattern in the current survey is consistent with the patterns found in the 2008 survey (22 percent) and the 2009 survey (28 percent). Nearly three-fifths (59 percent) of those who visited the Water Conservation Garden made changes to their landscaping that resulted from that visit. This represents an increase among visitors who made changes to their watering and landscaping practices from 2011 where 48 percent made such changes.*

**Water Rates and Conservation:** Chart 9 indicates that 55 percent of respondents believe that water rates have increased over the past year and 25 percent think that rates have stayed the same. This represents a considerable decline over the previous two survey periods in terms of those who believe water rates have increased. For example, in the 2009 and 2011 surveys, about 7 in 10 customers believed that water rates had gone up over the previous year – approximately 15 percent more than in the current 2012 survey. A substantially smaller percentage of customers in the 2005, 2006, and 2008 surveys thought that water rates increased than did the customers in the current survey and in the 2009 and 2011 surveys. For example, in 2005, 33 percent thought water rates increased; in 2006, 46 percent thought rates increased – 9 percent less than the comparable percentage in the current survey.

- The longer term customers of the District tend to believe that water rates have gone up in the past year more so than do more recent customers (10 years or more – 62 percent versus 9 years or fewer – 43 percent).

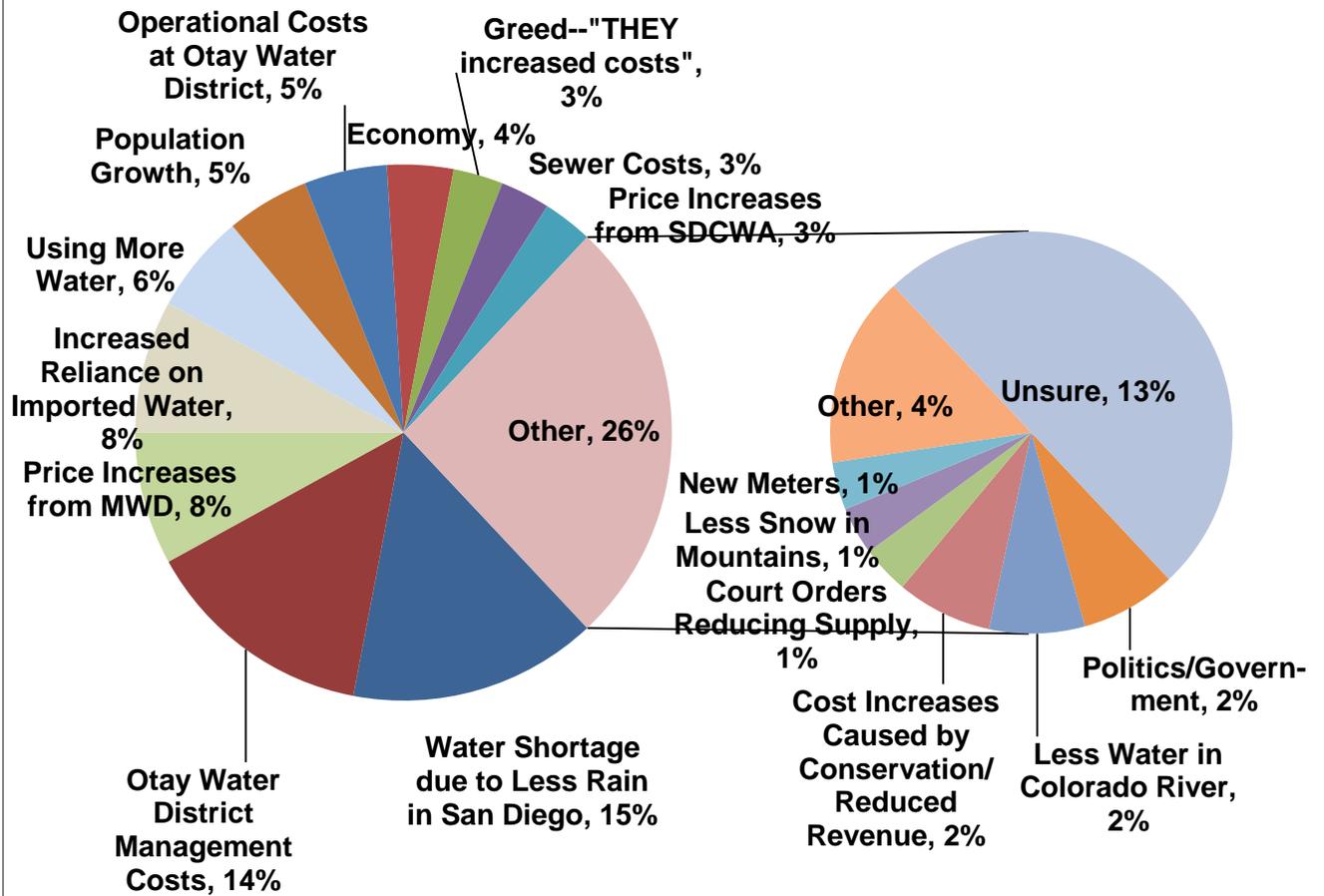


**Chart 10** indicates that, among those who believe water rates have increased in the previous year, less rain in San Diego received the highest percentage of responses as being the cause of these increased rates (15 percent). Increased management costs of the Otay Water District received the second highest percentage of responses (14 percent). Price increases from the Metropolitan Water District (MWD) and increased reliance on imported water each received 8 percent of the responses.

**Chart 11** shows that, among those who feel that water rates have gone up during the previous year, well over one-half (55 percent) have indicated that these higher water rates have caused their overall satisfaction with the Otay Water District to decline. It is noteworthy that this finding has apparently not significantly affected the consistently high overall customer satisfaction with the Otay Water District.

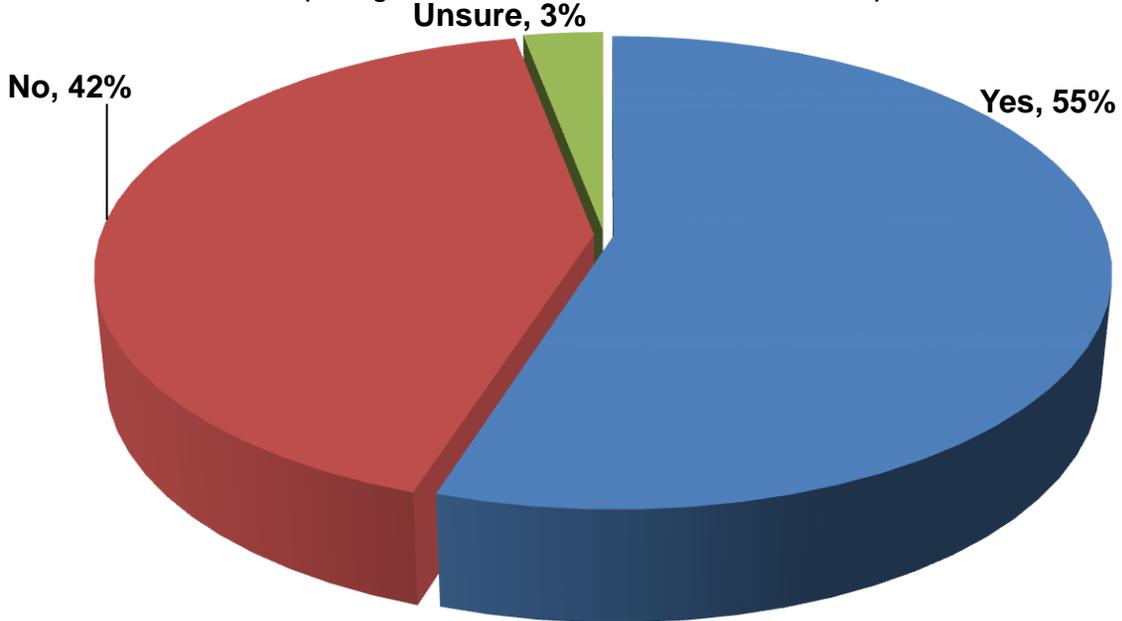
Among those who think that water rates have increased, 79 percent indicate that these higher rates have motivated them to conserve water. This is indicative of a steady increase in the percentage of those who are motivated to conserve water from previous surveys in 2008, 2009, and 2011 where 61 percent, 66 percent, and 71 percent, respectively, were motivated by higher rates to conserve water (**Chart 12**).

**Chart 10**  
**Reasons that Otay Water District Customers Cite for Increased Rates**  
 (among 55% who indicated that rates had increased)



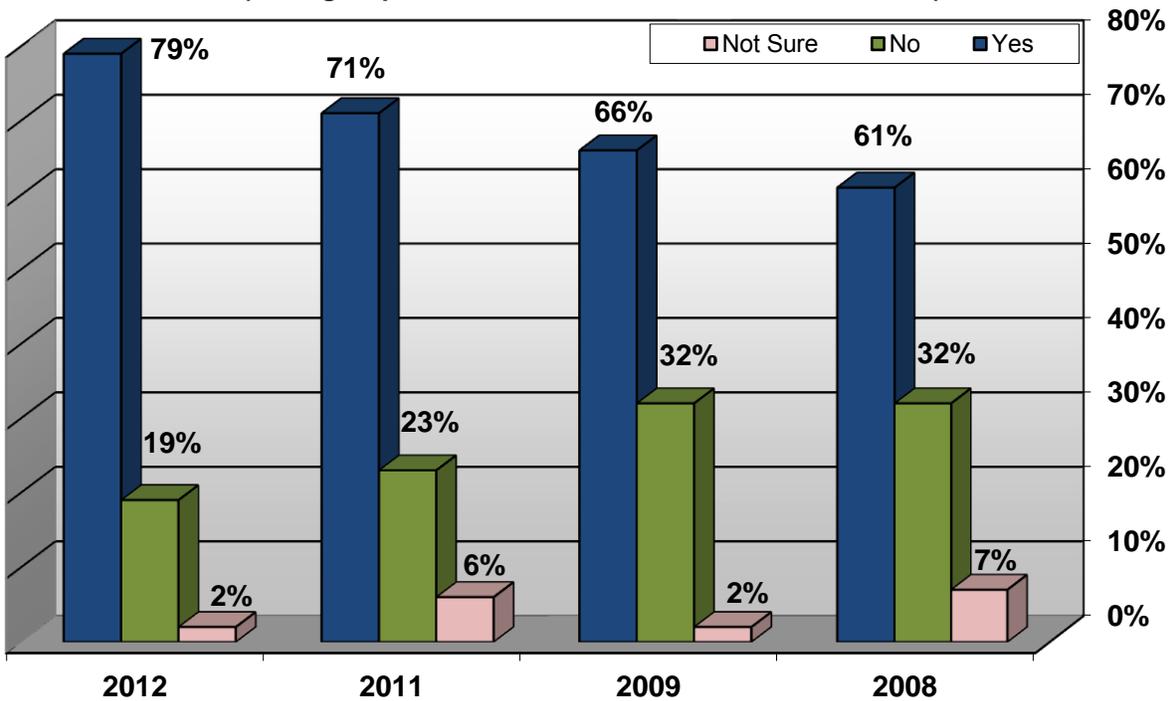
**Chart 11**  
**Rate Increases Have Affected Satisfaction with Otay Water District**

(among 55% who indicated that rates had increased)



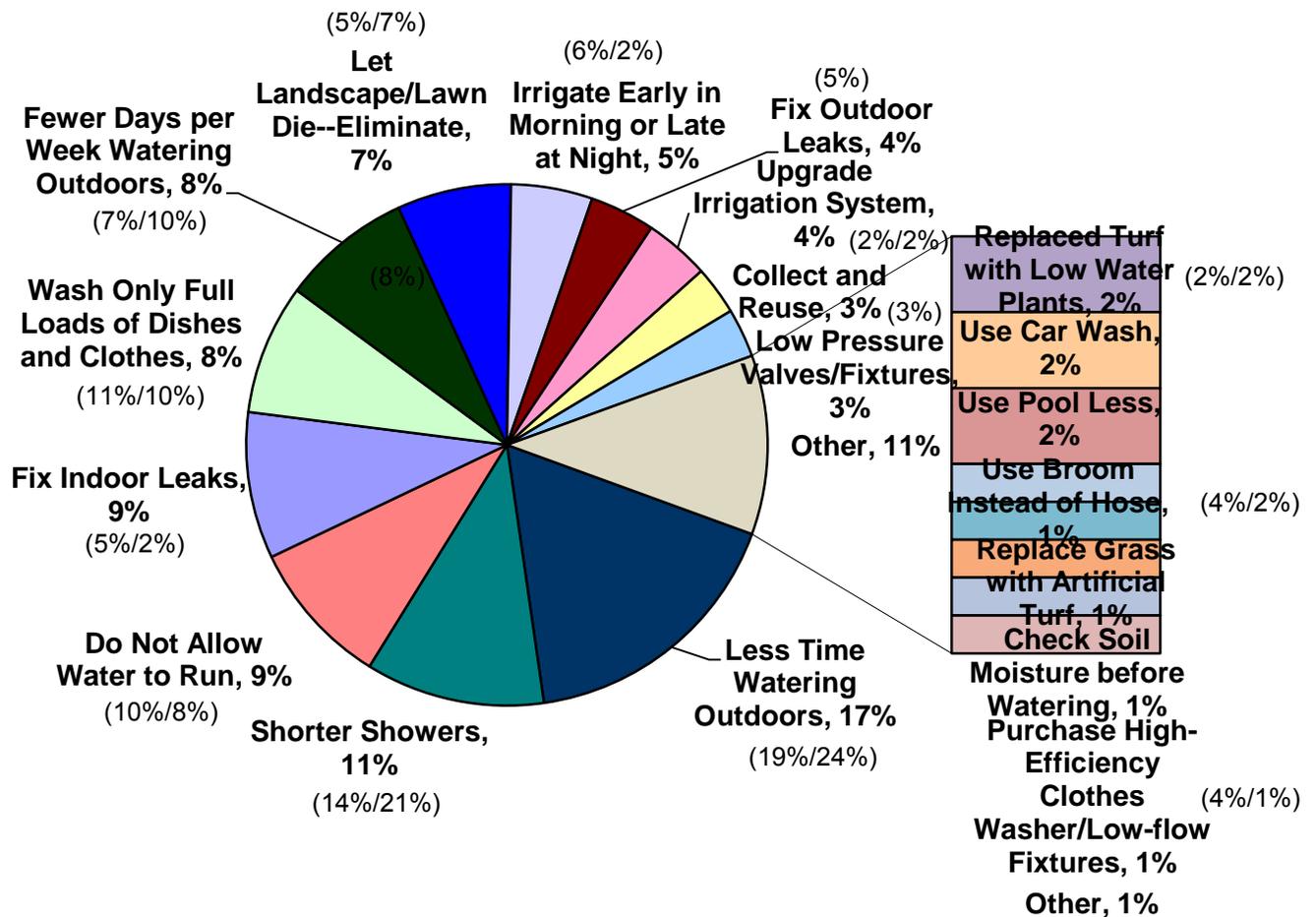
**Chart 12**

**Conservation Motivated by Higher Rates**  
 (among 55 percent who think that rates have increased)



**Chart 13** shows that among customers who indicate that water rates have increased and have taken specific steps to conserve water, during the past 6 months, nearly one-fifth (17 percent) spend less time watering outdoors and 11 percent take shorter showers. Some customers do not allow water to run and they fixed indoor leaks (each 9 percent). Other customers watered outdoors fewer days per week and washed only full loads of clothes (each 8 percent). Similar to the current survey, customers in the 2011 survey also indicated that the dominant methods they used to conserve water were through spending less time watering outdoors (19 percent) and taking shorter showers (14 percent).

**Chart 13**  
**Conservation Steps Undertaken in Past Year**  
 (by 50 percent who think that rates have increased and have taken conservation steps in response--numbers in parentheses are 2011/2009 responses)



**Lawn/Landscaping:** **Chart 14** indicates that 72 percent of customers have some landscaping area for which their household is responsible. This is consistent with the findings of the 2011 survey where 75 percent had responsibility for some landscaping. The responsibility for some landscaping area is considerably lower than in 2005 and 2008 where 84 percent of respondents were responsible for landscaping. More than three fifths of respondents (61 percent) have landscaping area that includes a lawn – somewhat less than the 66 percent of respondents who were responsible for a lawn in 2011.

- Whites (75 percent), African-Americans (75 percent), and Asians (74 percent) tend to have outdoor landscaping that someone in their household is directly for maintaining more so than do Latinos (60 percent).
- Younger and middle-aged residents tend to be responsible for a lawn more so than are older residents (54 and younger – 92 percent versus 55 and older – 79 percent).

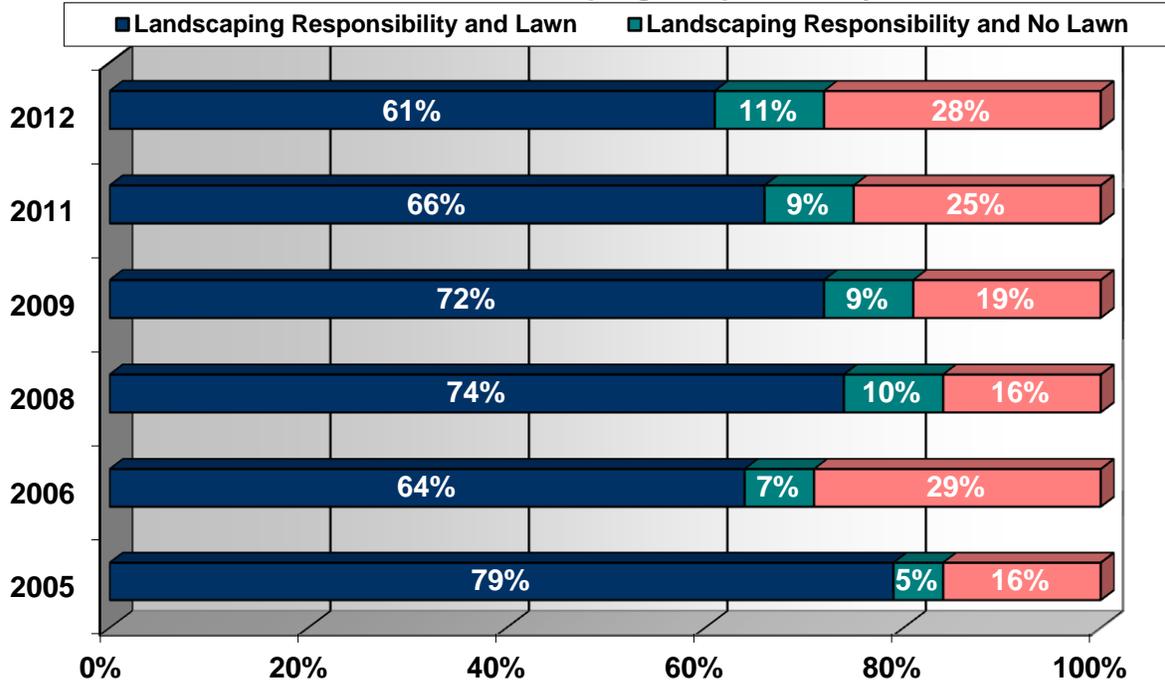
**Chart 15** indicates that 80 percent of customers have automatic adjustable controllers. . These customers have adjusted their controllers an average of 4.0 times during the past year. This mean adjustment is somewhat less than the average adjustment reported by customers in 2011 -- 4.7 times per year. The current mean adjustment is closer to the 2009 figure (4.1 times per year) and 2008 (4.4 times per year).

The following relationships related to having an automatically-controlled sprinkler system for landscaping are significant:

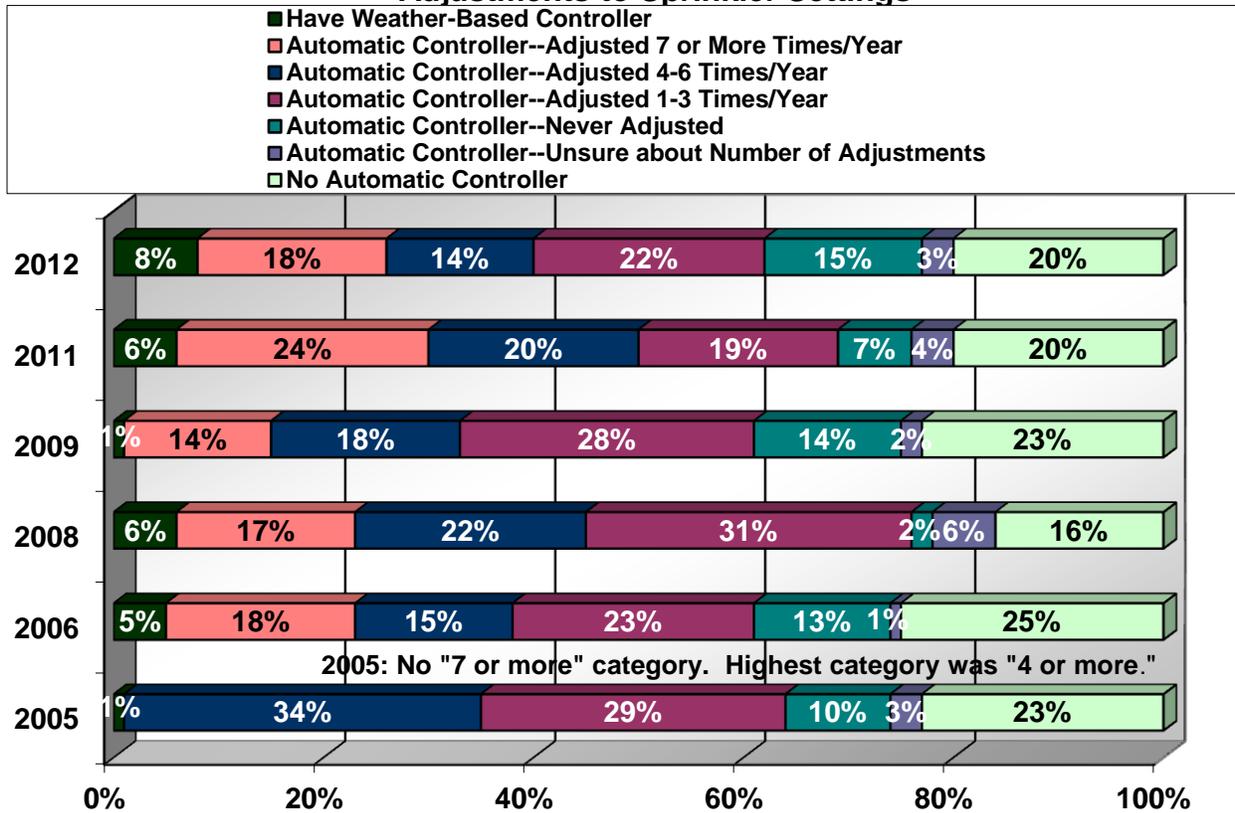
- Younger and middle-aged residents (54 and under – 87 percent) are more likely than are older residents (55 and older – 72 percent) to have an automatic sprinkler system.
- Customers who have resided in the District for a shorter period of time (24 years and under – 73 percent) are more likely to have automatic sprinkler systems than are longer term customers (25 years and over – 62 percent).
- Customers who earn \$75,000 or more (89 percent) tend to have automatic sprinklers more so than do customers who earn less than \$75,000 (76 percent).

**Cuyamaca College Water Conservation Garden:** A Water Conservation Garden is located at Cuyamaca College in El Cajon. The Garden demonstrates various drought resistant and water efficient plants in an attractive and educational environment. Respondents were asked if they had ever seen or heard about the Garden and nearly one-half of the respondents (48 percent) responded in the affirmative; 27 percent of all respondents have, in fact, visited the Cuyamaca College Water Conservation Garden. This represents an increase of 11 percent in visitation from the 2011 survey where 16 percent of respondents visited the Garden. The visitation pattern in the current survey is consistent with the patterns found in the 2008 survey (22 percent) and the 2009 survey (28 percent) (**Chart 16**).

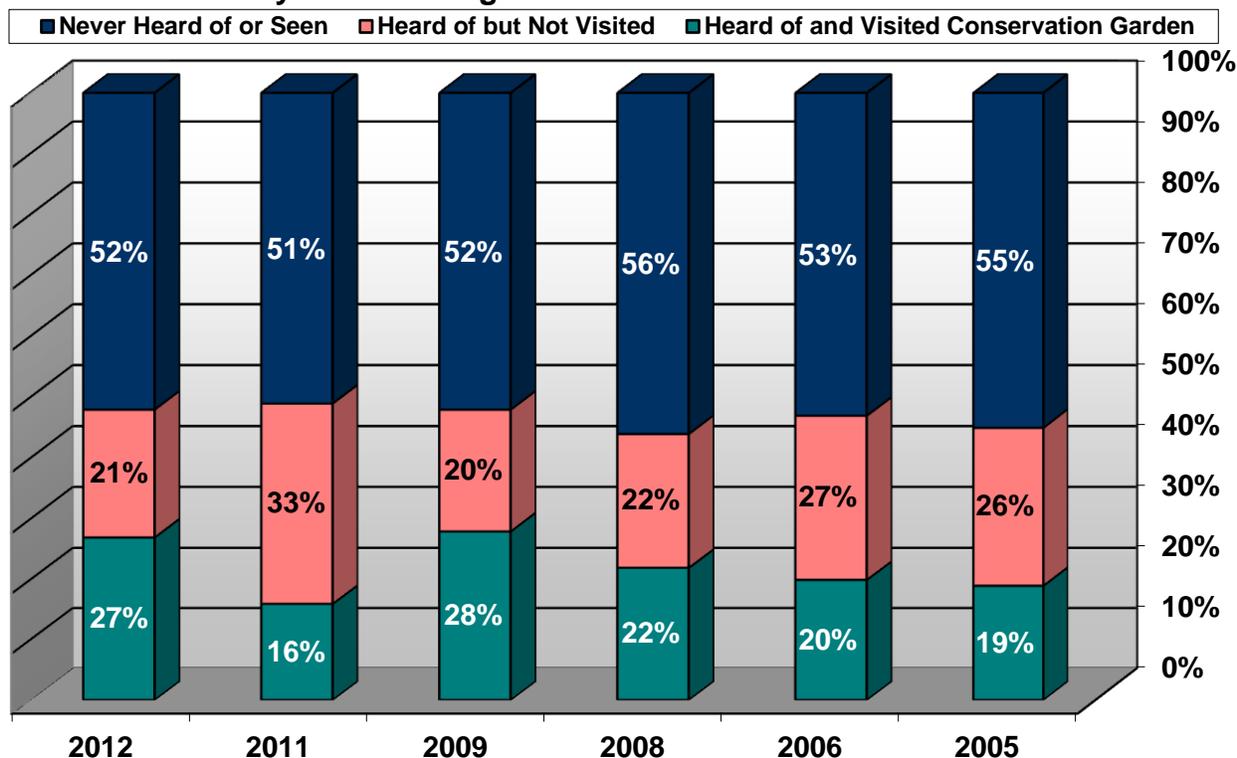
**Chart 14  
Lawn/Landscaping Responsibility**



**Chart 15  
Adjustments to Sprinkler Settings**



**Chart 16**  
**Have Seen/Heard of/Visited**  
**Cuyamaca College Water Conservation Garden**



The following subgroups are more likely to have heard or seen something about the Cuyamaca College Water Conservation Garden:

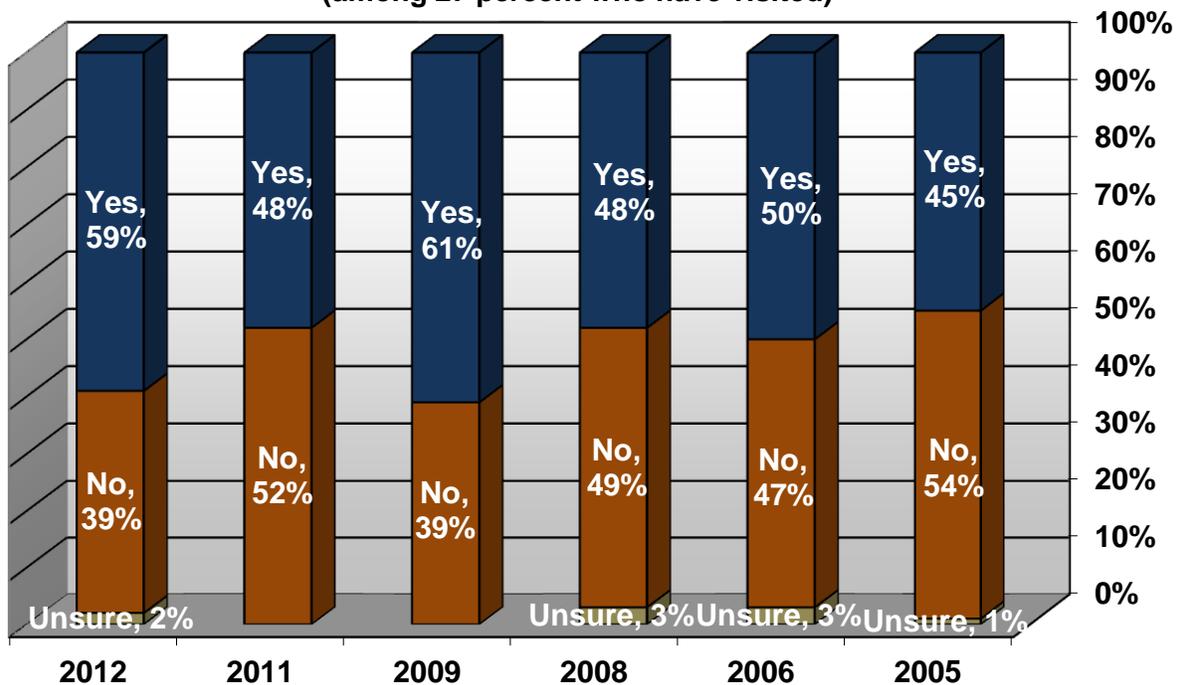
- Longer-term customers of the Otay Water District (10 or more years – 59 percent) versus shorter term customers (9 or fewer years – 30 percent).
- Homeowners (50 percent) versus renters (25 percent).
- Whites (56 percent) as opposed to Latinos (36 percent), Asians (32 percent), and African-Americans (25 percent).
- Smaller household sizes (1 – 4 persons per household – 51 percent) versus larger households of 5 persons or more (32 percent).
- Hearing or seeing information about the Water Conservation Garden increases with age (18 - 34 – 19 percent); 35 or more – 50 percent).

The following subgroups are more likely to have visited the Cuyamaca College Water Conservation Garden:

- Whites (66 percent) and African-Americans (60 percent) versus Asians (27 percent).
- Longer term residents of the Otay Water District (10 or more years --- 63 percent) as opposed to shorter term customers (9 or fewer years – 38 percent).

**Chart 17** shows that nearly three-fifths (59 percent) of those who visited the Water Conservation Garden made changes to their landscaping that resulted from that visit. This represents an increase among visitors who made changes to their watering and landscaping practices from 2011 where 48 percent made such changes. The results of the current survey are more consistent with households in 2009 (61 percent) than they are with households in 2005 (45 percent), 2006 (50 percent), and 2008 (48 percent) in terms of those who made changes to their landscaping as a result of visiting the Garden.

**Chart 17**  
**Have Made Chages Due to Visit(s) to Water Conservation Garden**  
 (among 27 percent who have visited)



### Bill Payment

***SUMMARY:*** Over three-fifths (63 percent) of customers are either very satisfied (40 percent) or somewhat satisfied (23 percent) with the new design of the water bill. Among those who are not satisfied with the new design, the suggested improvements focused on making the bill simpler, allowing comparison between current monthly charges and charges from the previous month, and providing explanations concerning how the bill was calculated.

Over two fifths (41 percent) of customers pay their bill on-line. Well over one-third (36 percent) pay by sending a check in the mail, nearly one-fifth (18 percent) pay their bill through automatic bank deductions, and others pay by credit card over the telephone and in

*person at District offices (2 percent each). It is noteworthy that 48 percent of customers would prefer to pay on-line (7 percent more than actually do so) and 29 percent would prefer to use postal mail (6 percent less than actually do so). In comparison to the results of the 2011 survey, these current findings represent a decline in the percentage of customers who said that they pay their bill on line and an increase among customers who pay their bill through postal mail.*

*Among customers who do not pay on-line and have a reason for not doing so, well over one-half (55 percent) indicate that there is nothing the District can do to make paying on-line more appealing and one-fifth (20 percent) do not really know what the District can do in this regard. In 2012, customers who do not want to pay on-line are much firmer in their resolve that the District can do nothing to motivate them to do so— this percentage increased substantially from 37 percent in 2011 to 55 percent in the current survey.*

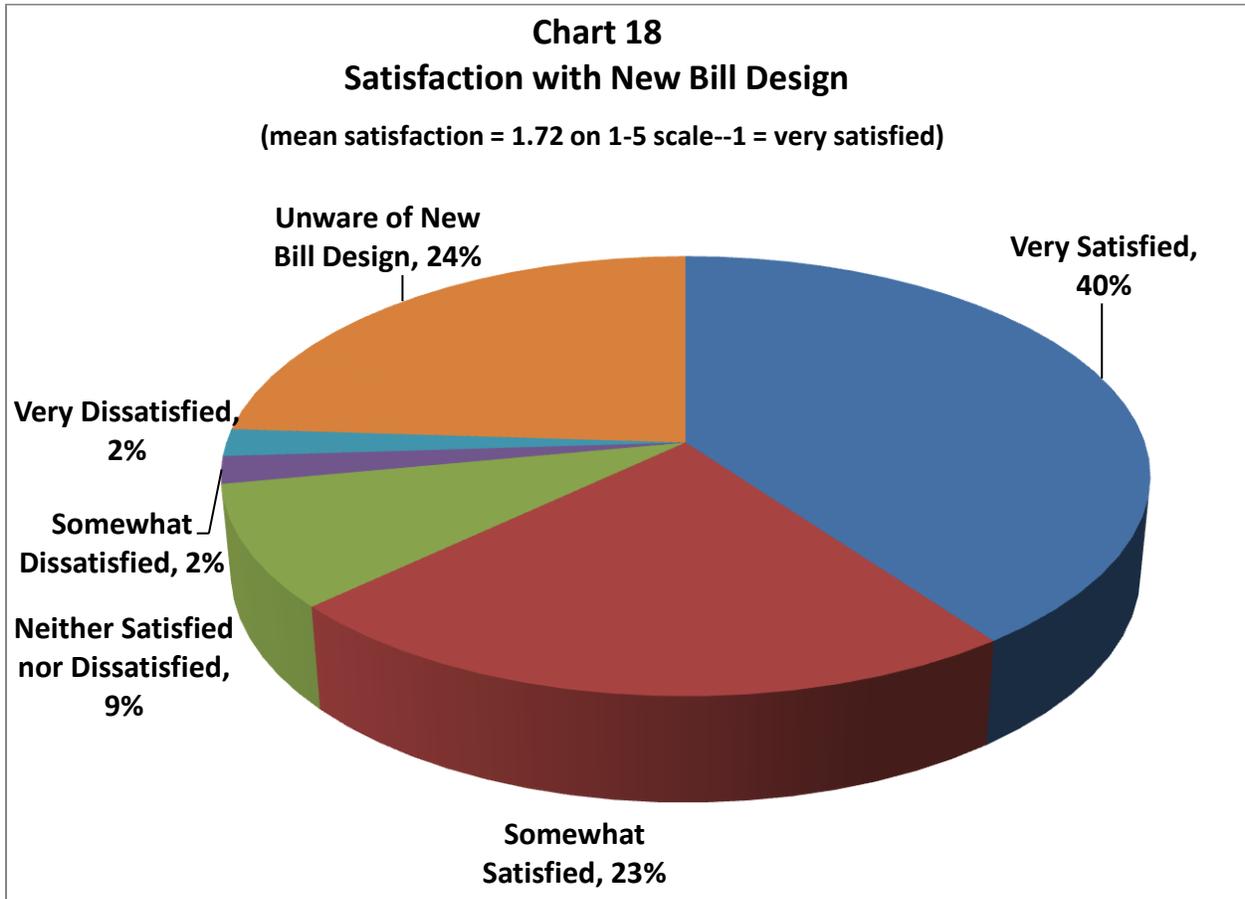
*Over two fifths (43 percent) of customers of the Otay Water District would prefer to receive their bill by e-mail instead of through the Postal Service. This preference has declined to some extent from the results of the 2011 survey where one half of the customers indicated a preference to receive their bill by e-mail. However, the preference for e-mail expressed in both the 2011 and 2012 surveys represent an increase since 2008 and 2009.*

*Regardless of their current interest in receiving bills by e-mail, there is a greater degree acceptance that future bill paying will likely be paperless. Customers were asked if they were likely to receive their bill from the District by e-mail and then proceed to make their payment by one of various paperless methods other than by check or cash within the next 1-2 years. Over three-fifths of customers (61 percent) indicated that this was likely – 45 percent very likely and 16 percent somewhat likely. This response is consistent with the response in 2011 where 58 percent were predisposed to receive their bill by e-mail and then pay the bill through a method other than the Internet. Among the 39 percent of customers who indicated that they are unlikely to utilize a paperless system, over four-fifths (43 percent) voiced the concern that the paperless option does not afford a paper record for bookkeeping and taxes and 15 percent indicate that they do not use computers very often.*

**Chart 18** shows that over three-fifths (63 percent) of customers are either very satisfied (40 percent) or somewhat satisfied (23 percent) with the new design of the water bill. Among those who are not satisfied with the new design, only a few respondents made suggestions to improve the design of the water bill: 9 customers feel that the bill design is too complicated and should be simpler and more user friendly; 3 customers desire comparisons between the current charge and the charge of the previous month; and, 2 others want an explanation of how the price was calculated.

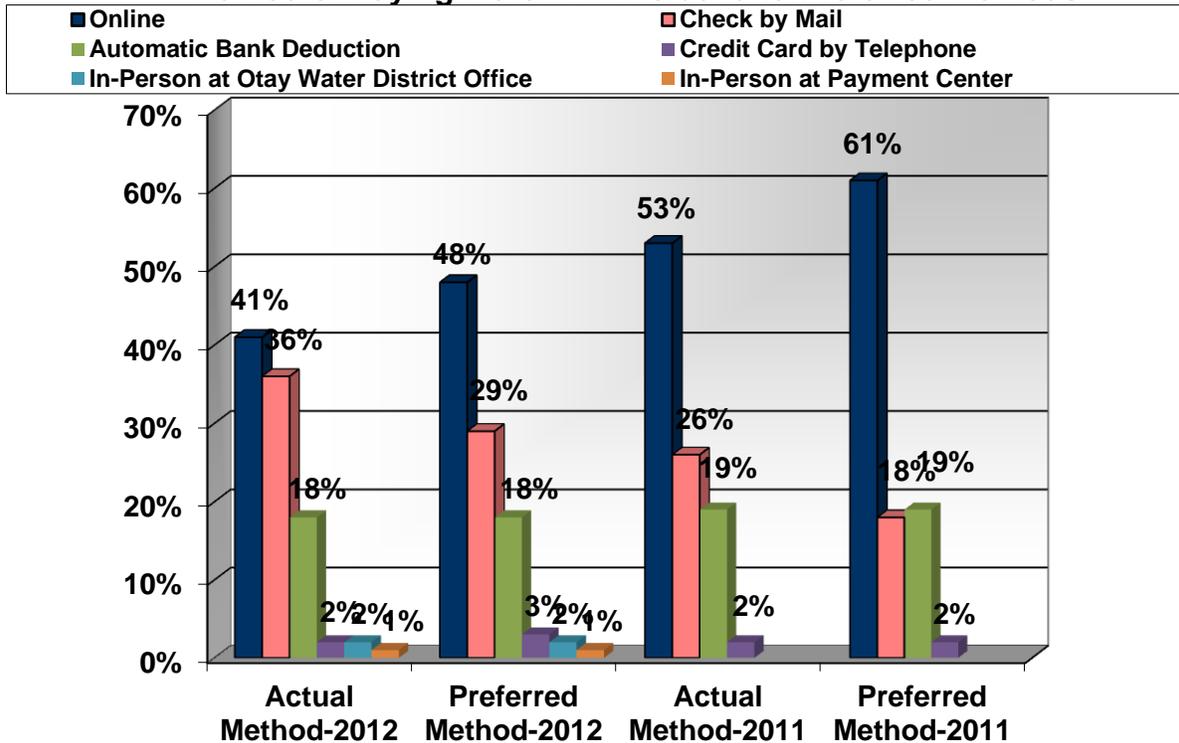
Customers who are satisfied in their ability to understand the new water bill design are characterized as follows (scale: 1 = very satisfied, 2 = somewhat satisfied, 3 = neither satisfied nor dissatisfied, 4 = somewhat dissatisfied, and 5 = very dissatisfied):

- Older residents (35 and over – mean of 2.64) versus younger residents (18-34 – mean of 3.38).
- Longer term residents (4 to 34 years – mean of 2.53) as opposed to the most recent residents (3 years of less – mean of 3.25).



**Chart 19** shows that over two fifths (41 percent) of customers pay their bill on line. Well over one-third (36 percent) pay by sending a check in the mail, nearly one-fifth (18 percent) pay their bill through automatic bank deductions, and others pay by credit card over the telephone and in person at District offices (2 percent each). It is noteworthy that 48 percent of customers would prefer to pay on-line (7 percent more than actually do so) and 29 percent would prefer to use postal mail (6 percent less than actually do so). In comparison to the results of the 2011 survey, these current findings represent a decline in the percentage of customers who indicate that they pay their bill on line and an increase among customers who pay their bill through postal mail. Specifically, in 2011, 53 percent reported that they pay their bill on-line and 26 percent sent a check by postal mail. There was an indication by the Otay Water District staff in 2011 that the 53 percent indication of on-line payment of the bill was higher than actual; therefore, the 41 percent in 2012 is much more likely to be reflective of the bill paying behavior of Otay Water District customers than was the 2011 data.

**Chart 19  
Method of Paying Water Bill: Actual and Preferred Methods**



The results of the 2006 and 2008 Call Center surveys (separate opinion surveys about the quality of customer service among those who had called the Otay Water District for customer service) showed that fewer than 20 percent of customers paid their bill on-line. This compares to over 40 percent in the current 2012 survey and to over 50 percent in the 2011 survey; however, the 2011 and 2012 surveys are among all customers of the District whereas the Call Center surveys were only among those who had interacted with the Customer Service Call Center. As such, caution is urged in making direct comparisons.

The following subgroups are more likely to indicate paying their water bill on-line (Internet);

- Females (47 percent) versus males (36 percent).
- Shorter term customers (9 or fewer years – 51 percent) as opposed to longer term customers (10 or more years – 35 percent).
- Renters (49 percent) versus owners (41 percent).
- Customers with a greater level of education (more than high school – 44 percent) versus high school or less – 28 percent).
- African-Americans (55 percent) and Latinos (50 percent) versus Whites (36 percent).
- Customers with higher income levels (\$50,000 or more – 47 percent) versus those with lower income levels (under \$50,000 – 22 percent).

The following two subgroups tend to pay their water bill by sending a check in the mail;

- Homeowners (37 percent) versus renters (21 percent)

- Older customers (55 and older – 48 percent) as opposed to younger customers (54 and under – 25 percent).

The following subgroups indicated that they would prefer to pay their bill on-line no matter how they currently pay their bill;

- Renters (58 percent) versus homeowners (47 percent).
- Customers with a higher level of education (more than high school – 51 percent) versus those with less education (high school or less – 36 percent).
- African-Americans (65 percent), Latinos (57 percent), and Asians (57 percent) versus Whites (40 percent).
- Customers with higher income levels (\$50,000 and over – 55 percent) as opposed to those with lesser income levels (under \$50,000 – 26 percent).
- Larger household sizes of 3 or more persons (55 percent) versus smaller household sizes of 1 or 2 persons (39 percent).

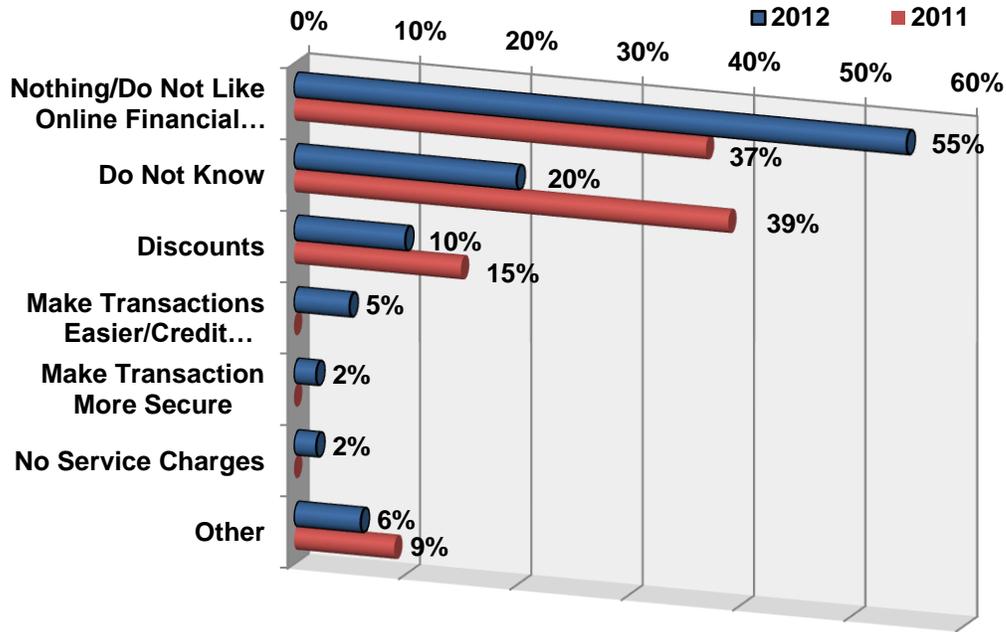
The following two subgroups would prefer to pay their water bill by sending a check in the mail no matter how they currently pay their bill.

- Residents in the oldest age group (65 and older – 50 percent versus all other age groups -- 16 percent).
- Homeowners (30 percent) versus renters (12 percent).

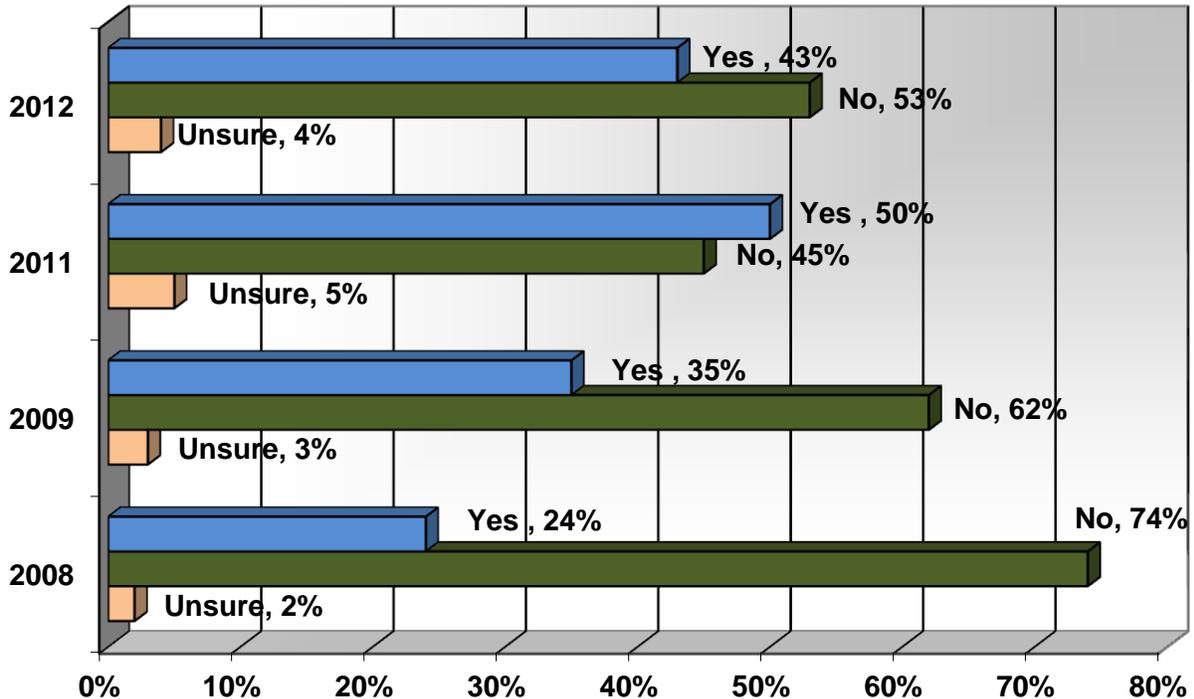
**Chart 20** shows that, among customers who do not pay on-line and indicate a reason for not doing so, well over one-half (55 percent) indicate that there is nothing the District can do to make paying on line more appealing and one-fifth (20 percent) do not really know what the District can do in this regard. A relatively small percentage (10 percent of the 59 percent who do not pay online = 6 percent of all customers) indicates that discounts on their bill would make paying on-line more appealing. In 2012, customers who do not wish to pay on-line are much firmer in their resolve that the District can do nothing to motivate them to do so– the percentage increased substantially from 37 percent to 55 percent. Consistent with this finding, the uncertainty about what the District can do to make on-line bill paying more appealing declined from 39 percent to 20 percent.

**Chart 21** shows that over two fifths (43 percent) of customers of the Otay Water District would prefer to receive their bill by e-mail instead of through the Postal Service. This preference has declined to some extent from the results of the 2011 survey where one half of the customers indicated a preference to receive their bill by e-mail. However, the preference for e-mail expressed in both the 2011 and 2012 surveys represent an increase since 2008 (24 percent expressed interest in receiving their bill by e-mail) and 2009 (35 percent expressed preference for e-mail).

**Chart 20**  
**What Can the District Do to Make Paying Online**  
**a More Appealing Option?**  
 (asked of 59% who do not pay online)



**Chart 21**  
**Receive Monthly Bill by E-mail?**

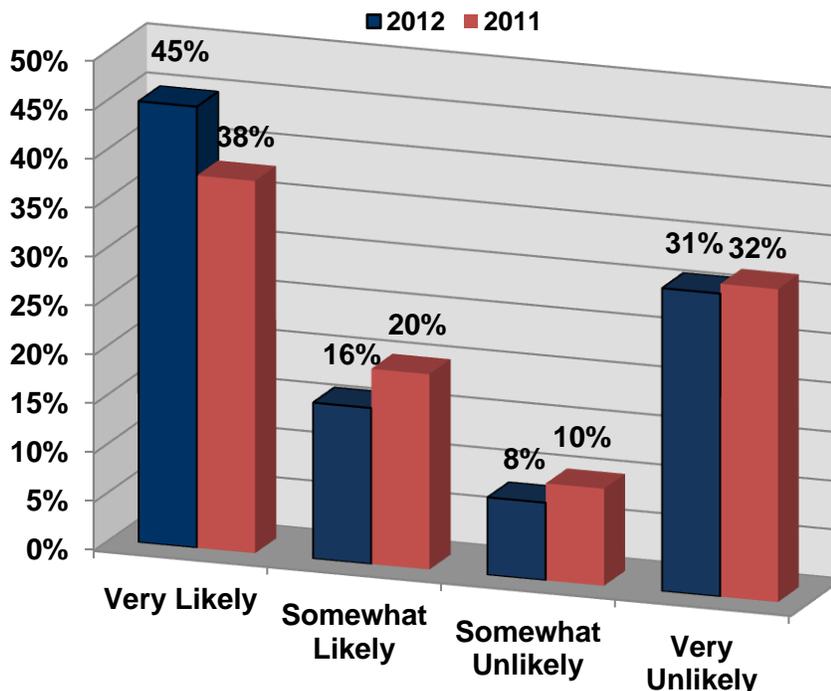


The following subgroups are more likely to be interested in receiving their monthly bill by e-mail instead of through the postal service:

- The most recent customers of the District (3 or fewer years – 62 percent) versus longer term residents (4 or more years – 40 percent).
- All age groups under 65 (58 percent) as opposed to customers who are 65 and older (20 percent).
- Customers with higher income levels (\$50,000 or more – 52 percent) versus customers at lower income levels (under \$50,000 – 26 percent).
- Larger households of 3 or more persons (51 percent) versus smaller households of 1 or 2 persons (35 percent).

Regardless of their current interest in receiving bills by e-mail, there is a greater degree acceptance that future bill paying will likely be paperless. Customers were asked if they were likely to receive their bill from the District by e-mail and then proceed to make their payment by one of various paperless methods other than by check or cash within the next 1-2 years. Over three-fifths of customers (61 percent) indicated that this was likely – 45 percent very likely and 16 percent somewhat likely (**Chart 22**). This response is consistent with the response in 2011 where 58 percent were predisposed to receive their bill by e-mail and then pay the bill through a method other than the Internet. It is encouraging that the current survey shows a 7 percent increase in the percentage of customers who feel that paperless bill paying is very likely (38 percent in 2011 and 45 percent in 2012).

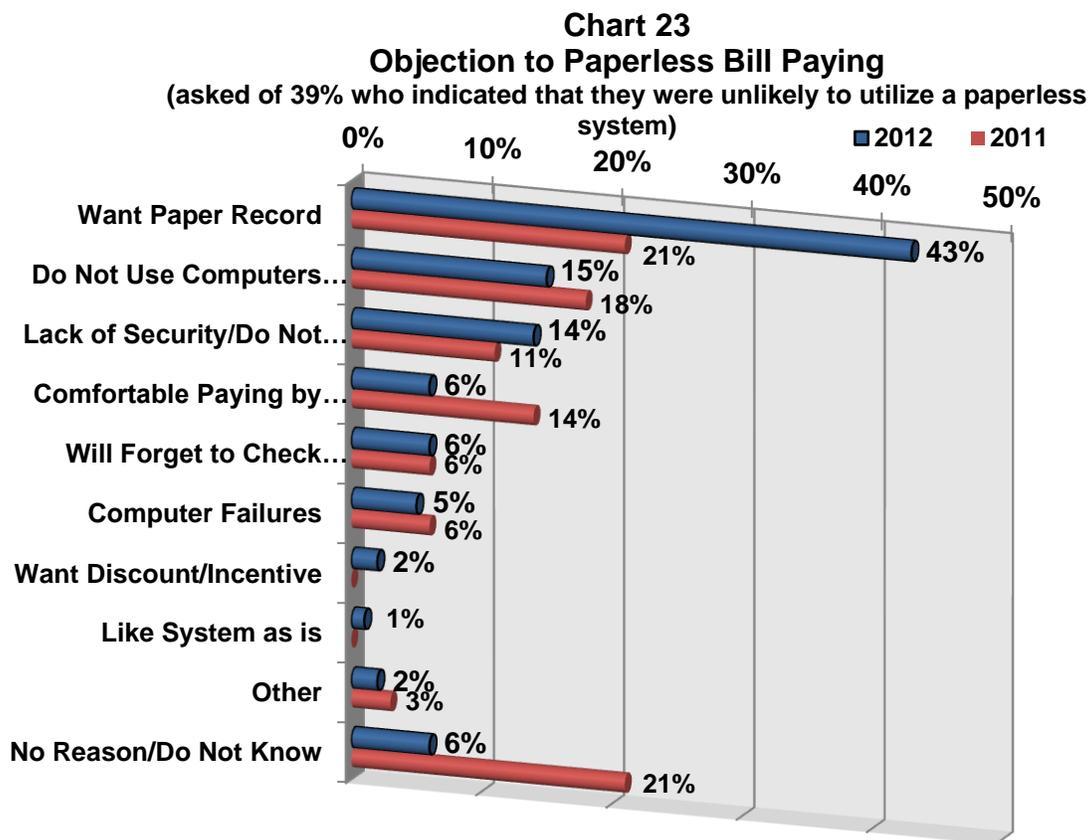
**Chart 22**  
**Likelihood of Paperless Bill Paying Within Next 1-2 Years**



Customers who are more likely to move toward a paperless system of bill payment in the next year or two are characterized as follows (scale: 1 = very likely, 2 = somewhat likely, 4 = somewhat unlikely, and 5 = very unlikely):

- African-Americans (1.65) and Latinos (1.97) versus Whites (2.42).
- Younger residents (18-34 – mean of 1.73) versus older residents (65 and over – mean of 2.95).
- Customers with higher incomes (\$50,000 and over – mean of 2.04) as opposed to customers with lower incomes (\$25,000-\$50,000 – mean of 2.79).
- The most recent residents of the District (3 years or less – mean of 1.74) versus longer term residents (4 years or more – 2.38).
- Larger households of 3 to 5 persons (mean of 2.08) versus small households of 2 persons (mean of 2.54).

**Chart 23** shows that, among the 39 percent of customers who indicated that they are unlikely to utilize a paperless system, over two-fifths (43 percent) voiced the concern that the paperless option does not afford a paper record for bookkeeping and taxes and 15 percent indicate that they do not use computers very often. The percentage of customers who are concerned that the paperless option does not afford a paper record more than doubled since the 2011 survey (21 percent in 2011 to 43 percent in 2012). Another 14 percent indicate that trust and security is a concern for them in the potential use of the computer for bill paying.



## Communication

***Summary:*** *Nearly three-fifths (59 percent) of the respondents think that using their home e-mail is a good way to receive information from the Otay Water District. More than 3 in 10 customers (31 percent) always read the newsletter or bill inserts that come in the mail with the monthly water bill, 21 percent read these materials most months, and another 34 percent read them sometimes, leaving 14 percent who never read the newsletter or bill inserts. These results show a consistent increase in readership patterns since 2008.*

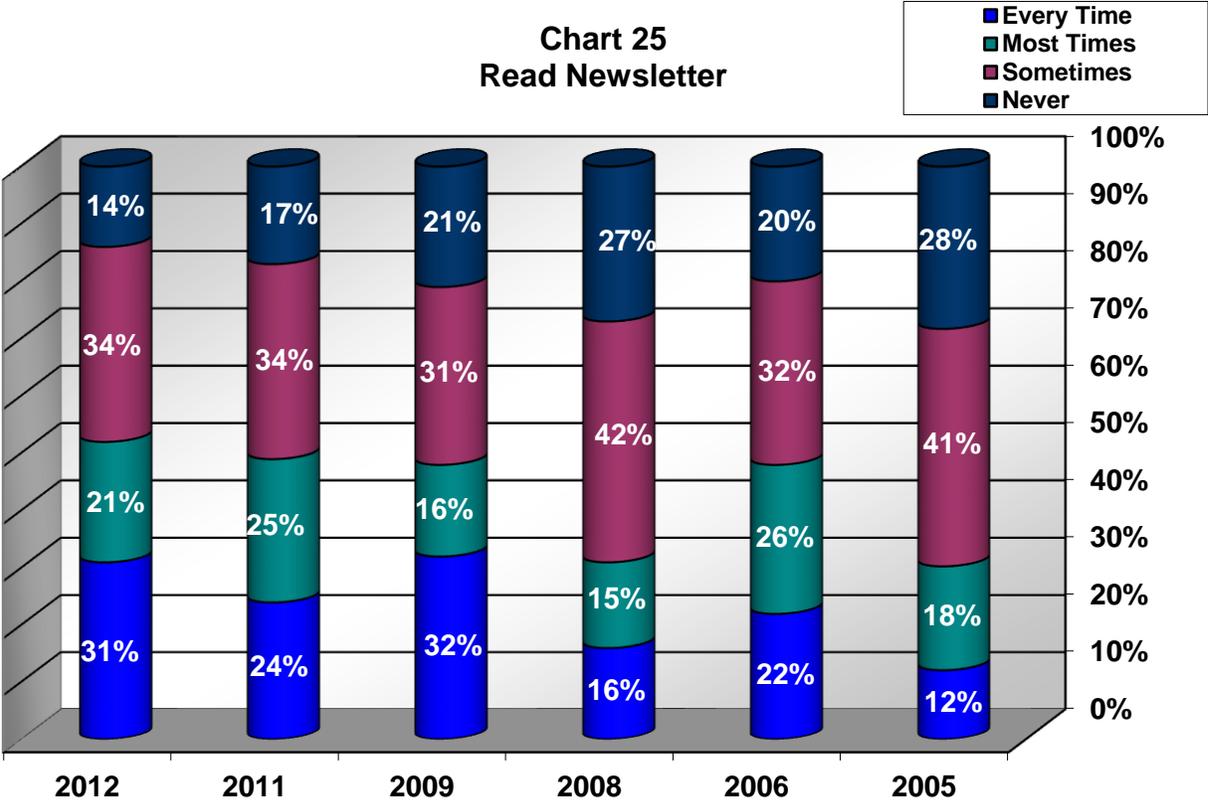
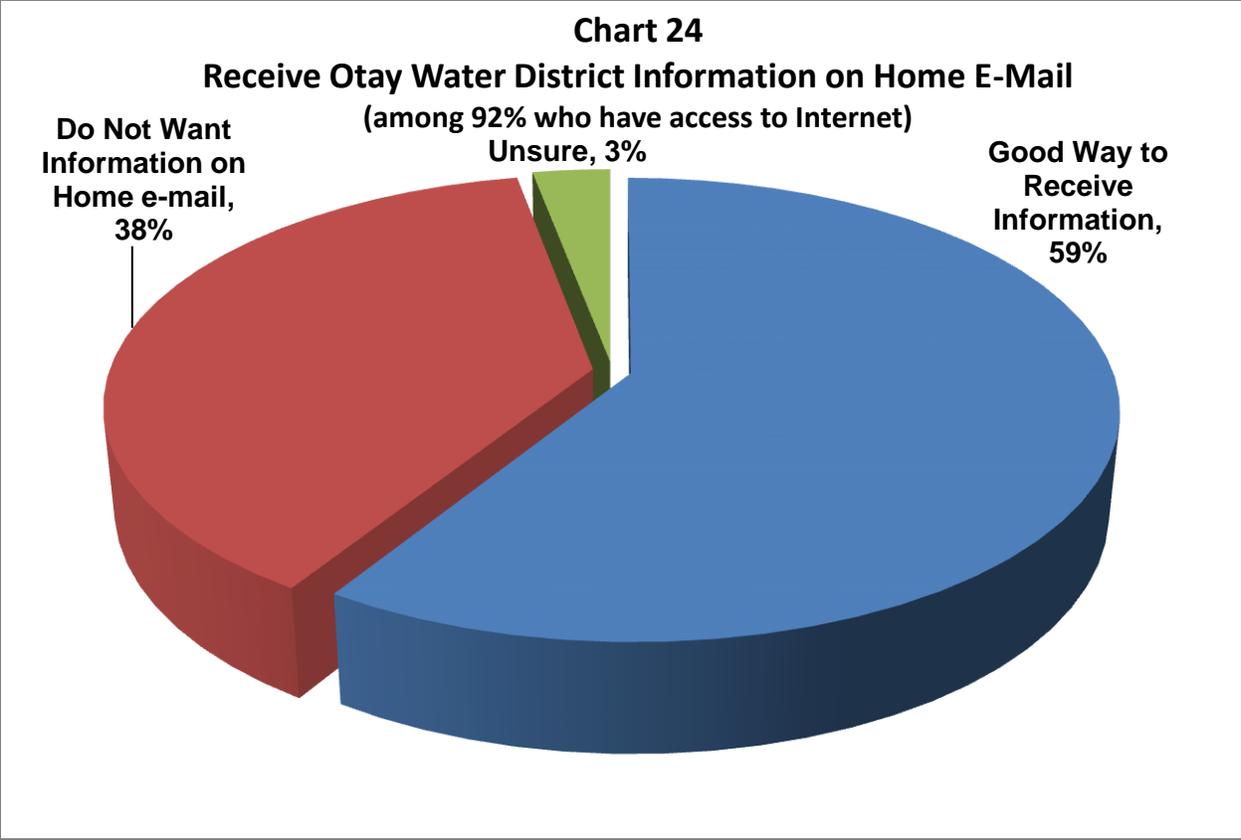
*Over one-half (52 percent) of customers have visited the Otay Water District website. This represents a steady increase in visitation since 2005. Visitors give the Otay Water District website high ratings – 73 percent excellent or good, 18 percent fair, and 3 percent poor. These ratings represent an increase over the 2011 survey ratings where 66 percent rated the website as either excellent or good.*

**E-mail and Newsletter:** **Chart 24** shows that nearly three-fifths (59 percent) of the respondents think that using their home e-mail is a good way to receive information from the Otay Water District. Almost two-fifths (38 percent) do not want to receive information from the District at their home e-mail address.

The following subgroups are more likely to be willing to receive information from the Otay Water District at their home e-mail address:

- Renters (81 percent) versus homeowners (59 percent).
- Larger households of 3 or more persons (70 percent) versus smaller households of 1 or 2 persons (47 percent).
- Younger and middle-aged customers (54 and under – 68 percent) versus older customers (55 and over – 52 percent).

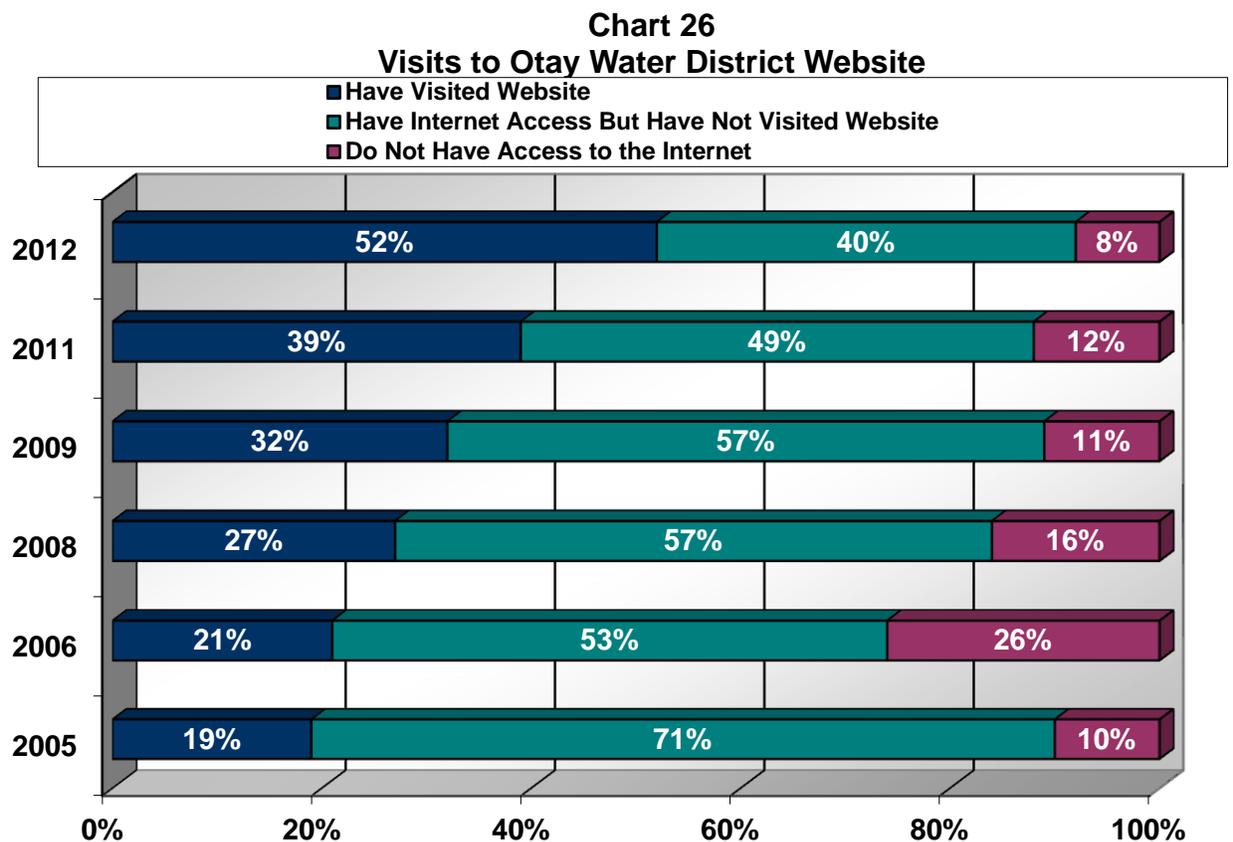
**Chart 25** shows that 31 percent of customers always read the newsletter or bill inserts that come in the mail with the monthly water bill, 21 percent read these materials most months, and another 34 percent read them sometimes, leaving 14 percent who never read the newsletter or bill inserts. These results show a consistent increase in readership patterns since 2008. For example, in the current 2012 survey, 58 percent of respondents read these materials every month or most months. In 2011 and 2009, 49 percent and 48 percent of customers respectively read the newsletter and bill inserts that frequently. It is noteworthy that the last three survey periods (2009, 2011, and 2012) show a higher readership pattern than does the 2008 survey (31 percent). Also, the percentage of customers who never read the newsletter or bill inserts decreased by 12 percent over the 2008 survey (27 percent in 2008 to 15 percent in 2012).



**Website:** **Chart 26** shows that over one-half of customers (52 percent) have visited the Otay Water District website. This represents a substantial increase over the 2011 survey results where 39 percent indicated that they had visited the website. Further, there has been a steady increase of customers who have visited the Otay Water District website since 2005. Specifically, in 2005, 19 percent visited the website, 21 percent visited the website in 2006, 27 percent visited the website in 2008, and in 2009, the visitation rate was 32 percent.

The following subgroups are more likely to have visited the Otay Water District website:

- Customers of 24 years or less – 56 percent versus longer term customers (25 years or more – 36 percent).
- Customers with a bachelor’s degree or more (61 percent) versus some college or less (42 percent). Younger and middle-aged customers (54 and under – 63 percent) versus older customers (55 and over – 38 percent).



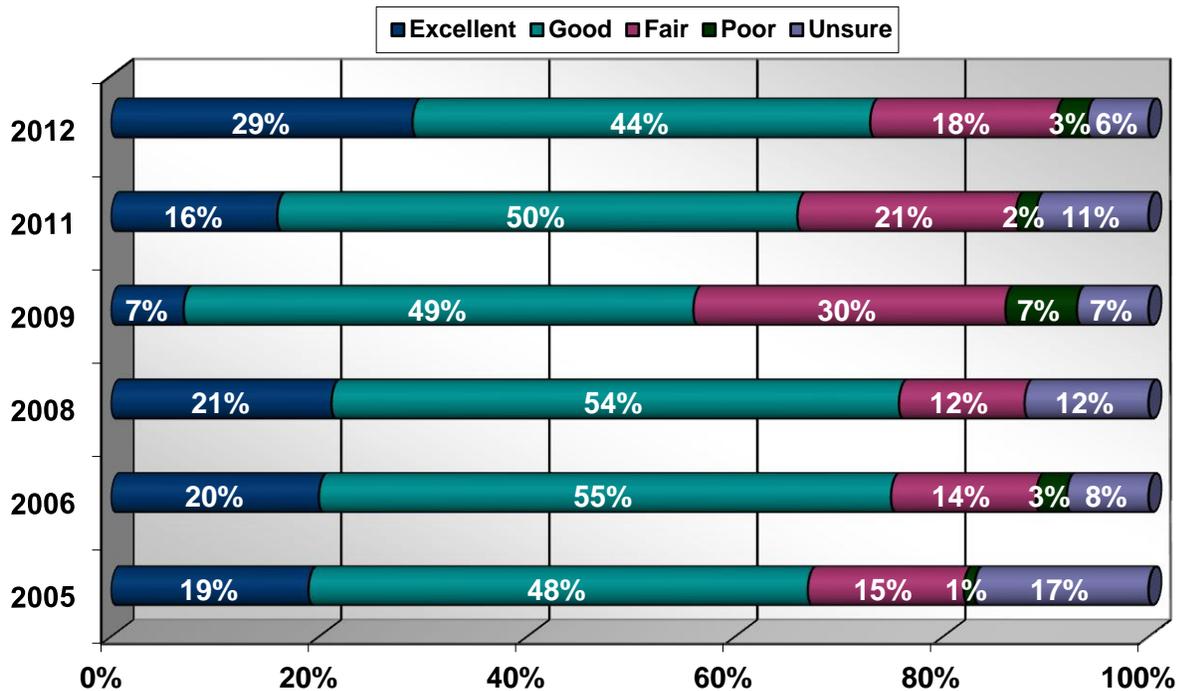
**Chart 27** indicates that website visitors give the Otay Water District website above average ratings – 73 percent excellent or good, 18 percent fair, and 3 percent poor. These ratings represent an increase over the 2011 survey ratings where 66 percent rated the website as either excellent or good. The current 2012 ratings moved closer to the ratings in the 2006 and 2008 surveys where 75 percent of website visitors rated the website as excellent or good.

Customers rate the website with an overall mean of 1.83. This mean is based upon a scale of 1 to 4, where 1 = excellent, 2 = good, 3 = fair, and 4 = poor. This reaffirms the high rating indicated and explained above. The current mean rating is more positive than the 2.21 rating recorded in 2011.

Customers who are more likely to rate the Otay Water District website favorably are characterized as follows:

- Customers with a lower level of education (high school or less – mean of 1.60) versus those with higher levels of education (bachelor’s degree – 1.99 and at least one year of college -- 2.14).
- Households with one person (mean of 1.61) versus households of 2 or more persons (mean of 1.99).

**Chart 27**  
**Rating of Website**  
 (1.95 = mean rating on 1-4 scale, where 1 = Excellent)  
 (by 52 percent who have visited website)



## Social Media

***SUMMARY:*** *Over one-half (53 percent) of customers use at least one form of social media. This represents an increase of 7 percent over the 2011 survey where 46 percent indicated that they used at least one social media website. Specifically, over two-fifths (42 percent) use Facebook compared to 30 percent who used Facebook in 2011. Over one-fourth (28 percent) use You Tube – an increase of 8 percent over those who used You Tube in 2011.*

*Customers continue to be somewhat positive about the potential for the Otay Water District to use social media sites to better serve their needs. Approximately two-fifths of customers (range of 41 percent to 45 percent) provide an affirmative response to 4 specific potential uses of social media (distribute information; emergency information; notify about construction; and provide water industry news). Over two-fifths (45 percent) feel that a social media presence is either very important (22 percent) or somewhat important (23 percent). Based on a scale of 1 to 5, where 1 = very important and 5 = very unimportant, customers rated the importance of the Otay Water District having a presence using social media at 2.99. These responses represent a decline in the importance accorded by customers to the potential use of social media by the Otay Water District since 2011 where the mean rating was 2.53. It is clear that while customers can appreciate the potential use of social media by the District to serve their interests, they do not regard such endeavors as having great importance.*

**Chart 28** shows that the use of social media has increased since the 2011 survey. Over one-half (53 percent) of customers use at least one form of social media. This represents an increase of 7 percent over the 2011 survey where 46 percent indicated that they used at least one social media website. Specifically, over two-fifths (42 percent) use Facebook compared to 30 percent who used Facebook in 2011. Over one-fourth (28 percent) use You Tube – an increase of 8 percent over those who used You Tube in 2011.

The following subgroups are likely to have visited designated websites including Facebook, Twitter, and You Tube:

### **Facebook**

- Asians (83 percent) tend to visit Facebook more so than do Whites (66 percent).
- Females (22 percent) are more likely to visit Facebook than are males (17 percent).
- Renters (33 percent) use the Facebook website to a greater extent than do homeowners (17 percent).

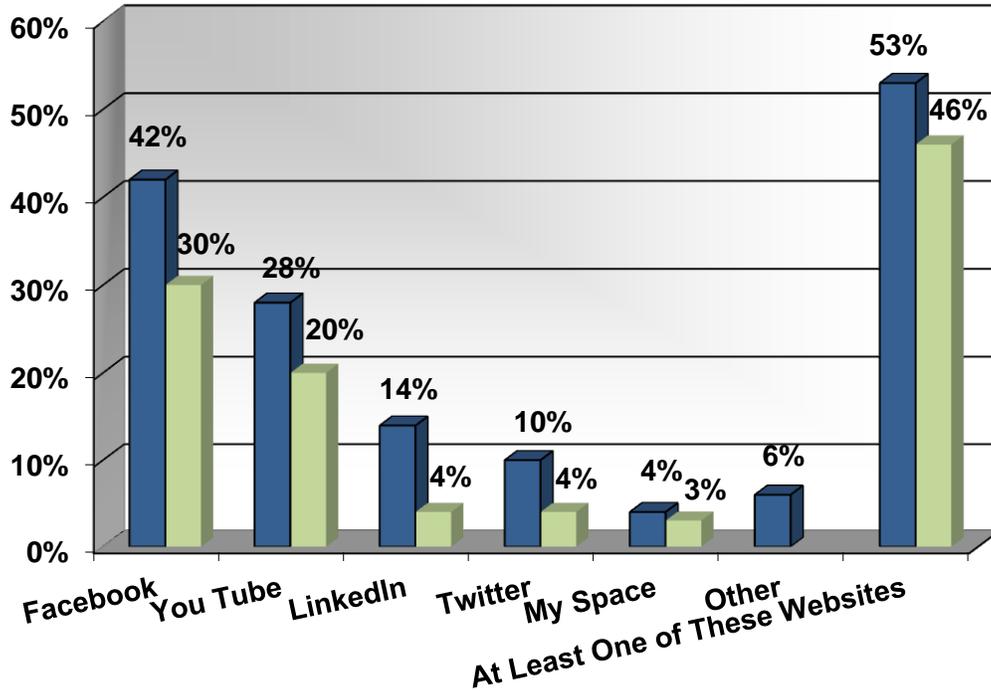
### **You Tube**

- Males (40 percent) tend to use You Tube more so than do females (19 percent).
- Renters (48 percent) are more likely to use You Tube than are homeowners (28 percent).

**Twitter**

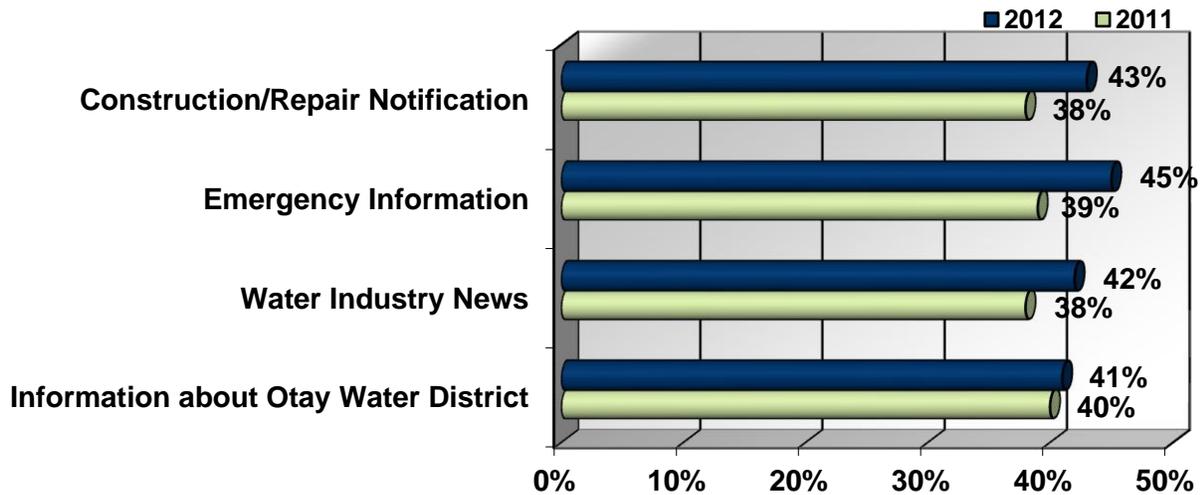
- Females (41 percent) make use of Twitter to a greater extent than do males (21 percent).

**Chart 28**  
**Use of Social Media/Networks**  
 ■ 2012 ■ 2011



**Chart 29** shows that customers continue to be somewhat positive about the potential for the Otay Water District to use social media sites to better serve their needs. Over two fifths of customers (range of 41 percent to 45 percent) provide an affirmative response to 4 specific potential uses of social media. For example, 45 percent feel that these sites could be used for distributing emergency information, 43 percent think that it would be useful to receive notification about scheduled construction and repairs, 42 percent indicate an interest in receiving news about the water industry and new developments, and 41 percent feel that the social media sites can be used to distribute information about the District. This overall response is slightly higher than the response in the 2011 survey where the range of affirmative responses to various potential uses of social media was 38 percent to 40 percent.

**Chart 29  
Potential Uses for Social Media Websites**

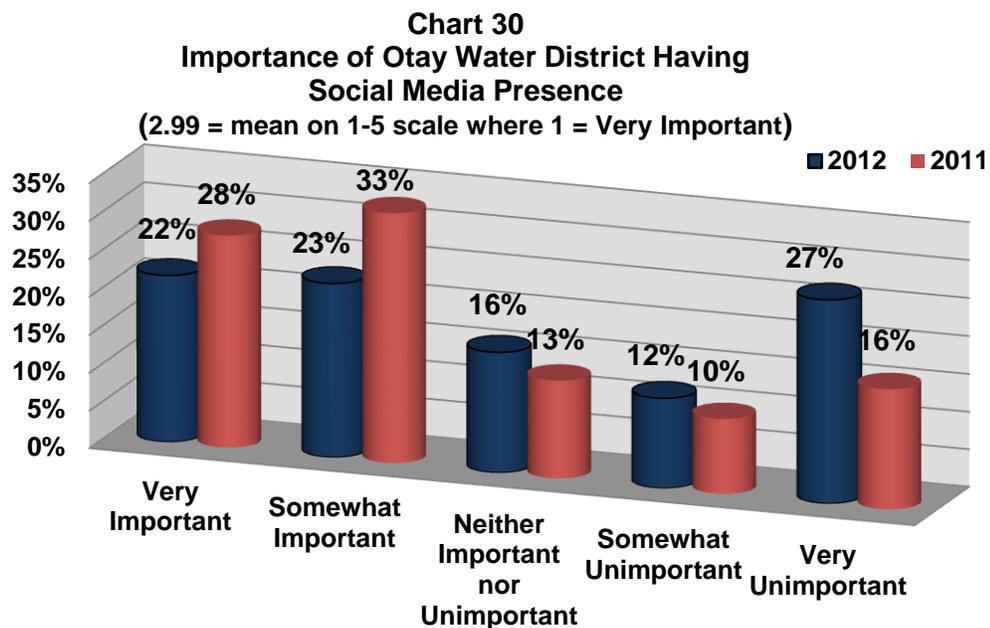


The following subgroups (African-Americans, shorter term customers, renters, younger customers, and larger households) are particularly oriented to using social media for specific purposes.

- Receive notification about scheduled construction and repair
  - Shorter term customers (14 or fewer years) versus longer term customers (15 or more years).
  - Renters (73 percent) versus homeowners (40 percent).
  - Larger households of 3 persons or more (49 percent) as opposed to smaller households of 1 or 2 persons (34 percent).
  - Younger and middle-aged customers (54 and less – 51 percent) versus older customers (55 and over).
  
- Distribute emergency information
  - Shorter term customers (14 or fewer years – 54 percent) versus longer term customers (15 or more years – 32 percent).
  - Renters (75 percent) versus homeowners (41 percent).
  - African-Americans (70 percent) as opposed to Whites (33 percent).
  - Larger household sizes of 4 or more persons (57 percent) versus smaller household sizes of 1 to 3 persons (36 percent).
  - Younger customers (44 and less – 61 percent) versus older customers (45 and older – 38 percent).
  
- Discuss water industry news and new developments
  - Shorter term customers (14 or fewer years – 50 percent) versus longer term customers (15 or more years – 32 percent).
  - Renters (73 percent) versus homeowners (39 percent).
  - African-Americans (55 percent) versus Whites (36 percent).

- Larger households of 3 or more persons (49 percent) as opposed to smaller households of 1 or 2 persons (32 percent).
  - Younger and middle-aged customers (54 and younger – 51 percent) versus older customers – 42 percent).
- Communicate about the District
    - Shorter term customers (14 or fewer years – 49 percent) versus longer term customers – 32 percent).
    - Renters (71 percent) versus homeowners (38 percent).
    - African-Americans (65 percent) versus Whites (36 percent).
    - Smaller household sizes of 1 to 3 persons (65 percent) as opposed to larger household sizes of 4 or more persons (51 percent).
    - Younger and middle-aged customers (54 and younger – 49 percent) versus older customers (55 and over – 34 percent).

**Chart 30** shows that over two-fifths (45 percent) feel that a social media presence is either very important (22 percent) or somewhat important (23 percent). The mean rating regarding the importance of the Otay Water District having a presence using social media is 2.99. This rating is based on a scale of 1 to 5, where 1 = very important and 5 = very unimportant. These responses represent a decline in the importance accorded by customers to the potential use of social media by the Otay Water District since 2011. In the previous survey, over three-fifths (61 percent) felt that a social media presence is either very important or somewhat important and the mean rating was slightly more positive at 2.53. It is clear that while customers can appreciate the potential use of social media by the District to serve their interests, they do not regard such endeavors as having great importance.



Customers who feel that it is important for the Otay Water District to have a social media presence are characterized as follows (scale: 1 = very important, 2 = somewhat important, 3 = neither important nor unimportant, 4 = somewhat unimportant, and 5 = very unimportant):

- Asians (mean of 2.64) and Latinos (mean of 2.66) versus Whites (mean of 3.20).
- Customers with lower incomes (under \$25,000 – mean of 2.16) as opposed to customers with higher incomes (\$75,000 and over – mean of 3.10).
- Larger households (4 or 5 persons per household – mean of 2.66 versus smaller households of 1 or 2 persons – mean of 3.31).

### **Alternative Water Supplies: Recycling and Desalination**

*Customers continue to support the use of recycled water for watering landscape along freeways, open space, parks, and golf courses. In the current survey, 95 percent either strongly favor (76 percent) or somewhat favor (19 percent) the use of recycled water for landscape and golf courses. This finding is consistent with all previous surveys since 2005.*

*Respondents also support the use of recycled water for watering residential front lawns – 90 percent either strongly favor (66 percent) or somewhat favor (24 percent) such use of recycled water. This positive sentiment was also reflected in the 2008 and 2009 surveys where 96 percent and 90 percent respectively supported the use of recycled water for watering front yards. The respondents in the 2005 and 2006 surveys were less supportive.*

*The level of support for the use of recycled water to replenish recreational lakes (50 percent strongly in favor) is consistent with the 2011 survey where 47 percent of respondents strongly favored the use of recycled water for this purpose. Current levels of support (2011 and 2012 survey periods) are still well above 2005 and 2006 levels of support (30 percent in 2006 and 34 percent in 2005).*

*Over one-half (51 percent) of respondents either strongly favor (23 percent) or somewhat favor (28 percent) the use of recycled water to supplement the drinking water supply. This represents a substantial increase over previous survey periods – favorability in 2011: 29 percent; favorability in 2008: 40 percent; and favorability in 2006: 34 percent.*

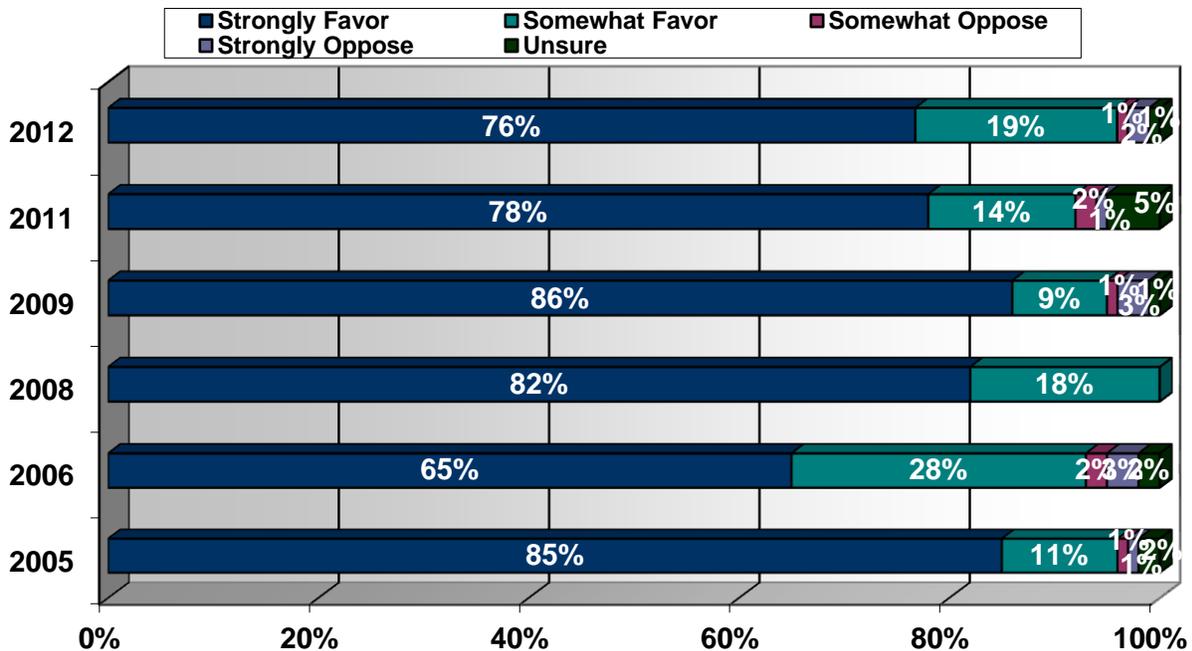
*A considerable proportion of District customers (86 percent) feel that ocean water desalination can be important in maintaining a reliable supply of water in San Diego County (68 percent – very important and 18 percent – somewhat important). This relatively high level of importance attributed to maintaining a reliable water supply was also exhibited by District customers in the 2011, 2010, and 2009 surveys.*

*Among the 28 percent who oppose the international agreement with Mexico to construct a desalination facility at Rosarito Beach, one half indicates that they do not trust the quality of*

*water in Mexico and/or they do not trust the Mexican government. Another 13 percent feel that the plant should be located in the United States in order to create jobs domestically. In the 2009, 2010, and 2011 surveys, customers expressed the same reasons for opposing the international agreement with Mexico as they did in the current 2012 survey.*

**Recycling:** Chart 31 indicates that respondents continue to support the use of recycled water for watering landscape along freeways, open space, parks, and golf courses. In the current survey, 95 percent either strongly favor (76 percent) or somewhat favor (19 percent) the use of recycled water for landscape and golf courses. This finding is consistent with all previous surveys since 2005. For example, in 2011, 92 percent either strongly favored (78 percent) or somewhat favored (14 percent) the use of recycled water to water freeway landscape and open space, in 2009 94 percent favored the use of recycled water for watering landscape and open space, and in 2008, 100 percent favored such use of recycled water. On a scale of 1 to 4, where 1 = strongly favor, 2 = somewhat favor, 3 = somewhat oppose, and 4 = strongly oppose, the mean favorability rating is 1.25. In 2011, this rating was consistently high at 1.24.

**Chart 31**  
**Favor/Oppose Recycled Water for Watering**  
**along Freeways, Open Space, Parks, Golf Courses**  
 (mean = 1.26 on 1-4 scale where 1 = Strongly Favor)



Customers who favor using recycled water for landscaping along freeways, open space, parks, and golf courses are characterized as follows:

- Males (mean of 1.25) versus females (mean of 1.38).

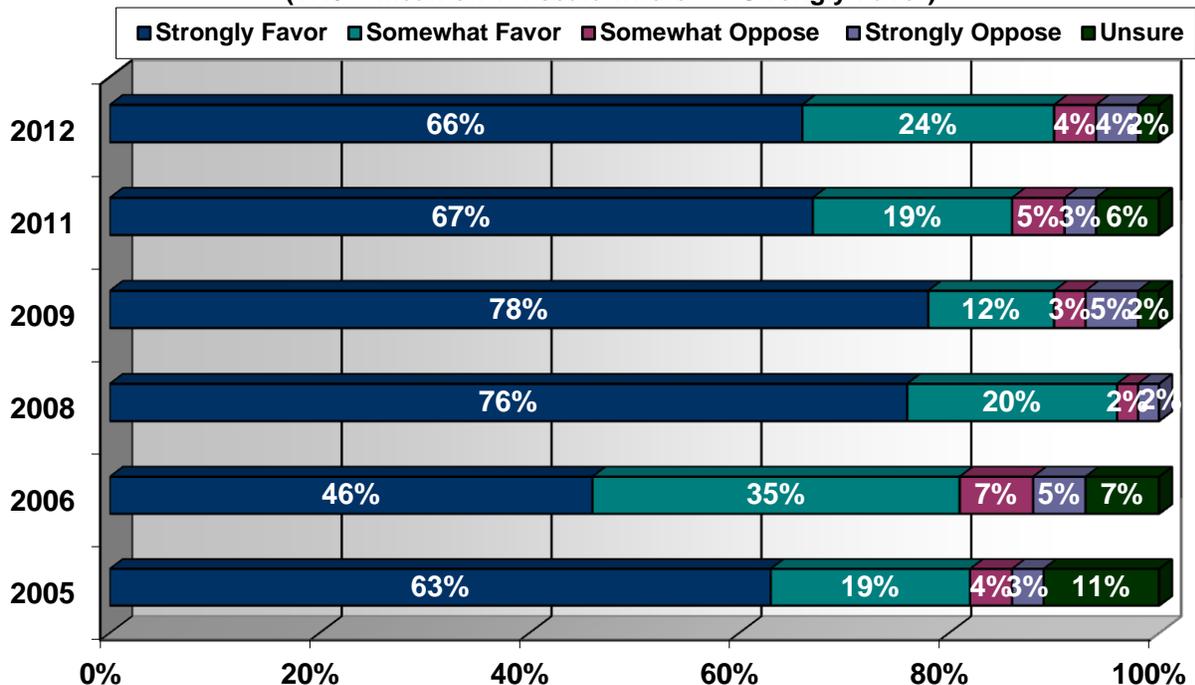
- Older and middle-aged customers (45 and over – (mean of 1.27) versus younger customers (18 – 34 (mean of 1.44).
- Customers with higher income levels (\$100,000 and above – mean of 1.15) as opposed to those with lower income levels (under \$25,000 – mean of 1.55).
- Residents with a higher level of education (at least one year of graduate work – mean of 1.11) versus residents with some college or less – mean of 1.38).

Respondents also support the use of recycled water for watering residential front lawns – 90 percent either strongly favor (66 percent) or somewhat favor (24 percent) such use of recycled water (**Chart 32**). This positive sentiment was also reflected in the 2008 and 2009 surveys where 96 percent and 90 percent respectively supported the use of recycled water for watering front yards. The respondents in the 2005 and 2006 surveys were less supportive.

The mean favorability rating on a scale of 1 – 4, where 1 = strongly favorable, 2 = somewhat favorable, 3 = somewhat oppose, and 4 = strongly oppose is 1.34 – a high rating consistent with the favorability mean in 2011 of 1.39.

- One person households (mean of 1.19) support the use of recycled water for watering residential front yards more so than do larger households of 3, 4, and 5 persons (mean of 1.47).

**Chart 32**  
**Favor/Oppose Recycled Water for Watering Residential Front Yards**  
 (1.45 = mean on 1-4 scale where 1 = Strongly Favor)

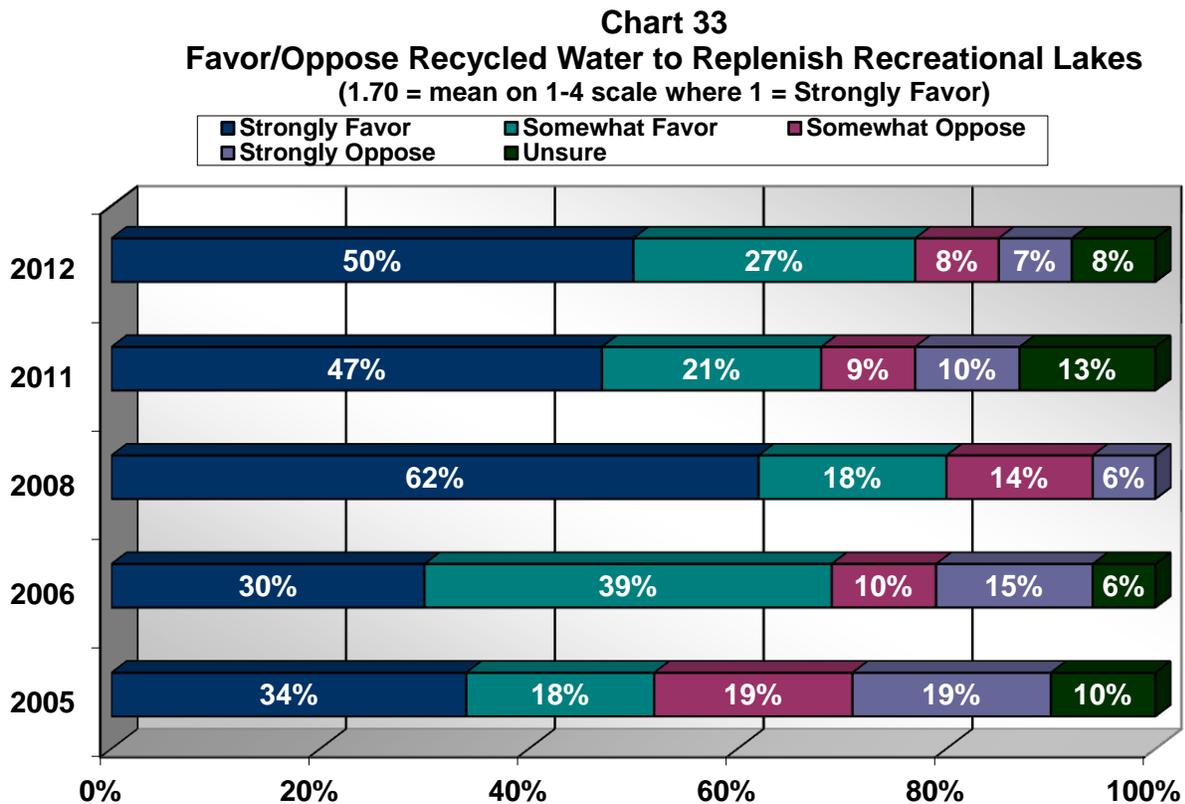


**Chart 33** shows that the level of support for the use of recycled water to replenish recreational lakes (50 percent strongly in favor) is consistent with the 2011 survey where 47 percent of respondents strongly favored the use of recycled water for this purpose. Current levels of support are still well above 2005-2006 levels of support (30 percent in 2006 and 34 percent in 2005).

Customers who favor using recycled water for replenishing recreational lakes are characterized by a mean favorability rating of 1.56 (scale: 1 – 4, where 1 = strongly favor, 2 = somewhat favor, 3 = somewhat oppose, and 4 = strongly oppose). This is somewhat more positive than the 1.78 favorability mean in 2011.

Customers who favor using recycled water for replenishing recreational lakes are characterized as follows:

- Males (mean of 1.61) versus females (mean of 1.84).
- Customers with higher income levels (\$100,000 or more – 1.53) versus customers with lower income levels (Under \$25,000 – mean of 2.00).

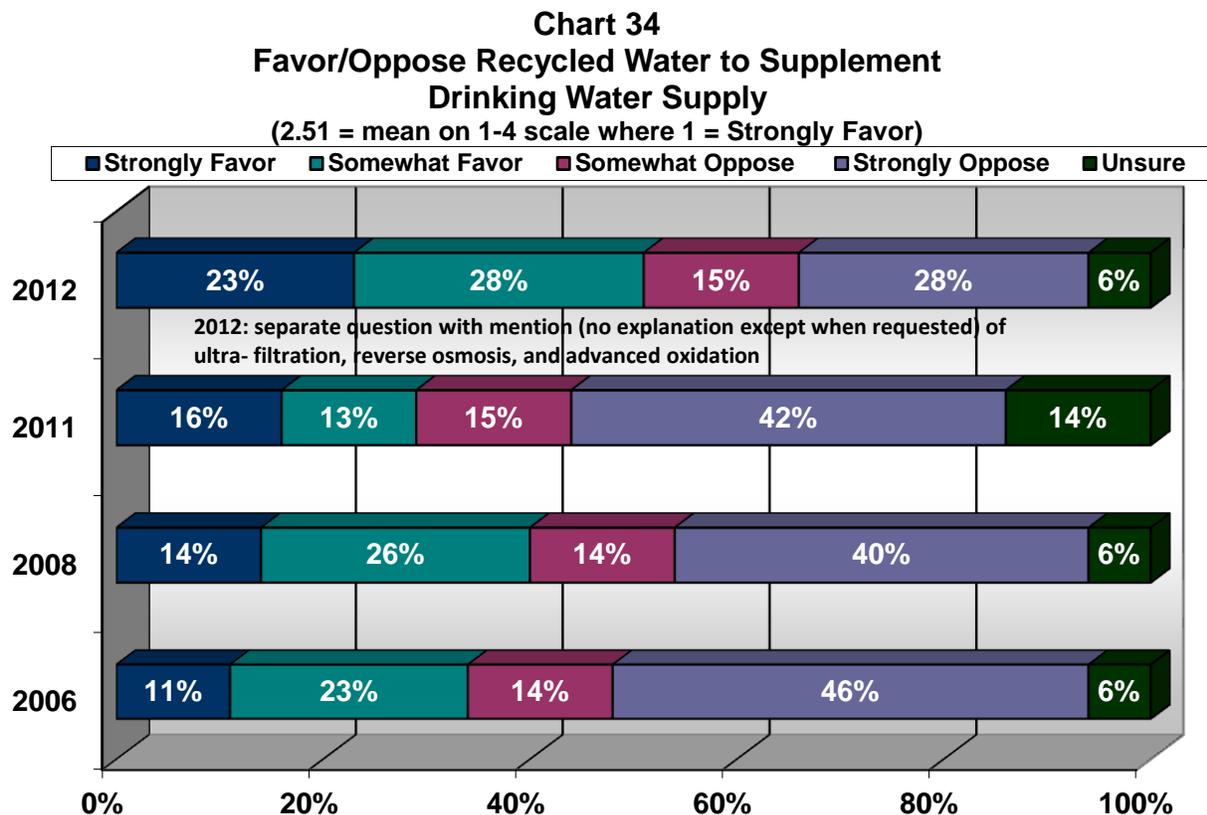


**Chart 34** shows that over one-half (51 percent) of respondents either strongly favor (23 percent) or somewhat favor (28 percent) the use of recycled water to supplement the drinking water supply. This represents a substantial increase over previous survey periods. Favorability in 2011 was 29 percent; favorability in 2008 was 40 percent; and favorability in 2006 was 34 percent. It should be noted that in the current survey, respondents were told that the recycled water to be used for drinking would be treated with advanced processes such as ultra-filtration, reverse osmosis, and advanced oxidation. Further, if respondents asked, they were provided with a description of one of these advanced treatment processes. Only 4 respondents requested any descriptions.

Customers who favor using recycled water to supplement the drinking water supply registered a mean favorability rating of 2.36 (scale: 1 – 4, where 1 = strongly favor, 2 = somewhat favor, 3 = somewhat oppose, and 4 = strongly oppose).

Customers who favor using recycled water to supplement the drinking supply are characterized as follows: Males (mean of 2.37) versus females (mean of 2.67).

- Customers with lower levels of income (under \$25,000 – mean of 1.95) as opposed to customers with higher income levels (\$75,000 - \$100,000 – mean of 2.56).

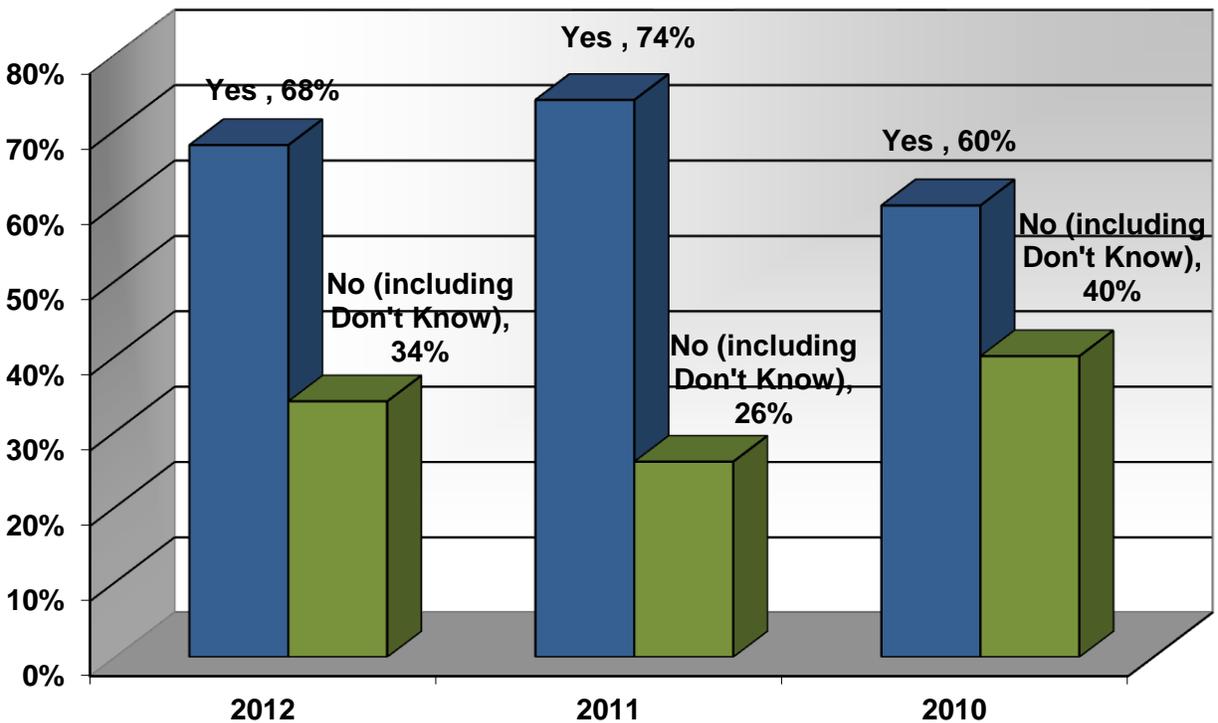


**Desalination:** Chart 35 shows that about two-thirds (68 percent) of the customers are familiar with the term “desalination.” This percentage represents a decrease from the results of the 2011 survey where 74 percent indicated that they were familiar with the term. It is noteworthy that the results of both the 2011 and 2012 surveys show an increase from the 2010 level where 60 percent indicated they were familiar with the term “desalination.”

The following subgroups are particularly familiar with the term “desalination”.

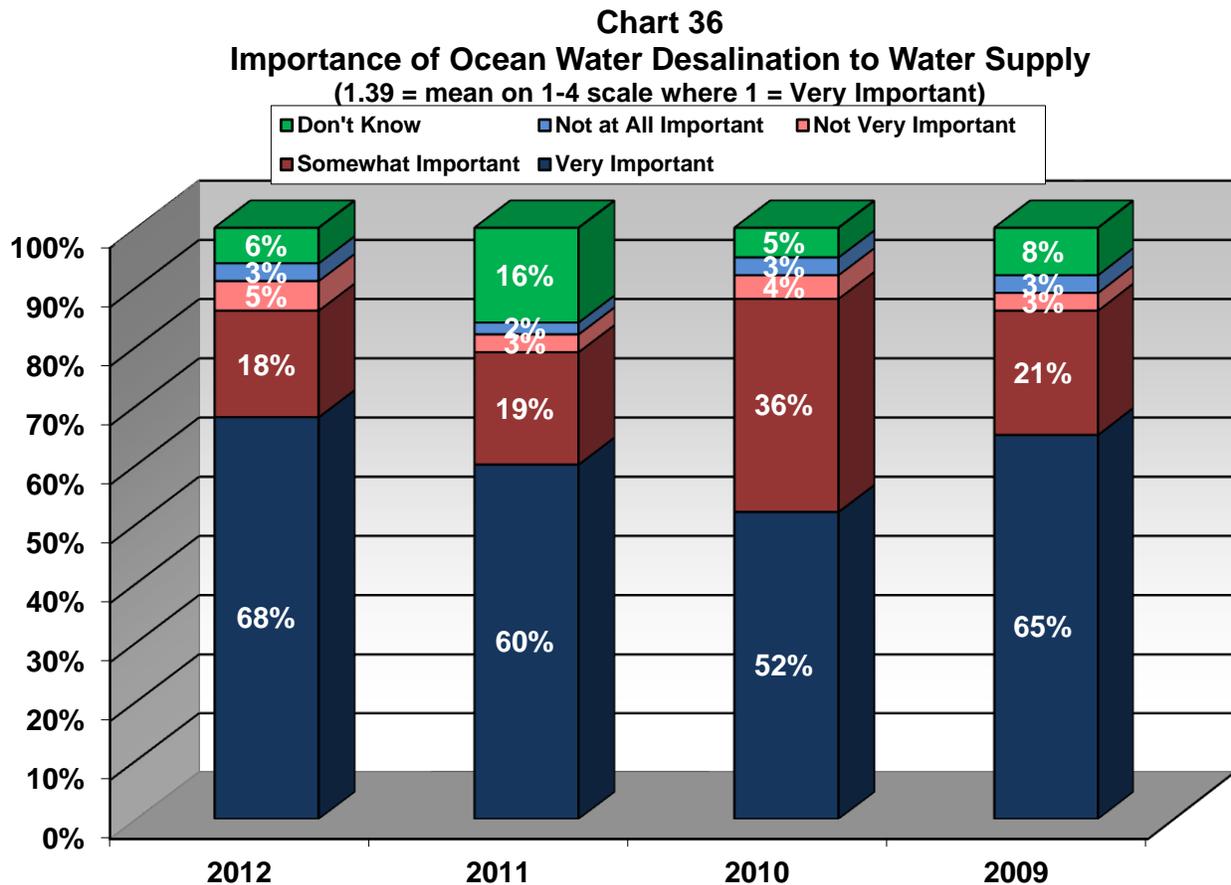
- Males (75 percent) versus females (55 percent).
- Longer-term customers of the District (4 years or more – 72 percent) versus more recent customers (3 years or less – 44 percent).
- Homeowners (68 percent) versus renters (43 percent).
- Customers with a higher level of education (at least one year of college or more – 70 percent versus high school or less – 45 percent).
- Whites (74 percent) versus African-Americans (60 percent), Latinos (57 percent), and Asians (53 percent).
- Customers with other than the lowest income level (\$25,000 or more – 68 percent versus those with lower income levels (\$25,000 and under – 49 percent).
- The largest household sizes (5 persons per household or more -- 70 percent) versus all smaller household sizes of 1 – 4 persons per household – 46 percent.
- Familiarity with the term “desalination” increases with age (35 and over = 69 percent versus 18 – 34 -- 33 percent)

**Chart 35  
Familiar with Term "Desalination"**



**Chart 36** indicates that a considerable proportion of District customers (86 percent) feel that ocean water desalination can be important in maintaining a reliable supply of water in San Diego County (68 percent – very important and 18 percent – somewhat important). This relatively high level of importance attributed to maintaining a reliable water supply was also exhibited by District customers in the 2011 survey (79 percent), the 2010 Ocean Water Desalination Opinion Survey (88 percent), and the 2009 General Survey (86 percent).

- Males feel that desalination is important to maintaining a reliable water supply in San Diego more so than do females (males: mean of 1.31; females: mean of 1.48, based on a scale of 1 to 4, where 1 = very important, 2 = somewhat important, 3 = not very important, and 4 = not at all important).

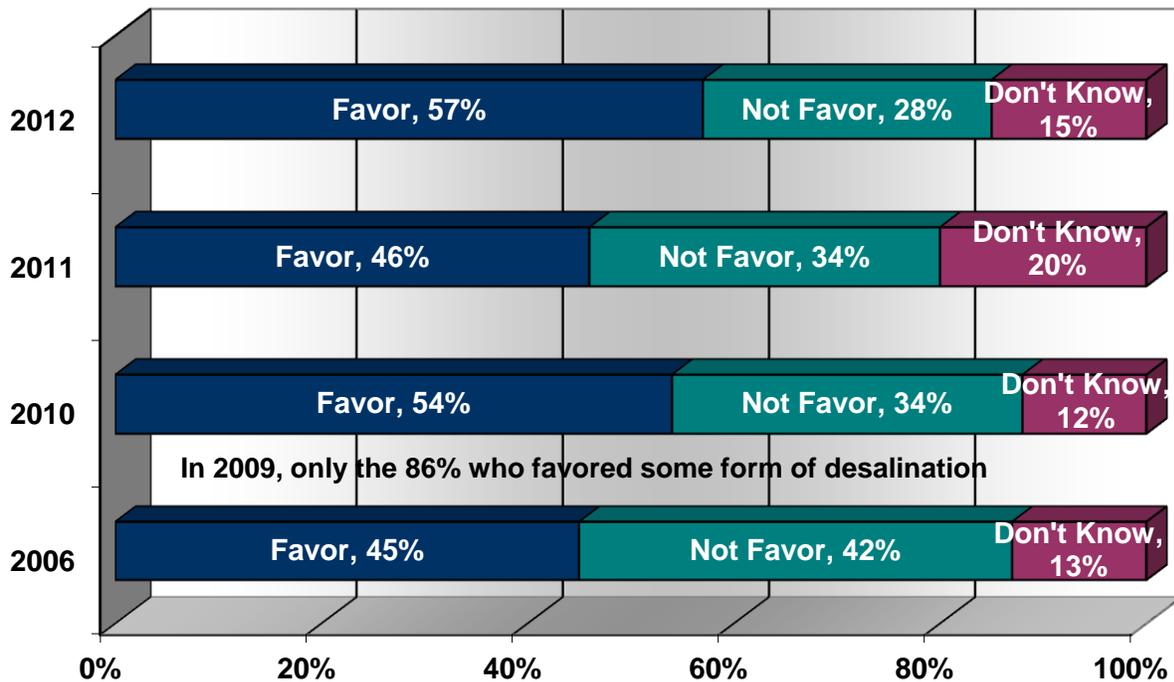


**Chart 37** shows that 57 percent of District customers favor an international agreement to purchase desalinated water from the proposed Rosarito Beach Facility in Mexico. This percentage represents an increase of 11 percentage points from the results of the 2011 survey where 46 percent favored such an agreement. This difference reflects both a decrease in customer uncertainty about this issue as well as a decrease in opposition to it. The favorability rating in the current survey is comparable to the one in 2010 where 54 percent of customers indicated that they favored an international agreement with Mexico. It is

important to recall that the 2010 survey was conducted specifically about desalination and a great deal of information was included in that survey in contrast to the few questions and limited information in the 2011 and 2012 general customer surveys. The evidence shows that customer support is building for an international agreement with Mexico to purchase desalinated ocean water from the proposed Rosarito Beach Facility.

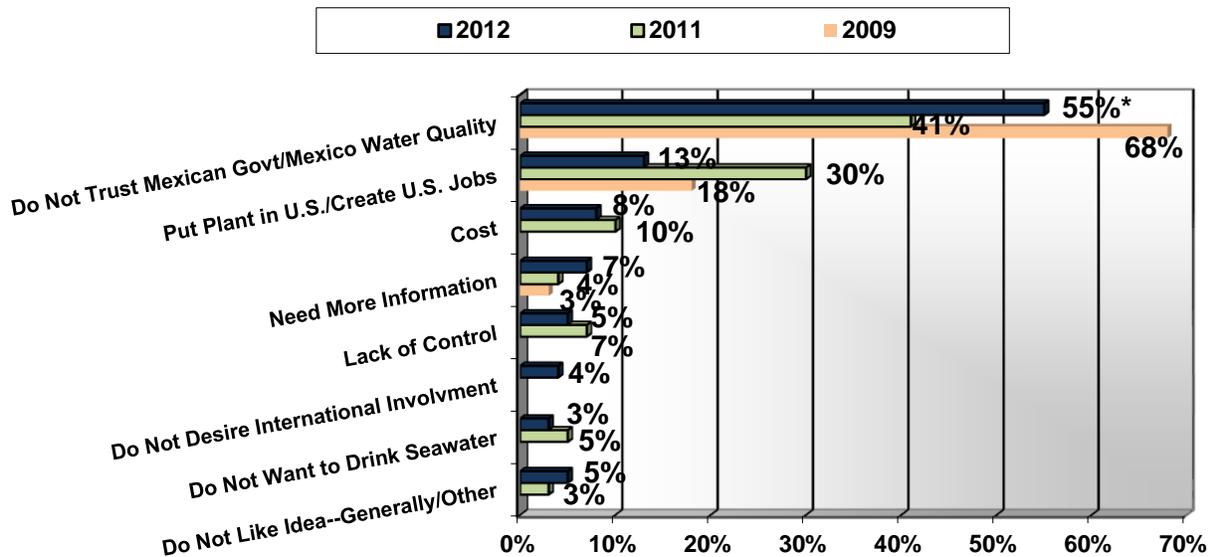
- Males (72 percent) tend to favor an international agreement with Mexico more so than do females (59 percent).

**Chart 37**  
**Favor International Agreement to Purchase Desalinated Water from Rosarito Beach**



Among the 28 percent who oppose the international agreement with Mexico, one half indicates that they do not trust the quality of water in Mexico and/or they do not trust the Mexican government. Another 13 percent feel that the plant should be located in the United States in order to create jobs domestically. In the 2009, 2010, and 2011 surveys, customers expressed the same reasons for opposing the international agreement with Mexico as they did in the current 2012 survey (**Chart 38**).

**Chart 38**  
**Why Not in Favor of Desalinated Water from Mexico**  
 (asked of 28 percent who indicated opposition)



\* In 2012, a distinction was drawn between not trusting water quality and not trusting Mexico. Of the 55%, 24% did not trust

In 2010, respondents who preferred the plant in the U.S. (64 percent) indicated their reasons to be 53%

### Issues Associated with the 2011 Power Outage

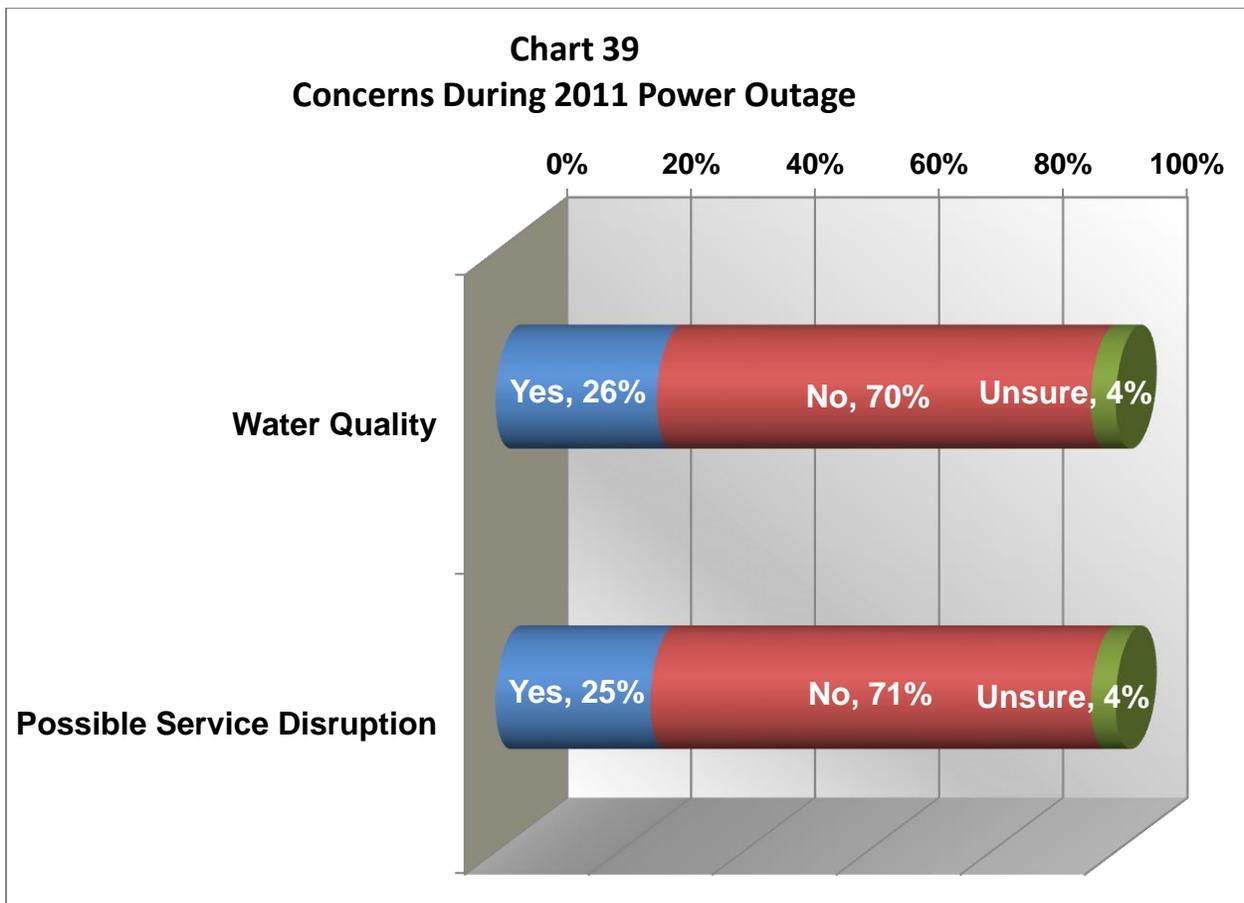
**SUMMARY:** Just over one-fourth (26 percent) of residents of the Otay Water District indicated that they were concerned about the quality of their water during and after the massive power outage of September 8, 2011. One-quarter (25 percent) of customers further indicated that they were concerned that during the power outage, there would be a disruption in the delivery of their water by the Otay Water District.

Customers obtained information during the power outage largely through battery-operated radios or car radios (54 percent of all responses) and they would largely use this same method to obtain information if another mishap should occur.

Chart 39 shows that just over one-fourth (26 percent) of residents of the Otay Water District indicated that they were concerned about the quality of their water during and after the massive power outage of September 8, 2011. Similarly, Chart 39 further indicates that one-quarter (25 percent) of respondents were concerned that during the power outage, there would be a disruption in the delivery of their water by

the Otay Water District. It is noteworthy that 7 in 10 respondents were not concerned that the quality of their water would be compromised or that there would be a disruption in the delivery of their water.

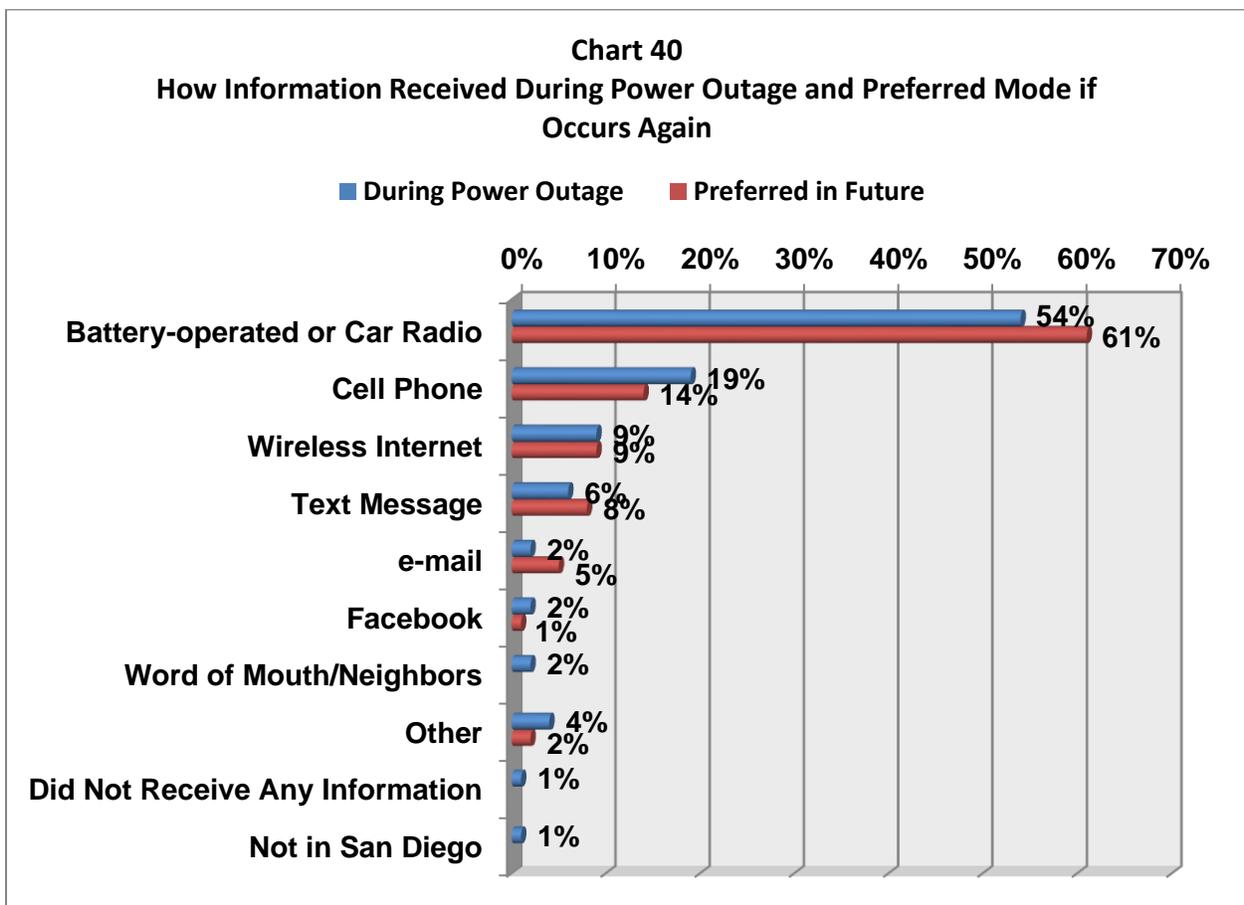
- Asians (42 percent), African-Americans (37 percent), and Latinos (33 percent) were more likely to be concerned that the quality of water was compromised during and after the power outage than were Whites (21 percent).
- Younger and middle-aged customers (54 and under – 31 percent) were more concerned than older customers (55 and older – 19 percent) that the power outage would disrupt the delivery of their water by the Otay Water District.



**Chart 40** shows that respondents obtained information during the power outage largely through battery-operated radios or car radios (54 percent of all responses). The use of these radios was followed by the use of cell phones (19 percent of responses) and the wireless internet (9 percent of responses). Respondents expressed a similar pattern of response when they indicated how they would prefer to receive information if another power outage or similar mishap should occur. Over three-fifths (61 percent) prefer the battery-operated radio or car radio, 14 percent would use their cell phone, and another

9 percent plan to use Wireless Internet. The following subgroups were more likely to obtain information during the last major power outage through either battery operated radios or by conversing on cell phones.

- During the power outage, homeowners (64 percent) were more likely to obtain information from battery operated radios or car radios than were renters (53 percent). It is noteworthy that if a similar power outage should occur, homeowners (63 percent) again plan to obtain information through battery operated radios more so than do renters (46 percent).
- During the power outage, renters (28 percent) were more likely to obtain information by conversing on cell phones than were homeowners (16 percent); also, customers with higher educational levels (bachelor’s degree or more – 20 percent) were more likely to obtain information in this manner than were customers with less education (less than a bachelor’s degree – 13 percent).



## Conclusions

There are strong indications of support for the work of the Otay Water District. The results of the 2012 survey continue to show this strength. For example, Otay Water District customers demonstrate a high level of satisfaction with the District as their provider of water service. Customers also have a great deal of confidence in the ability of the District to provide an adequate supply of water at a reasonable price.

Water is rated as the best value for the money paid by customers while trash collection is given the next highest value. Water and trash collection have been the top two utilities in the District's surveys since 2008.

Customers are aware that water rates have increased, and this knowledge has prompted a greater motivation to conserve water. Customers continue to support alternative sources of water including the use of recycled water for watering golf courses, open space and along freeways. They also support recycled water for use on lawns and public landscape and in replenishing recreational lakes. Use of recycled water for drinking purposes has achieved majority favorability for the first time in these Otay Water District surveys. Customers also strongly support ocean water desalination and are in favor of an international agreement with Mexico to promote or facilitate desalination.

Visitation of the District website is also rising and the rating of the website has increased as well. Customers of the District support the potential use of social media websites by the District to disseminate information and to otherwise communicate with customers.

The results of this survey should be viewed as ratification by the public of the importance and quality of the work done by the District and as an expression of the high value to the public of the work in which the Otay Water District is engaged.

## **Appendix**

Questionnaire

Frequencies

Open-Ended Responses

**Otay Water District**  
**General Survey 2012**

INT. Hello, my name is \_\_\_\_\_. I'm calling on behalf of the Otay Water District. We're conducting a study about some issues having to do with your household water supply and we're interested in your opinions. **[IF NEEDED:]** Are you at least 18 years of age or older? **[IF 18+ HOUSEHOLDER NOT AVAILABLE NOW, ASK FOR FIRST NAME AND MAKE CB ARRANGEMENTS]**

VER. **[VERSION OF INTERVIEW:]**            1 - VERSION A    2 - VERSION B\*

\* = RESPONSE OPTIONS REVERSED ON VERSION B FOR ALL QUESTIONS INDICATED

IC. Let me assure you that no names or addresses are associated with the telephone numbers, and all of your responses are completely anonymous. The questions take about ten minutes. To ensure that my work is done honestly and correctly, this call may be monitored. Do you have a few minutes right now?

**[IF ASKED ABOUT MONITORING:]** My supervisor randomly listens to interviews to make sure we're reading the questions exactly as written and not influencing answers in any way.

TOP. **[ONLY IF ASKED FOR MORE INFORMATION ABOUT TOPIC OR WHO'S SPONSORING IT?:]** This project is sponsored by the Otay Water District, and it's about some issues related to your household water supply. **[IF SPONSOR INFORMATION GIVEN TO RESPONDENT, "TOPIC"=1]**

CUST. How long have you been a customer of the Otay Water District? **[IF LESS THAN ONE YEAR, THANK AND CODE NQR-RES]**

\_\_\_\_\_ YEARS  
0 -----> "**NQR-RES**"  
99 - DK/REF, BUT AT LEAST ONE YEAR

SEX. **[RECORD GENDER OF RESPONDENT:]**

1 - MALE  
2 - FEMALE

----- **QUALIFIED RESPONDENT: QUOTAS CHECKED; DATA SAVED** -----

LP. **[IF INDICATED BY ACCENT:]** Would you prefer that we speak in...

1 - English or  
2 - Spanish?

## SATISFACTION

Q1: How would you rate your overall satisfaction with the Otay Water District as your water service provider?

- 1---Excellent
- 2---Very Good
- 3—Good
- 4---Fair
- 5—Poor
- 6---Very Poor
- 9 - DK/REF [DO NOT READ]**

Q1a. **[IF Q1 = 5 or 6]** Please explain why you feel this way?

---

Q2: Have you called the Otay Water District for service or other help during the past 6 months?

- 1 - YES
- 2 - NO – **[GO TO Q3]**
- 9 - DK/REF [DO NOT READ]– [GO TO Q3]**

Q2a—**[IF Q2 = 1]** How would you rate your overall level of satisfaction with the service you received when you called for service or help?

- 1---Excellent
- 2---Very Good
- 3—Good
- 4---Fair
- 5—Poor
- 6---Very Poor
- 9 - DK/REF [DO NOT READ]**

Q3. These next questions are related to the water supply in San Diego County. How confident are you in the ability of local water agencies to provide enough water to you? Would you say...\* **[REVERSE]**

- 1 - very confident,
- 2 - somewhat confident,
- 3 - not very confident,
- 4 - not at all confident,
- 5 - or are you not sure? **[INCLUDES DK/REF]**

Q4. How much trust do you have in the ability of the Otay Water District to provide clean, safe water to the district? Would you say...\* **[REVERSE]**

- 1 – a great deal of trust,
- 2 – a good amount of trust,
- 3 – some trust,

- 4 -- not much trust,
- 5 – no trust at all?
- 9 -- not sure [INCLUDES DK/REF]

Q4a. How much trust do you have in the Otay Water District to obtain this water for you at a reasonable price? Would you say...[REVERSE]

- 1 – a great deal of trust,
- 2 – a good amount of trust,
- 3 – some trust,
- 4 -- not much trust,
- 5 – no trust at all?
- 9 -- not sure [INCLUDES DK/REF]

**WATER SHORTAGE-----WATER RATES**

Q5a-c. I am going to mention six utilities that serve the needs of residents and businesses in the region. Considering only those utilities that you pay for, which would you say is the best value for the amount of money that you pay. Which ones are second and third? [ROTATE LIST]

	MOST (5a)	SECOND (5b)	THIRD (5c)
a. Trash collection	1	1	1
b. Water	2	2	2
c. Sewer	3	3	3
d. Telephone	4	4	4
e. Cable or Satellite TV	5	5	5
f. Internet access	6	6	6
g. Gas & Electric	7	7	7

Q6. In the past year, do you believe that your water rates have...

- 1 - gone up,
- 2 - gone down, -----> **GO TO Q7**
- 3 - stayed about the same, -----> **GO TO Q7**
- 4 - or are you not sure? -----> **GO TO Q7**
- 9 - DK/REF [DO NOT READ]-----> **GO TO Q7**

Q6a [IF Q6 = 1]. What do you think has been the two biggest causes of your rates increasing?

**[DO NOT READ-----CODE USING FOLLOWING SCHEMA:]**

- 1 – INCREASED RELIANCE ON IMPORTED WATER**
- 2 – WATER SHORTAGE DUE TO LESS RAIN IN SAN DIEGO THAN NORMAL**

- 3 - POPULATION GROWTH
- 4 - COURT ORDERS REDUCING LOCAL WATER SUPPLY
- 5 - PRICE INCREASES FROM THE METROPOLITAN WATER DISTRICT
- 6—PRICE INCREASES FROM THE SAN DIEGO COUNTY WATER AUTHORITY
- 7—INCREASING OPERATIONAL COSTS AT OTAY WATER DISTRICT
- 8—OTAY WATER DISTRICT MANAGEMENT COSTS
- 9—LESS SNOW IN MOUNTAINS
- 10—LESS WATER IN COLORADO RIVER
- 20- OTHER \_\_\_\_\_
- 99. DK/REF

Q6b. **[IF Q6 = 1]** Have higher water rates affected your level of satisfaction with the Otay Water District?

1 - Yes. Higher water rates have caused my overall satisfaction with the Otay Water District to decline.

2 - No. Higher water rates have not changed my overall satisfaction with the Otay Water District. Rising rates are not entirely within the District's control.

**9 - DK/REF [DO NOT READ]**

Q6c. **[IF Q6=1]** Have higher water rates motivated you to conserve more water?

1 - YES

2 - NO-----> **GO TO Q7**

**9 - DK/REF [DO NOT READ]-----> GO TO Q7**

Q6d. **[IF Q6c=1]** What specific major step **has your household taken in the past year** to reduce your water usage?

\_\_\_\_\_ 99-DK/REF

**[DO NOT READ-----CODE USING FOLLOWING SCHEMA:]**

- 1 - OUTDOOR WATER LESS TIME
- 2 - IRRIGATE EARLIER IN THE MORNING OR LATER AT NIGHT
- 3—LET MY LANDSCAPE/LAWN DIE
- 4 - OUTDOOR WATERING FEWER DAYS DAY PER WEEK
- 5 - CHECK THE SOIL'S MOISTURE LEVEL BEFORE WATERING
- 6 - REPLACE UNUSED TURF WITH LOW-WATER PLANTS
- 7 - UPGRADE IRRIGATION SYSTEM TO INCLUDE NEW, HIGH-EFFICIENCY EQUIPMENT
- 8 - PURCHASE A HIGH EFFICENCY CLOTHES WASHER
- 9 - WASH ONLY FULL LOADS OF CLOTHES OR DISHES
- 10 - TAKE SHORTER SHOWERS

- 11 – USE A BROOM INSTEAD OF A HOSE ON PAVED AREAS
  - 12 – FIX INDOOR LEAKS (TOILET, FAUCET, ETC.)
  - 13 – FIX OUTDOOR LEAKS (SPRINKLERS, SPAS, ETC.)
  - 14-- DO NOT LET WATER RUN
  - 15 – COLLECT AND REUSE
  - 16 – REPLACE GRASS WITH ARTIFICIAL/SYNTHETIC TURF
  - 20 – OTHER, SPECIFY\_\_\_\_
- 

## OUTDOOR WATERING---ASK EVERYONE

Q7. These next few questions deal with using water outdoors. Does your residence have any outdoor landscaping that someone in your household is directly responsible for maintaining?

- 1 - YES
- 2 - NO/APT/CONDO/NO YARD RESPONSIBILITIES -----> **GO TO Q8**
- 9 - DK/REF—DO NOT READ -----> **GO TO Q8**

Q7a. Does your landscaping include a lawn?

- 1 - YES
- 2 - NO
- 9 - DK/REF [DO NOT READ]

Q7b. Do you have an automatically-controlled sprinkler system for your landscaping?

- 1 - YES
- 2 - NO -----> **GO TO Q8**
- 9 - DK/REF [DO NOT READ]-----> **GO TO Q8**

Q7c. **[IF Q7b = 1]** During the past 12 months, how often has anyone made adjustments to the automatic controller for your sprinkler system?

- 1 - NOT AT ALL
- 2 - 1 TO 3 TIMES
- 3 - 4 to 6 TIMES
- 4 -7 OR MORE TIMES
- 5 - USE WEATHER-BASED CONTROLLER
- 9 - DK/REF [DO NOT READ]

## DESALINATION

Q8. These next questions are about desalination. Are you familiar with the term “desalination.”

- 1. YES

2. NO [include DK/REF]

Q9. [IF Q8a = 1, then start with “As you may already know,”] Desalination is the process of making drinking water and water for other household and business uses from ocean water. Desalination is a process that forces water through a very fine filter that is designed to remove ocean salts and other impurities from the ocean water.

Do you believe that desalination is important to maintaining a reliable supply of water in San Diego County?

- 1- Yes, very important
- 2- Yes, somewhat important
- 3- No, not very important
- 4- No, not at all important
- 9. DK/REF---[DO NOT READ—ONLY IF VOLUNTEERED]

Q10. AN OCEAN WATER DESALINATION PLANT IS TENTATIVELY PLANNED FOR THE CITY OF ROSARITO BEACH IN MEXICO AND THE OTAY WATER DISTRICT HAS THE OPPORTUNITY TO PURCHASE SOME OF THAT WATER STARTING IN 2015 OR 2016. THIS PROJECT WOULD BE FINANCED AND OPERATED BY INTERNATIONAL COMPANIES WITH CONSIDERABLE EXPERIENCE IN OCEAN WATER DESALINATION, WITH TIJUANA, ROSARITO BEACH, AND THE OTAY WATER DISTRICT BEING THE PLANT’S CUSTOMERS.

Would you be in favor of pursuing such an agreement with these international companies to develop additional supplies of water from seawater desalination?

- 1. Yes—GO TO Q11
- 2. No
- 9 - DK/REF [DO NOT READ]—GO TO Q11

Q10a. [IF Q10 = 2] Why are you not in favor of this desalination agreement?

---

[USE FOLLOWING CODING BUT DO NOT READ—ENTER OTHER ANSWERS VERBATIM—99 = DK/REF]

1. Questionable water quality
2. It should be done in U.S—US needs the jobs.
3. Do not trust/want to deal with Mexico
4. High cost
5. Do not know enough yet—Need more information
6. Do not want to drink sea water

7. Want local control

**WATER RECYCLING**

Q11a-c. The use of recycled water is another way to increase the water supply. Would you favor or oppose the use of recycled water for the following types of uses...

**[CLARIFY:]** Do you strongly or somewhat {favor/oppose} that?

Do you favor or oppose using recycled water...	strgly <u>favor</u>	smwt <u>favor</u>	smwt <u>oppose</u>	strgly <u>oppose</u>	DK/ <u>REF—not</u> <u>read</u>
a) for <u>watering</u> landscaping along freeways open space, parks and golf courses?	1	2	3	4	9
b) for watering residential front yards?	1	2	3	4	9
c) for replenishing recreational lakes?	1	2	3	4	9

Q12. How would you feel about using advanced treated recycled water as an addition to the supply of drinking water, that is water treated with ultra- filtration, reverse osmosis, and advanced oxidation?

- 1. strongly favor
- 2. somewhat favor
- 3. somewhat oppose
- 4. strongly oppose
- 9. DK/REF [DO NOT VOLUNTEER]

**[IF ASKED WHAT THESE PROCESSES ARE, ASK WHICH ONE THEY MOST WANT MOST TO HEAR ABOUT AND READ THAT ONE ONLY-HERE IS INFO THAT CAN BE PROVIDED]**

**Q12INFO: RECYCLE INFO. [RECORD REQUESTED PROCESS FOR INFORMATION]\_\_\_\_\_**

- 1. Ultra-filtration: Like hollow straws with holes in the sides, this process filters out particles larger than one thousandth the diameter of a human hair. This is the process that is used to make baby food, purify medicines, and fruit juices.**
- 2. Reverse Osmosis: Water is directed under high pressure through thin membranes. This is the same technology that is used by bottled water companies and ocean water desalination facilities.**

3. **Advanced Oxidation: Ultraviolet light is similar to concentrated sunlight, UV light breaks apart remaining contaminants, and hydrogen peroxide oxidizes the remaining contaminants**

## CONSERVATION GARDEN

Q13. Have you ever seen or heard anything about the Water Conservation Garden at Cuyamaca College?

- 1 - YES  
 2 - NO-----> **GO TO Q14**  
 9 - DK/REF [DO NOT READ]-----> **GO TO Q14**

Q13a. **[IF Q13 = 1]** Have you or any member of your family ever visited the garden?

- 1 - YES  
 2 - NO -----> **GO TO Q14**  
 9 - DK/REF [DO NOT READ]-----> **GO TO Q14**

Q13b. Have you made any changes to your watering or landscaping practices as a result of visiting the Garden?

- 1 – YES  
 2 – NO  
 9 - DK/REF [DO NOT READ]

## SOCIAL MEDIA

Q14a-e. Which, if any, of the following social media websites do you use?

- |             | YES (1) | NO (2) (incl. DK) |
|-------------|---------|-------------------|
| a. Facebook |         |                   |
| b. Twitter  |         |                   |
| c. LinkedIn |         |                   |
| d. My Space |         |                   |
| e. You Tube |         |                   |

14f-g. Are there any other Social Media websites that you use \_\_\_\_\_  
**[RECORD UP TO TWO RESPONSES]—ENTER 9 IF RESPONSE IS NO OR DK**

Q15a-d. Do you think that the Otay Water District can use these sites for your benefit to

- YES      NO      **DK (do not read)**

- a. notify you about scheduled construction or system repairs
- b. distribute emergency information
- c. discuss water industry news and new developments
- d. communicate information about the District

Q16. On a scale of 1-5, with 1 being very important and 5 being very unimportant, how important is it to you that the Otay Water District have a presence using social media?

- 1. Very important
- 2. Somewhat important
- 3. Neither Important nor important
- 4. Somewhat unimportant
- 5. Very Unimportant
- 9 - DK/REF [DO NOT READ]**

## COMMUNICATION

Q17. Have you ever visited the Otay Water District website?

- 1 - YES
- 2 – HAVE ACCESS TO INTERNET, BUT HAVE NOT VISITED WEBSITE -----  
-----> **GO TO Q18**
- 3—DO NOT HAVE ACCESS TO THE INTERNET----->**GO TO Q19**
- 9 - DK/REF [DO NOT READ]-----> GO TO Q18**

Q17a. **[IF Q17 = 1]** How would you rate the website? Would you say...

- 1 - excellent,
- 2 - good,
- 3 - fair, or
- 4 - poor?
- 9 - DK/REF [DO NOT READ]**

Q18. The Otay Water District sends information to its customers on a regular basis. How would feel about receiving information from the Otay Water District at your home e-mail address?

- 1 – I think that using my home e-mail is a good way for me to receive information from the Otay Water District.
- 2 – I do not want to receive information from the Otay Water District at my home e-mail.
- 9 - DK/REF [DO NOT READ]**

Q19. Do you read the newsletter or bill inserts that come in the mail with your monthly water bill...

- 1 - every time,
- 2 - most times,
- 3 - sometimes, or
- 4 - never?
- 9 - DK/REF [DO NOT READ]

## BILL PAYMENT

Q20. The Otay Water District has recently implemented a new bill design. It was first mailed to customers in September 2011. How satisfied are you with the ease of understanding this new water bill?

- 1 - very satisfied,--**GO TO Q21**
- 2 - somewhat satisfied, **GO TO Q21**
- 3—neither satisfied nor dissatisfied
- 4 - somewhat dissatisfied,
- 5 - very dissatisfied?
- 6 –OR are you not aware of the new bill design **GO TO Q21**
- 9 - DK/REF [DO NOT READ] **GO TO Q21**

**Q20a. How would you suggest improving the design of the water bill?**

---

**99 - DK/REF [DO NOT READ]**

Q21. How do you pay your water bill most months?

- 1—Send check by mail
- 2—Automatic bank deduction
- 3—Credit card over the telephone
- 4—In person at the Otay Water District office
- 5—In person at payment center
- 6—On-line (Internet) [**GO TO Q22**]

Q21a. [**IF Q21 NOT = 6**] What can the District do to make paying on-line through the District's Website a more appealing option for you?

---

**DK/REF = 99**

**[USE THE FOLLOWING CODES BUT DO NOT READ THEM. ENTER ALL OTHER ANSWERS VERBATIM]**

- 1. **THERE IS NOTHING THAT WOULD MAKE ME PAY ONLINE**
- 2. **OFFER DISCOUNTS ON THE BILL**

Q22. No matter how you presently pay your bill, how would you prefer to pay your bill most of the time?

- 1—Send check by mail
- 2—Automatic bank deduction
- 3—Credit card over the telephone
- 4—In person at the Otay Water District office
- 5—In person at payment center
- 6—On-line (Internet)
- 9 - DK/REF [DO NOT READ]**

Q23 Would you be interested in receiving your monthly bill from the Otay Water District by e-mail instead of through the Postal Service?

- 1 - YES
- 2 - NO
- 9 - DK/REF [DO NOT READ]**

Q24. How likely are you to choose to go paperless in your bill paying to the District and other regular monthly accounts within the next year or two? That is, you would receive your bill by e-mail and would make your payments in one of several ways (phone, online, automatic deduction) but not by check or cash.

- 1. Very likely—**GO TO Q25**
- 2. Somewhat likely—**GO TO Q25**
- 3. Somewhat unlikely
- 4. Very unlikely
- 9. **DK/REF [DO NOT VOLUNTEER] —GO TO Q25**

Q24a. **[IF Q24 =3 or 4]** What is your major objection to going paperless for bill paying?

---

**[USE FOLLOWING CODING BUT DO NOT READ—ENTER OTHER ANSWERS  
VERBATIM—99 = DK/REF]**

<b>1. Want paper record</b>
<b>2. Computers can fail</b>
<b>3. Trust/security</b>
<b>4. Do not use computers that often</b>
<b>5. I do not keep personal records on the computer</b>
<b>6. Used to paying by check</b>
<b>7. I will forget to check for the bill on the computer</b>

## POWER OUTAGE

Q25. On September 8, 2011, many households throughout Southern California experienced a massive power outage for several hours. During the power outage and for a couple of days afterward, were you concerned that the quality of your water was compromised and therefore was not usable without special treatment?

1 – Yes. I felt the quality of my water was possibly compromised.

2 - No. I was not concerned about the quality of my water.

**9 - DK/REF [DO NOT READ]**

Q26. During the power outage, were you concerned that there would be a disruption in the delivery of your water by the Otay Water District?

1 – Yes. I was concerned that a disruption might occur.

2 - No. I was not concerned that there would be a disruption in the delivery of my water.

**9 - DK/REF [DO NOT READ]**

Q27. How did you obtain information during the power outage? (select all that apply)

1 – battery operated or car radio

2 – wireless internet

3 – conversations by cell phone

4 – Twitter \_\_\_\_\_

5-- Facebook

6 – e-mail

7 – text messages

15– other (specify) \_\_\_\_\_

**20 – DK/REF—DO NOT READ**

Q28. If another power outage or similar mishap should occur, how would you most prefer to receive information about the situation? (select only one)

1 – battery operated or car radio

2 – wireless internet

3 – conversations by cell phone

4 – Twitter \_\_\_\_\_

5-- Facebook

6 – e-mail

7 – text messages

15– other (specify) \_\_\_\_\_

**20 – DK/REF—DO NOT READ**

## ASK ALL:

In closing, these questions are for comparison purposes only.

PPH. How many persons, including yourself, live in your household?

99 - DK/REF

TEN. Is your residence owned by someone in your household, or is it rented?

- 1 - OWN
- 2 - RENT/OTHER STATUS
- 9 - DK/REF [DO NOT READ]

EDU. What is the highest grade or year of school that you have completed and received credit for...

- 1 - high school or less,
- 2 - at least one year of college, trade or vocational school,
- 3 - graduated college with a bachelor's degree, or
- 4 - at least one year of graduate work beyond a bachelor's degree?
- 9 - DK/REF [DO NOT READ]

AGE. Please tell me when I mention the category that contains your age...

- 1 - 18 to 24,
- 2 - 25 to 34,
- 3 - 35 to 44,
- 4 - 45 to 54,
- 5 - 55 to 64, or
- 6 - 65 or over?
- 9 - DK/REF [DO NOT READ]

ETH. Which of the following best describes your ethnic or racial background...

- 1 - white, not of Hispanic origin;
- 2 - black, not of Hispanic origin;
- 3 - Hispanic or Latino;
- 4 - Asian or Pacific Islander;
- 5 - Native American;
- 6 - Middle Eastern
- 15 - another ethnic group? [SPECIFY:] \_\_\_\_\_
- 20 - DK/REF [DO NOT READ]

INC. Now, we don't want to know your exact income, but just roughly, could you tell me if your annual household income before taxes is...

- 1 - under \$25,000,
- 2 - \$25,000 up to but not including \$50,000,
- 3 - \$50,000 up to (but not including) \$75,000,
- 4 - \$75,000 up to (but not including) \$100,000,
- 5 - \$100,000 up to but not including \$150,000?
- 6 - \$150,000 and over
- 9 - DK/REF [DO NOT READ]

LAN. [LANGUAGE OF INTERVIEW:]      1 - ENGLISH                      2 - SPANISH

## Frequency Tables

**CUST. How long have you been a customer of the Otay Water District?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	36	7.5	7.5	7.5
	2	37	7.7	7.7	15.2
	3	25	5.2	5.2	20.4
	4	25	5.2	5.2	25.6
	5	12	2.5	2.5	28.1
	6	15	3.1	3.1	31.3
	7	8	1.7	1.7	32.9
	8	13	2.7	2.7	35.6
	9	13	2.7	2.7	38.3
	10	25	5.2	5.2	43.5
	11	16	3.3	3.3	46.9
	12	16	3.3	3.3	50.2
	13	15	3.1	3.1	53.3
	14	13	2.7	2.7	56.0
	15	22	4.6	4.6	60.6
	16	4	.8	.8	61.5
	17	6	1.3	1.3	62.7
	18	12	2.5	2.5	65.2
	20	30	6.3	6.3	71.5
	21	4	.8	.8	72.3
	22	7	1.5	1.5	73.8
	23	3	.6	.6	74.4
	24	4	.8	.8	75.2
	25	17	3.5	3.5	78.8
	26	8	1.7	1.7	80.4
	27	5	1.0	1.0	81.5

28	3	.6	.6	82.1
29	3	.6	.6	82.7
30	20	4.2	4.2	86.9
31	1	.2	.2	87.1
32	3	.6	.6	87.7
33	2	.4	.4	88.1
34	3	.6	.6	88.8
35	7	1.5	1.5	90.2
36	5	1.0	1.0	91.3
37	3	.6	.6	91.9
38	2	.4	.4	92.3
40	13	2.7	2.7	95.0
42	3	.6	.6	95.6
44	1	.2	.2	95.8
45	5	1.0	1.0	96.9
47	3	.6	.6	97.5
48	1	.2	.2	97.7
49	1	.2	.2	97.9
50	6	1.3	1.3	99.2
51	1	.2	.2	99.4
60	2	.4	.4	99.8
63	1	.2	.2	100.0
Total	480	100.0	100.0	

**GENDER. Gender**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	266	55.4	55.4	55.4
	Female	214	44.6	44.6	100.0
	Total	480	100.0	100.0	

**LANPREF. Language Preference**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	English	471	98.1	98.1	98.1
	Spanish	9	1.9	1.9	100.0
	Total	480	100.0	100.0	

**Q1: How would you rate your overall satisfaction with the Otay Water District as your water service provider?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Excellent	139	29.0	29.3	29.3
	Very Good	165	34.4	34.7	64.0
	Good	126	26.3	26.5	90.5
	Fair	33	6.9	6.9	97.5
	Poor	7	1.5	1.5	98.9
	Very Poor	5	1.0	1.1	100.0
	Total	475	99.0	100.0	
Missing	DK/REF	5	1.0		
Total		480	100.0		

**Q2: Have you called the Otay Water District for service or other help during the past 6 months?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	44	9.2	9.2	9.2
	No	433	90.2	90.8	100.0
	Total	477	99.4	100.0	
Missing	DK/REF	3	.6		
Total		480	100.0		

**Q2a. How would you rate your overall level of satisfaction with the service you received when you called for service or help?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Excellent	17	3.5	38.6	38.6
	Very Good	10	2.1	22.7	61.4
	Good	8	1.7	18.2	79.5
	Fair	3	.6	6.8	86.4
	Poor	2	.4	4.5	90.9
	Very Poor	4	.8	9.1	100.0
	Total	44	9.2	100.0	
Missing	System	436	90.8		
Total		480	100.0		

**Q3 - How confident are you in the ability of local water agencies to provide enough water to you?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very confident	226	47.1	48.6	48.6
	Somewhat confident	198	41.3	42.6	91.2
	Not very confident	30	6.3	6.5	97.6
	Not at all confident	11	2.3	2.4	100.0
	Total	465	96.9	100.0	
Missing	Not sure	15	3.1		
Total		480	100.0		

**Q4. How much trust do you have in the ability of the Otay Water District to provide clean, safe water to the district?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	A great deal of trust	132	27.5	28.0	28.0
	A good amount of trust	182	37.9	38.6	66.5
	Some trust	139	29.0	29.4	96.0
	Not much trust	12	2.5	2.5	98.5
	No trust at all	7	1.5	1.5	100.0
	Total	472	98.3	100.0	
Missing	Not sure	8	1.7		
Total		480	100.0		

**Q4a. How much trust do you have in the Otay Water District to obtain this water for you at a reasonable price?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	A great deal of trust	53	11.0	11.5	11.5
	A good amount of trust	131	27.3	28.4	39.8
	Some trust	180	37.5	39.0	78.8
	Not much trust	67	14.0	14.5	93.3
	No trust at all	31	6.5	6.7	100.0
	Total	462	96.3	100.0	
Missing	Not sure	18	3.8		
Total		480	100.0		

**Q5 - Utility--First Mention**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Trash collection	129	26.9	28.1	28.1
	Water	130	27.1	28.3	56.4
	Sewer	29	6.0	6.3	62.7
	Telephone	34	7.1	7.4	70.2
	Cable or Satellite TV	34	7.1	7.4	77.6
	Internet access	26	5.4	5.7	83.2
	Gas & Electric	77	16.0	16.8	100.0
	Total	459	95.6	100.0	
Missing	DK	21	4.4		
Total		480	100.0		

**Q5 - Utility--Second Mention**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Trash collection	66	13.8	17.7	17.7
	Water	86	17.9	23.1	40.9
	Sewer	23	4.8	6.2	47.0
	Telephone	49	10.2	13.2	60.2
	Cable or Satellite TV	33	6.9	8.9	69.1
	Internet access	42	8.8	11.3	80.4
	Gas & Electric	73	15.2	19.6	100.0
	Total	372	77.5	100.0	
Missing	System	108	22.5		
Total		480	100.0		

**Q5 - Utility--Third Mention**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Trash collection	48	10.0	15.3	15.3
	Water	48	10.0	15.3	30.7
	Sewer	39	8.1	12.5	43.1
	Telephone	49	10.2	15.7	58.8
	Cable or Satellite TV	47	9.8	15.0	73.8
	Internet access	33	6.9	10.5	84.3
	Gas & Electric	49	10.2	15.7	100.0
	Total	313	65.2	100.0	
Missing	System	167	34.8		
Total		480	100.0		

**Q6. In the past year, do you believe that your water rates have...**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Gone up	262	54.6	54.7	54.7
	Gone down	8	1.7	1.7	56.4
	Stayed about the same	122	25.4	25.5	81.8
	Not sure	87	18.1	18.2	100.0
	Total	479	99.8	100.0	
Missing	DK/REF	1	.2		
Total		480	100.0		

**Q6a What do you think have been the TWO biggest causes of your rates increasing?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Increased reliance on imported water	21	4.4	8.0	8.0
	Water shortage due to less rain in san diego than normal	41	8.5	15.6	23.7

	Population growth	8	1.7	3.1	26.7
	Price increases from the metropolitan water district	18	3.8	6.9	33.6
	Price increases from the san diego county water authority	8	1.7	3.1	36.6
	Increasing operational costs at otay water district	12	2.5	4.6	41.2
	Otay water district management costs	30	6.3	11.5	52.7
	Less snow in mountains	1	.2	.4	53.1
	Less water in Colorado River	4	.8	1.5	54.6
	Other	5	1.0	1.9	56.5
	DK/REF	45	9.4	17.2	73.7
	Costs increase with conservation	6	1.3	2.3	76.0
	Using more water	20	4.2	7.6	83.6
	Greed--"THEY raised rates"	11	2.3	4.2	87.8
	sewer	11	2.3	4.2	92.0
	new meters	3	.6	1.1	93.1
	economy	14	2.9	5.3	98.5
	politics/government	4	.8	1.5	100.0
	Total	262	54.6	100.0	
Missing	System	218	45.4		
Total		480	100.0		

**Q6a What do you think have been the TWO biggest causes of your rates increasing?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Increased reliance on imported water	8	1.7	6.8	6.8
	Water shortage due to less rain in san diego than normal	17	3.5	14.4	21.2
	Population growth	11	2.3	9.3	30.5

	Court orders reducing local water supply	4	.8	3.4	33.9
	Price increases from the metropolitan water district	14	2.9	11.9	45.8
	Price increases from the san diego county water authority	2	.4	1.7	47.5
	Increasing operational costs at otay water district	6	1.3	5.1	52.5
	Otay water district management costs	23	4.8	19.5	72.0
	Less snow in mountains	1	.2	.8	72.9
	Less water in Colorado River	2	.4	1.7	74.6
	Other	9	1.9	7.6	82.2
	DK/REF	5	1.0	4.2	86.4
	Using more water	5	1.0	4.2	90.7
	Greed--"THEY raised rates"	2	.4	1.7	92.4
	sewer	1	.2	.8	93.2
	new meters	1	.2	.8	94.1
	economy	2	.4	1.7	95.8
	politics/government	3	.6	2.5	98.3
	infrastructure	2	.4	1.7	100.0
	Total	118	24.6	100.0	
Missing	System	362	75.4		
Total		480	100.0		

**Q6b. Have higher water rates affected your level of satisfaction with the Otay  
Water District?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	145	30.2	57.1	57.1
	No	109	22.7	42.9	100.0
	Total	254	52.9	100.0	
Missing	DK/REF	8	1.7		
	System	218	45.4		
	Total	226	47.1		
Total		480	100.0		

**Q6c. Have higher water rates motivated you to conserve more water?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	208	43.3	80.9	80.9
	No	49	10.2	19.1	100.0
	Total	257	53.5	100.0	
Missing	DK/REF	5	1.0		
	System	218	45.4		
	Total	223	46.5		
Total		480	100.0		

**Q6d. What specific major step has your household taken in the past year to reduce your water usage?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Outdoor water less time	56	11.7	27.3	27.3
	Irrigate earlier in the morning or later at night	8	1.7	3.9	31.2
	Let my landscape/lawn die	22	4.6	10.7	42.0
	Outdoor watering fewer days day per week	15	3.1	7.3	49.3
	Check the soil's moisture level before watering	2	.4	1.0	50.2
	Replace unused turf with low-water plants	3	.6	1.5	51.7
	Upgrade irrigation system to include new, high-efficiency eq	10	2.1	4.9	56.6
	Wash only full loads of clothes or dishes	12	2.5	5.9	62.4
	Take shorter showers	18	3.8	8.8	71.2
	Fix indoor leaks (toilet, faucet, etc.)	15	3.1	7.3	78.5
	Fix outdoor leaks (sprinklers, spas, etc.)	5	1.0	2.4	81.0
	Do not let water run	12	2.5	5.9	86.8
	Collect and reuse	5	1.0	2.4	89.3
	Replace grass with artificial/synthetic turf	4	.8	2.0	91.2
	Other	3	.6	1.5	92.7
	Go to Car Wash	4	.8	2.0	94.6
	Low pressure valves/fixtures	6	1.3	2.9	97.6
	use pool less	3	.6	1.5	99.0
bottled water	2	.4	1.0	100.0	
Total	205	42.7	100.0		
Missing	DK/Unsure	3	.6		
	System	272	56.7		
	Total	275	57.3		

**Q6d. What specific major step has your household taken in the past year to reduce your water usage?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Outdoor water less time	56	11.7	27.3	27.3
	Irrigate earlier in the morning or later at night	8	1.7	3.9	31.2
	Let my landscape/lawn die	22	4.6	10.7	42.0
	Outdoor watering fewer days day per week	15	3.1	7.3	49.3
	Check the soil's moisture level before watering	2	.4	1.0	50.2
	Replace unused turf with low-water plants	3	.6	1.5	51.7
	Upgrade irrigation system to include new, high-efficiency eq	10	2.1	4.9	56.6
	Wash only full loads of clothes or dishes	12	2.5	5.9	62.4
	Take shorter showers	18	3.8	8.8	71.2
	Fix indoor leaks (toilet, faucet, etc.)	15	3.1	7.3	78.5
	Fix outdoor leaks (sprinklers, spas, etc.)	5	1.0	2.4	81.0
	Do not let water run	12	2.5	5.9	86.8
	Collect and reuse	5	1.0	2.4	89.3
	Replace grass with artificial/synthetic turf	4	.8	2.0	91.2
	Other	3	.6	1.5	92.7
	Go to Car Wash	4	.8	2.0	94.6
	Low pressure valves/fixtures	6	1.3	2.9	97.6
	use pool less	3	.6	1.5	99.0
bottled water	2	.4	1.0	100.0	
Total	205	42.7	100.0		
Missing	DK/Unsure	3	.6		
	System	272	56.7		
	Total	275	57.3		
Total	480	100.0			

**Q6d. What specific major step has your household taken in the past year to reduce your water usage?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Outdoor water less time	12	2.5	8.8	8.8
	Irrigate earlier in the morning or later at night	11	2.3	8.0	16.8
	Let my landscape/lawn die	6	1.3	4.4	21.2
	Outdoor watering fewer days day per week	15	3.1	10.9	32.1
	Check the soil's moisture level before watering	2	.4	1.5	33.6
	Replace unused turf with low-water plants	3	.6	2.2	35.8
	Upgrade irrigation system to include new, high-efficiency eq	3	.6	2.2	38.0
	Purchase a high efficiency clothes washer	4	.8	2.9	40.9
	Wash only full loads of clothes or dishes	7	1.5	5.1	46.0
	Take shorter showers	21	4.4	15.3	61.3
	Use a broom instead of a hose on paved areas	2	.4	1.5	62.8
	Fix indoor leaks (toilet, faucet, etc.)	18	3.8	13.1	75.9
	Fix outdoor leaks (sprinklers, spas, etc.)	4	.8	2.9	78.8
	Do not let water run	15	3.1	10.9	89.8
	Collect and reuse	2	.4	1.5	91.2
	Other	1	.2	.7	92.0
	Go to Car Wash	4	.8	2.9	94.9
	Low pressure valves/fixtures	3	.6	2.2	97.1
	use pool less	3	.6	2.2	99.3
	bottled water	1	.2	.7	100.0

	Total	137	28.5	100.0
Missing	DK/Unsure	1	.2	
	System	342	71.3	
	Total	343	71.5	
Total		480	100.0	

**Q6d. What specific major step has your household taken in the past year to reduce your water usage?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Outdoor water less time	2	.4	3.3	3.3
	Irrigate earlier in the morning or later at night	1	.2	1.6	4.9
	Let my landscape/lawn die	2	.4	3.3	8.2
	Outdoor watering fewer days day per week	4	.8	6.6	14.8
	Replace unused turf with low-water plants	1	.2	1.6	16.4
	Upgrade irrigation system to include new, high-efficiency eq	1	.2	1.6	18.0
	Purchase a high efficiency clothes washer	2	.4	3.3	21.3
	Wash only full loads of clothes or dishes	11	2.3	18.0	39.3
	Take shorter showers	7	1.5	11.5	50.8
	Use a broom instead of a hose on paved areas	1	.2	1.6	52.5
	Fix indoor leaks (toilet, faucet, etc.)	2	.4	3.3	55.7
	Fix outdoor leaks (sprinklers, spas, etc.)	6	1.3	9.8	65.6
	Do not let water run	10	2.1	16.4	82.0
	Collect and reuse	1	.2	1.6	83.6
	Replace grass with artificial/synthetic turf	2	.4	3.3	86.9

	Other	1	.2	1.6	88.5
	Go to Car Wash	2	.4	3.3	91.8
	Low pressure valves/fixtures	3	.6	4.9	96.7
	use pool less	2	.4	3.3	100.0
	Total	61	12.7	100.0	
Missing	System	419	87.3		
Total		480	100.0		

**Q6d. What specific major step has your household taken in the past year to reduce your water usage?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Outdoor water less time	1	.2	6.7	6.7
	Irrigate earlier in the morning or later at night	1	.2	6.7	13.3
	Replace unused turf with low-water plants	1	.2	6.7	20.0
	Upgrade irrigation system to include new, high-efficiency eq	1	.2	6.7	26.7
	Purchase a high efficiency clothes washer	1	.2	6.7	33.3
	Wash only full loads of clothes or dishes	5	1.0	33.3	66.7
	Take shorter showers	1	.2	6.7	73.3
	Fix indoor leaks (toilet, faucet, etc.)	2	.4	13.3	86.7
	Do not let water run	1	.2	6.7	93.3
	Collect and reuse	1	.2	6.7	100.0
	Total	15	3.1	100.0	
Missing	System	465	96.9		
Total		480	100.0		

**Q6d. What specific major step has your household taken in the past year to reduce your water usage?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Replace unused turf with low-water plants	1	.2	33.3	33.3
	Take shorter showers	1	.2	33.3	66.7
	Collect and reuse	1	.2	33.3	100.0
	Total	3	.6	100.0	
Missing	System	477	99.4		
Total		480	100.0		

**Q6d. What specific major step has your household taken in the past year to reduce your water usage?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Collect and reuse	1	.2	100.0	100.0
Missing	System	479	99.8		
Total		480	100.0		

**Q6d. What specific major step has your household taken in the past year to reduce your water usage?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Use a broom instead of a hose on paved areas	1	.2	100.0	100.0
Missing	System	479	99.8		
Total		480	100.0		

**Q7. Does your residence have any outdoor landscaping that someone in your household is directly responsible for maintaining?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	341	71.0	71.5	71.5
	No/Apt/Condo/No yard responsibilities	136	28.3	28.5	100.0
	Total	477	99.4	100.0	
Missing	DK/REF	3	.6		
Total		480	100.0		

**Q7a. Does your landscaping include a lawn?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	291	60.6	85.3	85.3
	No	50	10.4	14.7	100.0
	Total	341	71.0	100.0	
Missing	System	139	29.0		
Total		480	100.0		

**Q7b. Do you have an automatically-controlled sprinkler system for your landscaping?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	269	56.0	79.8	79.8
	No	68	14.2	20.2	100.0
	Total	337	70.2	100.0	
Missing	DK/REF	4	.8		
	System	139	29.0		
	Total	143	29.8		
Total		480	100.0		

**Q7c. During the past 12 months, how often has anyone made adjustments to the automatic controller for your sprinkler system?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	51	10.6	19.0	19.0
	1 to 3 Times	73	15.2	27.1	46.1
	4 to 6 Times	45	9.4	16.7	62.8
	7 or more times	62	12.9	23.0	85.9
	We use a weather-based controller	27	5.6	10.0	95.9
	Don't Know/Unsure	11	2.3	4.1	100.0
	Total	269	56.0	100.0	
Missing	System	211	44.0		
Total		480	100.0		

**Q8. Are you familiar with the term "desalination?"**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	317	66.0	66.0	66.0
	No	163	34.0	34.0	100.0
Total		480	100.0	100.0	

**Q9. Do you believe that desalination is important to maintaining a reliable supply of water in San Diego County?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes, very important	328	68.3	72.6	72.6
	Yes, somewhat important	87	18.1	19.2	91.8
	No, not very important	24	5.0	5.3	97.1
	No, not at all important	13	2.7	2.9	100.0
	Total	452	94.2	100.0	
Missing	DK/REF	28	5.8		
Total		480	100.0		

**Q10: Would you be in favor of pursuing such an agreement with these international companies to develop additional supplies of water from seawater desalination?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	273	56.9	66.7	66.7
	No	136	28.3	33.3	100.0
	Total	409	85.2	100.0	
Missing	DK/REF	71	14.8		
Total		480	100.0		

**Q10a. Why are you not in favor of this desalination agreement?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Questionable water quality	25	5.2	18.7	18.7
	It should be done in U.S-US needs the jobs.	18	3.8	13.4	32.1
	Do not trust/want to deal with Mexico	46	9.6	34.3	66.4
	High cost	13	2.7	9.7	76.1
	Do not know enough yet- Need more information	11	2.3	8.2	84.3
	Do not want to drink sea water	4	.8	3.0	87.3
	Want local control	6	1.3	4.5	91.8
	Other	7	1.5	5.2	97.0
	Opposed to international agreement	4	.8	3.0	100.0
	Total	134	27.9	100.0	
Missing	System	346	72.1		
Total		480	100.0		

**Q10a. Why are you not in favor of this desalination agreement?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Questionable water quality	13	2.7	50.0	50.0
	It should be done in U.S-US needs the jobs.	3	.6	11.5	61.5
	Do not trust/want to deal with Mexico	4	.8	15.4	76.9
	High cost	1	.2	3.8	80.8
	Do not want to drink sea water	2	.4	7.7	88.5
	Want local control	2	.4	7.7	96.2
	Other	1	.2	3.8	100.0
	Total	26	5.4	100.0	
Missing	System	454	94.6		
Total		480	100.0		

**Q10a. Why are you not in favor of this desalination agreement?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Questionable water quality	3	.6	60.0	60.0
	Do not trust/want to deal with Mexico	1	.2	20.0	80.0
	Other	1	.2	20.0	100.0
	Total	5	1.0	100.0	
Missing	System	475	99.0		
Total		480	100.0		

**Q10a. Why are you not in favor of this desalination agreement?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Want local control	1	.2	100.0	100.0
Missing	System	479	99.8		
Total		480	100.0		

**Q11.1. Recycle--For watering landscaping along freeways open space, parks and golf courses**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Favor	364	75.8	76.8	76.8
	Somewhat Favor	90	18.8	19.0	95.8
	Somewhat Oppose	5	1.0	1.1	96.8
	Strongly Oppose	15	3.1	3.2	100.0
	Total	474	98.8	100.0	
Missing	DK/REF	6	1.3		
Total		480	100.0		

**Q11.2. Recycle--For watering residential front yards**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Favor	318	66.3	67.8	67.8
	Somewhat Favor	116	24.2	24.7	92.5
	Somewhat Oppose	18	3.8	3.8	96.4
	Strongly Oppose	17	3.5	3.6	100.0
	Total	469	97.7	100.0	
Missing	DK/REF	11	2.3		
Total		480	100.0		

**Q11.3. Recycle--For replenishing recreational lakes**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Favor	237	49.4	53.9	53.9
	Somewhat Favor	129	26.9	29.3	83.2
	Somewhat Oppose	39	8.1	8.9	92.0
	Strongly Oppose	35	7.3	8.0	100.0
	Total	440	91.7	100.0	
Missing	DK/REF	40	8.3		
Total		480	100.0		

**Q12. How would you feel about using advanced treated recycled water as an addition to the supply of drinking water, that is water treated with ultra- filtration, reverse osmosis, and advanced oxidation?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Favor	111	23.1	24.7	24.7
	Somewhat Favor	135	28.1	30.0	54.7
	Somewhat Oppose	72	15.0	16.0	70.7
	Strongly Oppose	132	27.5	29.3	100.0
	Total	450	93.8	100.0	
Missing	DK/REF	30	6.3		
Total		480	100.0		

**Q12 Info provided**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Ultra-filtration	2	.4	.4	.4
	Advanced Oxidation	2	.4	.4	.8
	Did not request any info	476	99.2	99.2	100.0
	Total	480	100.0	100.0	

**Q13. Have you ever seen or heard anything about the Water Conservation Garden at Cuyamaca College?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	227	47.3	47.7	47.7
	No	249	51.9	52.3	100.0
	Total	476	99.2	100.0	
Missing	DK/REF	4	.8		
Total		480	100.0		

**Q13a. Have you or any member of your family ever visited the garden?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	130	27.1	57.3	57.3
	No	97	20.2	42.7	100.0
	Total	227	47.3	100.0	
Missing	System	253	52.7		
Total		480	100.0		

**Q13b. Have you made any changes to your watering or landscaping practices as a result of visiting the Garden?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	77	16.0	60.2	60.2
	No	51	10.6	39.8	100.0
	Total	128	26.7	100.0	
Missing	DK/REF	2	.4		
	System	350	72.9		
	Total	352	73.3		
Total		480	100.0		

**Q14 Which, if any, of the following social media websites do you use?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Facebook	175	36.5	69.4	69.4
	Twitter	7	1.5	2.8	72.2
	LinkedIn	15	3.1	6.0	78.2
	My Space	2	.4	.8	79.0
	YouTube	53	11.0	21.0	100.0
	Total	252	52.5	100.0	
Missing	System	228	47.5		
Total		480	100.0		

**Q14 Which, if any, of the following social media websites do you use?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Facebook	26	5.4	19.1	19.1
	Twitter	40	8.3	29.4	48.5
	LinkedIn	25	5.2	18.4	66.9
	My Space	3	.6	2.2	69.1
	YouTube	42	8.8	30.9	100.0
	Total	136	28.3	100.0	
Missing	System	344	71.7		
Total		480	100.0		

**Q14 Which, if any, of the following social media websites do you use?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Facebook	2	.4	3.8	3.8
	Twitter	1	.2	1.9	5.7
	LinkedIn	27	5.6	50.9	56.6
	My Space	1	.2	1.9	58.5
	YouTube	22	4.6	41.5	100.0
	Total	53	11.0	100.0	
Missing	System	427	89.0		
Total		480	100.0		

**Q14 Which, if any, of the following social media websites do you use?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Twitter	1	.2	4.8	4.8
	My Space	11	2.3	52.4	57.1
	YouTube	9	1.9	42.9	100.0
	Total	21	4.4	100.0	
Missing	System	459	95.6		
Total		480	100.0		

**Q14 Which, if any, of the following social media websites do you use?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YouTube	10	2.1	100.0	100.0
Missing	System	470	97.9		
Total		480	100.0		

**Q15-1: Notify you about scheduled construction or system repairs**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	206	42.9	42.9	42.9
	No	274	57.1	57.1	100.0
	Total	480	100.0	100.0	

**Q15-2: Distribute emergency information**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	214	44.6	44.6	44.6
	No	266	55.4	55.4	100.0
	Total	480	100.0	100.0	

**Q15-3: Discuss water industry news and new developments**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	201	41.9	41.9	41.9
	No	279	58.1	58.1	100.0
	Total	480	100.0	100.0	

**Q15-4: Communicate information about the District**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	198	41.3	41.3	41.3
	No	282	58.8	58.8	100.0
	Total	480	100.0	100.0	

**Q16. How important is it to you that the Otay Water District have a presence using social media?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very important	99	20.6	22.3	22.3
	Somewhat important	101	21.0	22.8	45.1
	Neither important nor unimportant	69	14.4	15.6	60.7
	Somewhat unimportant	56	11.7	12.6	73.4
	Very unimportant	118	24.6	26.6	100.0
	Total	443	92.3	100.0	
Missing	DK/NA	37	7.7		
Total		480	100.0		

**Q17. Have you ever visited the Otay Water District website?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	239	49.8	51.5	51.5
	I have access to the internet, but have not visited website	188	39.2	40.5	92.0
	I do not have access to the internet	37	7.7	8.0	100.0
	Total	464	96.7	100.0	
Missing	DK/REF	16	3.3		
Total		480	100.0		

**Q17a. How would you rate the website? Would you say...**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Excellent	69	14.4	30.8	30.8
	Good	105	21.9	46.9	77.7
	Fair	43	9.0	19.2	96.9
	Poor	7	1.5	3.1	100.0
	Total	224	46.7	100.0	
Missing	DK/REF	15	3.1		
	System	241	50.2		
	Total	256	53.3		
Total		480	100.0		

**Q18. How would feel about receiving information from the Otay Water District at your home e-mail address?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	I think that using my home e-mail is a good way for me to re	262	54.6	61.1	61.1
	I do not want to receive information from the Otay Water Dis	167	34.8	38.9	100.0
	Total	429	89.4	100.0	
Missing	DK/REF	14	2.9		
	System	37	7.7		
	Total	51	10.6		
Total		480	100.0		

**Q19. Do you read the newsletter or bill inserts that come in the mail with your monthly water bill...**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Every time	149	31.0	31.5	31.5
	Most times	98	20.4	20.7	52.2
	Sometimes	160	33.3	33.8	86.0
	Never	66	13.8	14.0	100.0
	Total	473	98.5	100.0	
Missing	DK/REF	7	1.5		
Total		480	100.0		

**Q20. How satisfied are you with the ease of understanding this new water bill?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	186	38.8	40.5	40.5
	Somewhat satisfied	107	22.3	23.3	63.8
	Neither satisfied nor dissatisfied	43	9.0	9.4	73.2
	Somewhat dissatisfied	7	1.5	1.5	74.7
	Very dissatisfied	7	1.5	1.5	76.3
	Not aware of the new bill design	109	22.7	23.7	100.0
	Total	459	95.6	100.0	
Missing	DK/REF	21	4.4		
Total		480	100.0		

**Q20a. How would you suggest improving the design of the water bill?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	User friendly-Less complicated	9	1.9	47.4	47.4
	Show comparison with prior month	3	.6	15.8	63.2
	Explain on bill how cost was determined	2	.4	10.5	73.7
	Other	5	1.0	26.3	100.0
	Total	19	4.0	100.0	
Missing	System	461	96.0		
Total		480	100.0		

**Q21. How do you pay your water bill most months?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Send check by mail	169	35.2	35.3	35.3
	Automatic bank deduction	86	17.9	18.0	53.2
	Credit card over the telephone	11	2.3	2.3	55.5
	In person at the Otay Water District Office	11	2.3	2.3	57.8
	In person at a payment center	6	1.3	1.3	59.1
	On-line (Internet)	196	40.8	40.9	100.0
	Total	479	99.8	100.0	
Missing	Refused	1	.2		
Total		480	100.0		

**Q21a-1. What can the District do to make paying on-line through the District's Website a more appealing option for you?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	There is nothing that would make me pay online	157	32.7	55.3	55.3
	Offer discounts on the bill	27	5.6	9.5	64.8
	Other	14	2.9	4.9	69.7
	DK/Unsure	59	12.3	20.8	90.5
	make it easier/credit cards/paypal	14	2.9	4.9	95.4
	security issues	6	1.3	2.1	97.5
	send reminders	2	.4	.7	98.2
	no service charges from servicer	4	.8	1.4	99.6
	provide receipts	1	.2	.4	100.0
	Total	284	59.2	100.0	
Missing	System	196	40.8		
Total		480	100.0		

**Q21a-2. What can the District do to make paying on-line through the District's Website a more appealing option for you?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	There is nothing that would make me pay online	1	.2	25.0	25.0
	Offer discounts on the bill	1	.2	25.0	50.0
	make it easier/credit cards/paypal	1	.2	25.0	75.0
	security issues	1	.2	25.0	100.0
	Total	4	.8	100.0	
Missing	System	476	99.2		
Total		480	100.0		

**Q22. No matter how you presently pay your bill, how would you prefer to pay your bill most of the time?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Send check by mail	137	28.5	28.8	28.8
	Automatic bank deduction	84	17.5	17.6	46.4
	Credit card over the telephone	14	2.9	2.9	49.4
	In person at the Otay Water District office	9	1.9	1.9	51.3
	In person at a payment center	4	.8	.8	52.1
	On-line (Internet)	228	47.5	47.9	100.0
	Total	476	99.2	100.0	
Missing	DK/REF	4	.8		
Total		480	100.0		

**Q23. Would you be interested in receiving your monthly bill from the Otay Water District by e-mail instead of through the Postal Service**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	204	42.5	44.4	44.4
	No	255	53.1	55.6	100.0
	Total	459	95.6	100.0	
Missing	DK/REF	21	4.4		
Total		480	100.0		

**Q24. How likely are you to choose to go paperless in your bill paying to the District and other regular monthly accounts within the next year or two?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very likely	205	42.7	45.2	45.2
	Somewhat likely	72	15.0	15.9	61.0
	Somewhat unlikely	36	7.5	7.9	68.9
	Very unlikely	141	29.4	31.1	100.0
	Total	454	94.6	100.0	
Missing	DK/REF	26	5.4		
Total		480	100.0		

**Q24a. What is your major objection to going paperless for bill paying?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Want paper record	75	15.6	42.4	42.4
	Computers can fail	9	1.9	5.1	47.5
	Trust/security	19	4.0	10.7	58.2
	Do not use computers that often	27	5.6	15.3	73.4
	I do not keep personal records on the computer	6	1.3	3.4	76.8
	Used to paying by check	11	2.3	6.2	83.1
	I will forget to check for the bill on the computer	11	2.3	6.2	89.3
	Other	4	.8	2.3	91.5
	DK/Unsure	10	2.1	5.6	97.2
	I like it as is	2	.4	1.1	98.3
	Want incentive/discount	3	.6	1.7	100.0
	Total	177	36.9	100.0	
Missing	System	303	63.1		
Total		480	100.0		

**Q25. During the power outage and for a couple of days afterword, were you concerned that the quality of your water was compromised**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	125	26.0	27.1	27.1
	No	337	70.2	72.9	100.0
	Total	462	96.3	100.0	
Missing	DK/REF	18	3.8		
Total		480	100.0		

**Q26. During the power outage, were you concerned that there would be a disruption in the delivery of your water by the Otay Water District?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	119	24.8	25.8	25.8
	No	343	71.5	74.2	100.0
	Total	462	96.3	100.0	
Missing	DK/REF	18	3.8		
Total		480	100.0		

**Q27. How did you obtain information during the power outage?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Battery operated or car radio	279	58.1	63.1	63.1
	Wireless internet	35	7.3	7.9	71.0
	Conversations by cell phone	73	15.2	16.5	87.6
	Twitter	1	.2	.2	87.8
	Facebook	3	.6	.7	88.5
	e-mail	2	.4	.5	88.9
	Text messages	8	1.7	1.8	90.7
	Other	4	.8	.9	91.6
	Not in San Diego at the time	6	1.3	1.4	93.0
	Word of mouth, neighbors	8	1.7	1.8	94.8
	Did not receive information	8	1.7	1.8	96.6
	Generator	7	1.5	1.6	98.2
	Land Line Telephone	4	.8	.9	99.1
	Television	4	.8	.9	100.0
	Total	442	92.1	100.0	
Missing	DK/REF	37	7.7		
	System	1	.2		
	Total	38	7.9		
Total	480	100.0			

**Q27. How did you obtain information during the power outage?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Battery operated or car radio	10	2.1	13.2	13.2
	Wireless internet	14	2.9	18.4	31.6
	Conversations by cell phone	28	5.8	36.8	68.4
	Facebook	3	.6	3.9	72.4
	e-mail	2	.4	2.6	75.0
	Text messages	15	3.1	19.7	94.7
	Word of mouth, neighbors	3	.6	3.9	98.7
	Land Line Telephone	1	.2	1.3	100.0
	Total	76	15.8	100.0	
	Missing	DK/REF	2	.4	
System		402	83.8		
Total		404	84.2		
Total	480	100.0			

**Q27. How did you obtain information during the power outage?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Battery operated or car radio	3	.6	15.8	15.8
	Wireless internet	2	.4	10.5	26.3
	Conversations by cell phone	5	1.0	26.3	52.6
	Twitter	1	.2	5.3	57.9
	Facebook	1	.2	5.3	63.2
	e-mail	2	.4	10.5	73.7
	Text messages	5	1.0	26.3	100.0
	Total	19	4.0	100.0	
Missing	System	461	96.0		
Total		480	100.0		

**Q27. How did you obtain information during the power outage?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Twitter	1	.2	14.3	14.3
	Facebook	1	.2	14.3	28.6
	e-mail	2	.4	28.6	57.1
	Text messages	3	.6	42.9	100.0
	Total	7	1.5	100.0	
Missing	System	473	98.5		
Total		480	100.0		

**Q27. How did you obtain information during the power outage?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Facebook	1	.2	20.0	20.0
	Text messages	3	.6	60.0	80.0
	Word of mouth, neighbors	1	.2	20.0	100.0
	Total	5	1.0	100.0	
Missing	System	475	99.0		
Total		480	100.0		

**Q27. How did you obtain information during the power outage?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Conversations by cell phone	1	.2	33.3	33.3
	e-mail	2	.4	66.7	100.0
	Total	3	.6	100.0	
Missing	System	477	99.4		
Total		480	100.0		

**Q27. How did you obtain information during the power outage?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Wireless internet	1	.2	50.0	50.0
	Text messages	1	.2	50.0	100.0
	Total	2	.4	100.0	
Missing	System	478	99.6		
Total		480	100.0		

**Q28. If another power outage or similar mishap should occur, how would you most prefer to receive information about the situation?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Battery operated or car radio	276	57.5	61.1	61.1
	Wireless internet	39	8.1	8.6	69.7
	Conversations by cell phone	61	12.7	13.5	83.2
	Twitter	2	.4	.4	83.6
	Facebook	3	.6	.7	84.3
	e-mail	25	5.2	5.5	89.8
	Text messages	37	7.7	8.2	98.0
	Other	4	.8	.9	98.9
	Generator	2	.4	.4	99.3
	Land Line Telephone	2	.4	.4	99.8
	Television	1	.2	.2	100.0
	Total	452	94.2	100.0	
	Missing	DK/REF	24	5.0	
System		4	.8		
Total		28	5.8		
Total		480	100.0		

**PPH. How many persons, including yourself, live in your household?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	56	11.7	11.7	11.7
	2	145	30.2	30.3	42.0
	3	86	17.9	18.0	59.9
	4	107	22.3	22.3	82.3
	5 or more	85	17.7	17.7	100.0
	Total	479	99.8	100.0	
Missing	System	1	.2		
Total		480	100.0		

**TEN. Is your residence owned by someone in your household, or is it rented?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Own	432	90.0	90.8	90.8
	Rent/other status	44	9.2	9.2	100.0
	Total	476	99.2	100.0	
Missing	Refused	3	.6		
	System	1	.2		
	Total	4	.8		
Total		480	100.0		

**EDU. What is the highest grade or year of school that you have completed and received credit for...**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	High school or less	78	16.3	16.6	16.6
	At least one year of college, trade or vocational school	151	31.5	32.1	48.6
	Graduated college with a bachelor's degree	162	33.8	34.4	83.0
	At least one year of graduate work beyond a bachelor's degree	80	16.7	17.0	100.0
	Total	471	98.1	100.0	

Missing	DK/REF	9	1.9	
Total		480	100.0	

**AGE. Please tell me when I mention the category that contains your age...**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 to 34	43	9.0	9.2	9.2
	35 to 44	99	20.6	21.2	30.3
	45 to 54	107	22.3	22.9	53.2
	55 to 64	96	20.0	20.5	73.7
	65 or over	123	25.6	26.3	100.0
	Total	468	97.5	100.0	
Missing	DK/Refused	12	2.5		
Total		480	100.0		

**ETH. Which of the following best describes your ethnic or racial background...**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	White, not of Hispanic origin	253	52.7	55.1	55.1
	Black, not of Hispanic origin	20	4.2	4.4	59.5
	Hispanic or Latino	119	24.8	25.9	85.4
	Asian or Pacific Islander	47	9.8	10.2	95.6
	Native American	6	1.3	1.3	96.9
	Middle Eastern	3	.6	.7	97.6
	Other	11	2.3	2.4	100.0
	Total	459	95.6	100.0	
Missing	Refused	21	4.4		
Total		480	100.0		

**INC - Total Annual Household Income**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Under \$25,000	23	4.8	5.8	5.8
	\$25,000 up to but not including \$50,000	63	13.1	15.9	21.7
	\$50,000 up to (but not including) \$75,000	92	19.2	23.2	44.8
	\$75,000 up to (but not including) \$100,000	107	22.3	27.0	71.8
	\$100,000 up to but not including \$150,000	76	15.8	19.1	90.9
	\$150,000 and over	36	7.5	9.1	100.0
	Total	397	82.7	100.0	
	Missing	Refused	83	17.3	
Total		480	100.0		

**LAN. Language of Survey**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	English	474	98.8	99.4	99.4
	Spanish	3	.6	.6	100.0
	Total	477	99.4	100.0	
Missing	System	3	.6		
Total		480	100.0		

## OPEN-ENDED RESPONSES

### Q1a. Please explain why you feel this way..

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	470	97.9	97.9	97.9
Because I live alone and yet the water bill is over \$60 a month.	1	.2	.2	98.1
Because of the quality of the water.	1	.2	.2	98.3
Because the water price's keep going up, and I don't feel as if I should have to pay an extensive amount when on my water bill the cost of water is only \$26-\$40 and there is so many other charges on the bill.	1	.2	.2	98.5
Because you have to buy water and because it tastes so bad. It tastes greasy.	1	.2	.2	98.8
I am very unhappy with the water rates, I can't even water my lawn anymore	1	.2	.2	99.0
The cost and rates are always going up also the cost of services and customer service is really bad.	1	.2	.2	99.2
The rates are fluctuating/ changing	1	.2	.2	99.4
The rates for the water use.	1	.2	.2	99.6
The water stinks in this area very, very badly. We have to filter everything.	1	.2	.2	99.8
They doubled the rate in the past year, not to better for the consumer.	1	.2	.2	100.0
Total	480	100.0	100.0	

**Q6a-1: Other Cause of Rate Increase**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	354	73.8	73.8	73.8
A lot of fixed charges.	1	.2	.2	74.0
A lot of problem board members	1	.2	.2	74.2
A lot of water usage in San Diego	1	.2	.2	74.4
An imposed rate increase	1	.2	.2	74.6
Availability of water	1	.2	.2	74.8
Availability.	1	.2	.2	75.0
Board members getting paid more than they should	1	.2	.2	75.2
Charge high amount for sewage.	1	.2	.2	75.4
Competition for water	1	.2	.2	75.6
Cost more to do business	1	.2	.2	75.8
Cost of buying.	1	.2	.2	76.0
Cost of getting the water to the homes	1	.2	.2	76.3
Cost of living	1	.2	.2	76.5
Cost of living and gas prices	1	.2	.2	76.7
Costs have gone up.	1	.2	.2	76.9
Decrease in supply	1	.2	.2	77.1
Decrease in the usage has increased the cost	1	.2	.2	77.3
Decreasing of the water supply	1	.2	.2	77.5
Demand and supply	1	.2	.2	77.7
District wanting more money	1	.2	.2	77.9
Drought	1	.2	.2	78.1
Due to water conservation.	1	.2	.2	78.3
Economy	3	.6	.6	79.0
Executives getting raises.	1	.2	.2	79.2
Expenses of the company.	1	.2	.2	79.4
Fees for sewer	1	.2	.2	79.6
Gas.	1	.2	.2	79.8

Government.	1	.2	.2	80.0
Greed	2	.4	.4	80.4
Greed, and pension plans	1	.2	.2	80.6
Greed, water in imported from another region	1	.2	.2	80.8
Greedy and high up	1	.2	.2	81.0
Healthcare insurance for employees for life. High pay to directors/bosses	1	.2	.2	81.3
Higher prices up north.	1	.2	.2	81.5
Household uses more water	1	.2	.2	81.7
I'm watering the yard more now	1	.2	.2	81.9
Increase in the water company salaries.	1	.2	.2	82.1
Increased use	1	.2	.2	82.3
Increased water usage.	1	.2	.2	82.5
Inflation	3	.6	.6	83.1
Inflation and government, the economy	1	.2	.2	83.3
Infrastructure	1	.2	.2	83.5
Kids are growing up	1	.2	.2	83.8
Lack of available water. Economic inflation.	1	.2	.2	84.0
Lack of supply	1	.2	.2	84.2
Local authority.	1	.2	.2	84.4
Mismanagement	2	.4	.4	84.8
More difficult to get the water	1	.2	.2	85.0
More people in household.	1	.2	.2	85.2
Not enough water	1	.2	.2	85.4
Otay was paying for the health insurance for their retiring people.	1	.2	.2	85.6
Otay water district union pay raises	1	.2	.2	85.8
Our swimming pool uses so much water	1	.2	.2	86.0

Pension funds are way too high and that's why were getting so many rate increases	1	.2	.2	86.3
Pension plan	1	.2	.2	86.5
Pension to their employees. What they pay to themselves.	1	.2	.2	86.7
People using less water	1	.2	.2	86.9
People want more money for the water	1	.2	.2	87.1
Personal costs	1	.2	.2	87.3
Politics	3	.6	.6	87.9
Politics.	1	.2	.2	88.1
Poor management	1	.2	.2	88.3
Rate increase.	1	.2	.2	88.5
Sewage	1	.2	.2	88.8
Sewage paying too much for add on	1	.2	.2	89.0
Sewer	1	.2	.2	89.2
Sewer bill continuing up	1	.2	.2	89.4
Sewer charge is the most.	1	.2	.2	89.6
Sewer charges.	1	.2	.2	89.8
Shortage of water	1	.2	.2	90.0
Shortage of water.	1	.2	.2	90.2
Show's that I am using double than what I am using last year in 3 month's	1	.2	.2	90.4
Since the new meter the prices have gone up	1	.2	.2	90.6
Somebody gets pay raises	1	.2	.2	90.8
Supply and demand.	1	.2	.2	91.0
The amount of money we pay for San Diego sewer treatment.	1	.2	.2	91.3
The cost of living has gone up.	1	.2	.2	91.5
The cost of sewage	1	.2	.2	91.7
The cost of water	1	.2	.2	91.9
The CWA increased the rates.	1	.2	.2	92.1

The dry season	1	.2	.2	92.3
The economy	1	.2	.2	92.5
The economy, my usage, supply; the amount of water that is available. More people	1	.2	.2	92.7
The economy, that's all	1	.2	.2	92.9
The employees' salaries are too high. Employee's pension too high.	1	.2	.2	93.1
The free prescription drugs for employees.	1	.2	.2	93.3
The landscaping.	1	.2	.2	93.5
The Otay district raising it up.	1	.2	.2	93.8
The pay of the employees in the department.	1	.2	.2	94.0
The people in charge on medical bills	1	.2	.2	94.2
The president raised it up	1	.2	.2	94.4
The sewer charge	1	.2	.2	94.6
The smart meter	1	.2	.2	94.8
The state of CA	1	.2	.2	95.0
The water use	1	.2	.2	95.2
The way that they billed. The change in people in your household.	1	.2	.2	95.4
Them asking for more money.	1	.2	.2	95.6
They are only water supplier and have control	1	.2	.2	95.8
They decided they needed more money	1	.2	.2	96.0
They don't check water meter. Only when I complain	1	.2	.2	96.3
They're increasing the price.	1	.2	.2	96.5
Too much to the metropolitan water board.	1	.2	.2	96.7

Too much water pressure coming into the house means we use too much	1	.2	.2	96.9
Treatments to the water	1	.2	.2	97.1
Usage	3	.6	.6	97.7
Using more water	1	.2	.2	97.9
Washing clothes a lot	1	.2	.2	98.1
Water availability and struggling businesses	1	.2	.2	98.3
Water commission	1	.2	.2	98.5
Water prices have gone up even with same quantity of water use	1	.2	.2	98.8
Water rationing caused a decrease in demand causing increase in rates to keep rev	1	.2	.2	99.0
Water shortage	1	.2	.2	99.2
We are using it a lot	1	.2	.2	99.4
We had a baby. More people in the home.	1	.2	.2	99.6
Were conserving water and the prices seem to go up and not down	1	.2	.2	99.8
When the lease is over and they purchase new water rights	1	.2	.2	100.0
Total	480	100.0	100.0	

**Q6a-2: Other Cause of Rate Increase**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	449	93.5	93.5	93.5
Additional fees. It adds to the balance of your water.	1	.2	.2	93.8
Administrators have gotten racist and there benefits are ridiculous	1	.2	.2	94.0
City.	1	.2	.2	94.2
Consumer waste	1	.2	.2	94.4

Cost of supply	1	.2	.2	94.6
Cutting water supply	1	.2	.2	94.8
Dirt causes a problem in the water meter area.	1	.2	.2	95.0
Economy.	1	.2	.2	95.2
Everything is going up	1	.2	.2	95.4
Food.	1	.2	.2	95.6
Funding the employees union benefit	1	.2	.2	95.8
General inflation.	1	.2	.2	96.0
Government.	1	.2	.2	96.3
Greed	1	.2	.2	96.5
Greed.	1	.2	.2	96.7
Inadequate planning and lack of understanding of conservation.	1	.2	.2	96.9
Miss management	1	.2	.2	97.1
More in demand	1	.2	.2	97.3
More time washing clothes & showers	1	.2	.2	97.5
New lines. Some of the others are pretty old. Maintenance.	1	.2	.2	97.7
Other expenses like energy.	1	.2	.2	97.9
Political	1	.2	.2	98.1
Prices going up	1	.2	.2	98.3
Showers	1	.2	.2	98.5
Supplying demand	1	.2	.2	98.8
Taxes	2	.4	.4	99.2
The cost of water is extremely high and I think it has more to do with Los Angele	1	.2	.2	99.4
They just want to keep our rates high.	1	.2	.2	99.6
Trash bill continuing up	1	.2	.2	99.8
We have replaced the water regulator twice since 2009 accident and we have too mu	1	.2	.2	100.0
Total	480	100.0	100.0	

**Q6d-oth: Other conservation step**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	437	91.0	91.0	91.0
Avoid car wash.	1	.2	.2	91.3
Be more careful using quantity of water when brushing teeth	1	.2	.2	91.5
Buy water.	1	.2	.2	91.7
Changed shower head to energy saving one. Don't wash cars here.	1	.2	.2	91.9
Changed shower heads	1	.2	.2	92.1
Collect rain water	1	.2	.2	92.3
Collect rain water to water plants and to clean patio if needed	1	.2	.2	92.5
Collect rainwater, drip irrigation for plants.	1	.2	.2	92.7
Does not wash the car	1	.2	.2	92.9
Don't flush toilet	1	.2	.2	93.1
Don't let pool run as much.	1	.2	.2	93.3
Don't use tub Jacuzzi	1	.2	.2	93.5
Don't wash car.	1	.2	.2	93.8
Don't wash cars here anymore.	1	.2	.2	94.0
Don't wash the car at home	1	.2	.2	94.2
Go to a carwash.	1	.2	.2	94.4
Got rid of 2 kids	1	.2	.2	94.6
Hot water recirculation sensor.	1	.2	.2	94.8
Low flow shower heads.				
I buy my water.	1	.2	.2	95.0
I don't use the dishwasher. Low flush toilet and low flush shower heads	1	.2	.2	95.2
Improve pool system	1	.2	.2	95.4
Juts flush out the hot tub water	1	.2	.2	95.6
Less car washing	1	.2	.2	95.8

Let the water level drop to conserve in my pool	1	.2	.2	96.0
Low flush toilet. Low pressure shower head, took out sprinklers	1	.2	.2	96.3
My wife died. Low flow shower heads and low flush toilets.	1	.2	.2	96.5
New dishwasher	1	.2	.2	96.7
New sprinkler heads	1	.2	.2	96.9
New toilet.	1	.2	.2	97.1
New toilets. State-of-the-art plumbing fixtures.	1	.2	.2	97.3
Not using it. I don't live there.	1	.2	.2	97.5
Offer more incentives, water rates are so high	1	.2	.2	97.7
Purchase low flow water toilet.	1	.2	.2	97.9
Remove our swimming pool	1	.2	.2	98.1
Replace shower heads	1	.2	.2	98.3
Replaced shower head to a water conservation one.	1	.2	.2	98.5
Replaced with low pressure valves	1	.2	.2	98.8
Stop using my pool	1	.2	.2	99.0
Take the car to the carwash instead washing it at home	1	.2	.2	99.2
Turn the sprinklers off when it rains.	1	.2	.2	99.4
Use car wash	1	.2	.2	99.6
Wash car less often	1	.2	.2	99.8
We buy bottled water now	1	.2	.2	100.0
Total	480	100.0	100.0	

**Q10-oth: Other why not Mexico deal**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	458	95.4	95.4	95.4

Because it would be with an international company.	1	.2	.2	95.6
Because it's international	1	.2	.2	95.8
Because it's international.	1	.2	.2	96.0
Because the water would all be the same as what we have now.	1	.2	.2	96.3
If it came from Ore				
Because this alters the habitat of the animals	1	.2	.2	96.5
Concern of water pollution from Mexico ocean waters	1	.2	.2	96.7
Don't know what it would cost	1	.2	.2	96.9
Don't want mess with nature	1	.2	.2	97.1
I don't have a lot a confidence in the government, the rate of return will not gr	1	.2	.2	97.3
I don't like purchasing anything from a foreign country.	1	.2	.2	97.5
I don't like the idea	1	.2	.2	97.7
I don't need my water bill to double and they are in cahoots with Mexico	1	.2	.2	97.9
I have experienced the water down there and it is not good	1	.2	.2	98.1
I want natural water, don't want chemicals	1	.2	.2	98.3
It has not been studied enough and impact on the environment	1	.2	.2	98.5
No credibility. Money is more important than purity in Mexico.	1	.2	.2	98.8
Partnership and land acquisition	1	.2	.2	99.0
Something wrong with current water service.	1	.2	.2	99.2
The Mexico govt doesn't care about the environment	1	.2	.2	99.4
They have not been very clear who is going to have to pay for it	1	.2	.2	99.6

We can do it our self so why do we need to go international?	1	.2	.2	99.8
We treat their trash and sewage here and they should have done this a long time a	1	.2	.2	100.0
Total	480	100.0	100.0	

**Q14-oth: Other social media**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	450	93.8	93.8	93.8
Ann Facebook	1	.2	.2	94.0
Aol	1	.2	.2	94.2
Email	7	1.5	1.5	95.6
Email At Work.	1	.2	.2	95.8
Email.	2	.4	.4	96.3
Email. Google.	1	.2	.2	96.5
Friendster	1	.2	.2	96.7
Google	2	.4	.4	97.1
Google And Aol.	1	.2	.2	97.3
Google Plus	1	.2	.2	97.5
History Channel And Channel 8.	1	.2	.2	97.7
Fox Channel 37.				
Internet.	4	.8	.8	98.5
On Link	1	.2	.2	98.8
Pintrest	1	.2	.2	99.0
Pintrest,	1	.2	.2	99.2
Porkut	1	.2	.2	99.4
Skype.	1	.2	.2	99.6
Union Tribune	1	.2	.2	99.8
Yahoo	1	.2	.2	100.0
Total	480	100.0	100.0	

**Q20a-open: Suggested other bill improvements**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	461	96.0	96.0	96.0
Everything is political and I don't understand any bill.	1	.2	.2	96.3
Explain how you got to the price.	1	.2	.2	96.5
Have the amount high-lighted so that it would stand out from the rest of the bill. And have the previous month amount on there to compare usage from month to month	1	.2	.2	96.7
I don't understand the bill about kilowatt. Explanation about how is billed.	1	.2	.2	96.9
I would like the former billing.	1	.2	.2	97.1
It should be clear and the information should be easily accessible. Easy to find.	1	.2	.2	97.3
It's too complicated. Make it simpler.	1	.2	.2	97.5
Just give me an amount that's all I care about and usage to show the month to month and year to last year to show if something is wrong in the house. If I have a water leak or something.	1	.2	.2	97.7
Make the reading simpler	1	.2	.2	97.9
More user friendly with the bases of the current bill and last year's usages.	1	.2	.2	98.1
More user friendly.	1	.2	.2	98.3
Not very accurate need to make it clearer.	1	.2	.2	98.5
Nothing I never seen it or look at it.	1	.2	.2	98.8
Read less clutter on the bill.	1	.2	.2	99.0

Reducing the bill and go paperless	1	.2	.2	99.2
Remove the last payment made next to the current payment due date, that is confusing.	1	.2	.2	99.4
Simplify it.	1	.2	.2	99.6
Simplify the bill and provide cheaper rates.	1	.2	.2	99.8
Stop spending money on new bill designs and reduce your water rates!	1	.2	.2	100.0
Total	480	100.0	100.0	

**Q21a-oth: Other incentives to pay online**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	415	86.5	86.5	86.5
Actively make a payment on-line 24 hours	1	.2	.2	86.7
As long they do not charge	1	.2	.2	86.9
Be more secure.	1	.2	.2	87.1
Better interface, easier to understand	1	.2	.2	87.3
Confusing. Want it taken directly from bank account	1	.2	.2	87.5
Do not have a pc	1	.2	.2	87.7
Do not have computer.	1	.2	.2	87.9
Do not use internet	1	.2	.2	88.1
Does not want personal information online	1	.2	.2	88.3
Don't have a computer	1	.2	.2	88.5
Don't pay online	1	.2	.2	88.8
Don't trust it	1	.2	.2	89.0
Don't trust paying thru online	1	.2	.2	89.2
Good how it is. No change needed.	1	.2	.2	89.4

Guarantee the bank will never charge for it	1	.2	.2	89.6
Have payment options through website.	1	.2	.2	89.8
I already do it.	2	.4	.4	90.2
I applied with auto pay with my bank card	1	.2	.2	90.4
I don't have a computer so nothing	1	.2	.2	90.6
I don't like it. I don't trust it. Heard horrors	1	.2	.2	90.8
I don't pay online because I don't have a computer.	1	.2	.2	91.0
I just have to do it	1	.2	.2	91.3
I like paper	1	.2	.2	91.5
I like the idea	1	.2	.2	91.7
I never use the internet.	1	.2	.2	91.9
I pay it online anyway.	1	.2	.2	92.1
I think automatic payment is most handy.	1	.2	.2	92.3
I would never go online to see it. No interest.	1	.2	.2	92.5
I'm not very good on the internet	1	.2	.2	92.7
I'm satisfied with the current method I use.	1	.2	.2	92.9
Identify account number	1	.2	.2	93.1
If there were receipts	1	.2	.2	93.3
It is appealing already.	1	.2	.2	93.5
It wouldn't, rather have credit card charged	1	.2	.2	93.8
It's easier & convenient	1	.2	.2	94.0
Just get me to do it	1	.2	.2	94.2
Make it easier to set up.	1	.2	.2	94.4
Maybe in the future.	1	.2	.2	94.6
Never have considered it, I use my banks bill pay.	1	.2	.2	94.8
No computer	1	.2	.2	95.0

No computer again.	1	.2	.2	95.2
No computer. I mail my checks through the post of	1	.2	.2	95.4
No fees	1	.2	.2	95.6
No service charge	1	.2	.2	95.8
Offer 40% discount	1	.2	.2	96.0
Old fashion guy	1	.2	.2	96.3
Or maybe a PayPal	1	.2	.2	96.5
Pay an annual sum where you would pay a fixed mthly	1	.2	.2	96.7
Pay by credit card online.	1	.2	.2	96.9
Payment methods. Notification by email.	1	.2	.2	97.1
Personal preference. I just like control of it.	1	.2	.2	97.3
Prefer paying by check	1	.2	.2	97.5
Rather not to do that. Rather send check	1	.2	.2	97.7
Remind me that the bill is due	1	.2	.2	97.9
Satisfied with paying the way I do it now	1	.2	.2	98.1
Simplify it.	1	.2	.2	98.3
Since haven't seen it. Can't give honest answer.	1	.2	.2	98.5
Sometimes my daughter sometimes pays thru email	1	.2	.2	98.8
Still leery of new fangled stuff	1	.2	.2	99.0
The ease of doing it	1	.2	.2	99.2
They didn't have websites to pay.	1	.2	.2	99.4
Tried to already but we couldn't figure out how	1	.2	.2	99.6
Wife likes it the way it is	1	.2	.2	99.8
Yes if I have an online account	1	.2	.2	100.0
Total	480	100.0	100.0	

**Q24-oth: Other objection to paperless**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	463	96.5	96.5	96.5
Because there is no incentive	1	.2	.2	96.7
Happy with the way it is	1	.2	.2	96.9
I don't have an objection.	1	.2	.2	97.1
I don't think the cost of savings would be passed on to us.	1	.2	.2	97.3
I don't trust the Otay Water District.	1	.2	.2	97.5
I like it the old way but if I get discount I will do on line	1	.2	.2	97.7
I like to control the out-flow of our money.	1	.2	.2	97.9
I only pay by mail. For me computers aren't easy. Wants control of bill	1	.2	.2	98.1
I want to know what I'm paying for.	1	.2	.2	98.3
I would rather deal person to person.	1	.2	.2	98.5
I'm not that organized	1	.2	.2	98.8
I'm too old	1	.2	.2	99.0
If that was something I had to do it would be alright	1	.2	.2	99.2
My husband works at the post office so I'm going to put out work	1	.2	.2	99.4
Too much change.	1	.2	.2	99.6
Unreliability from my cable	1	.2	.2	99.8
You don't know how much the bill and using. Too much junk on email.	1	.2	.2	100.0
Total	480	100.0	100.0	

**Q27: Other info sources during power outage**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	451	94.0	94.0	94.0
Emergency crank radio.	2	.4	.4	94.4
Generator	1	.2	.2	94.6
Had a generator. Neighbors.	1	.2	.2	94.8
Hard Line Phone	1	.2	.2	95.0
Hearing it over the news, television.	1	.2	.2	95.2
Home phone	1	.2	.2	95.4
Husbands a fire fighter received most information from him	1	.2	.2	95.6
I didn't have a power outage. I was at work. Power worked when got home from work	1	.2	.2	95.8
I was at work and we had power	1	.2	.2	96.0
I wk for SDG&E	1	.2	.2	96.3
IPAD	1	.2	.2	96.5
Ipod	1	.2	.2	96.7
Land line phone	1	.2	.2	96.9
Land phone	1	.2	.2	97.1
Mail	1	.2	.2	97.3
Power generator	1	.2	.2	97.5
Satellite	1	.2	.2	97.7
Satellite TV because we had a generator running	1	.2	.2	97.9
SDG&E	1	.2	.2	98.1
Television	1	.2	.2	98.3
TV	2	.4	.4	98.8
TV, newspaper	1	.2	.2	99.0
Visual	1	.2	.2	99.2
Walk down to the neighbors	1	.2	.2	99.4
We had a motor-home	1	.2	.2	99.6
We have a regular house phone	1	.2	.2	99.8
Work at Cost-co and everything went down I was at work	1	.2	.2	100.0

Total	480	100.0	100.0
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**Q28-other: Other preferences for power outage info**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	465	96.9	96.9	96.9
Back system for electric generator	1	.2	.2	97.1
Buying a generator	1	.2	.2	97.3
By mail. If that's possible.	1	.2	.2	97.5
Can't get info	1	.2	.2	97.7
Doesn't matter because I'm not that concerne	1	.2	.2	97.9
Home phone	1	.2	.2	98.1
I don't have any idea	1	.2	.2	98.3
I don't think I received any information.	1	.2	.2	98.5
Just happening	1	.2	.2	98.8
Land line	1	.2	.2	99.0
Newspaper	1	.2	.2	99.2
On line	1	.2	.2	99.4
Solar radio,	1	.2	.2	99.6
Television	1	.2	.2	99.8
Wind radio	1	.2	.2	100.0
Total	480	100.0	100.0	

**ETH: other**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	469	97.7	97.7	97.7
Asian & Hispanic	1	.2	.2	97.9
Black & Mexican	1	.2	.2	98.1
Filipino	1	.2	.2	98.3
Hispanic and Caucasian	1	.2	.2	98.5

Jamaican	1	.2	.2	98.8
Mexican, French, German	1	.2	.2	99.0
White and Asian	1	.2	.2	99.2
White and Hispanic	1	.2	.2	99.4
White and Spanish.	1	.2	.2	99.6
White/ Asian	1	.2	.2	99.8
White/Black.	1	.2	.2	100.0
Total	480	100.0	100.0	





95% confidence level. Participants in this survey were screened to include only those customers who have contacted the District's Call Center within the previous six months.

Rea and Parker Research Inc. conducted the survey, which took place between March 23<sup>rd</sup> and April 6<sup>th</sup> 2012. The survey's sample of 303 participants was randomly drawn from a list of 5,148 customers who have made at least one customer service call in the past six months. The survey was also available to be conducted in Spanish at the customer's request. Ninety-nine percent of customers contacted were residential water customers, with the remaining 1 percent being commercial customers. Highlights of the 2012 Call Center survey are as follows:

- Customer service callers rate the overall quality of customer service as very high -83 percent rate it as excellent (56 percent) or good (26 percent). This is consistent with the high rating provided by customers in the 2008 Call Center Survey, where 82 percent of the callers rated their satisfaction with customer satisfaction favorably. Based upon the 2012 General Survey, customers who made calls to the Call Center were also highly satisfied with customer service (80 percent in the favorable range).
- Between 81 and 87 percent of customer service callers feel very satisfied or somewhat satisfied regarding the 4 service features presented in the survey: knowledge and expertise of the service representative, courtesy of the service representative, ability to reach service representative, and satisfaction in getting their problem solved. Similarly high levels of satisfaction were found regarding these features in the 2005, 2006, and 2008 Call Center Surveys.
- Customer service callers to the Otay Water District compare the District very favorably to other authorities and utilities that bill monthly, with 41 percent of the customer callers saying that it is the best among monthly service providers. This rating is consistent with the 2008 Call Center Survey where 39 percent rated the District as the best.
- Nearly one-half of customer callers are interested in receiving their monthly bill by e-mail, and over three-fifths (64 percent) indicate that it is likely they will be paying their various bills through a paperless option within the next 2 years. Among those who say they are unlikely to use paperless bill paying options within the next two years, over one-quarter (27 percent) indicate they do not use the Internet and 17 percent want a paper record of their transactions.

The complete survey findings are included as Attachment B.

In conclusion, "It is clear that customers of the Otay Water District who have made customer service calls to the District are largely satisfied with the customer service they have received." In addition, "customers are generally more satisfied" and are "increasingly accepting of efforts to move toward more automated and paperless communications."

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

None.

**STRATEGIC GOAL:**

I. CUSTOMER - Measure customer satisfaction.

**LEGAL IMPACT:**

None.

Attachments:    Attachment A - Committee Action  
                  Attachment B - 2012 Call Center Customer Satisfaction  
                  Survey Report PowerPoint Presentation  
                  Attachment C - 2012 Call Center Customer Satisfaction  
                  Survey Report



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	2012 Call Center Customer Satisfaction Survey Report
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### COMMITTEE ACTION:

The Finance, Administration and Communications Committee discussed this item at a meeting held on June 21, 2012 and the following comments were made:

- Rea and Parker Research was engaged to perform the 2012 Call Center Customer Satisfaction Survey. The survey is conducted every few years and includes randomly selected customers who have had contact with the District's call center in the past six (6) months.
- The survey was conducted in late March through early April 2012 with the purpose to improve customer service. The survey has a margin of error of +/- 5.4%.
- Dr. Lou Rea presented the findings of the survey and a comparison of the characteristics of the respondents to the call center survey versus the general customer survey. He noted the following differences in respondents' characteristics:

<u>Call Center</u>	<u>General Survey</u>
43% White	55% White
41% Hispanic/Latino	26% Hispanic/Latino
8% Asian/Pac. Islander	10% Pacific Islander
6% Black/African Am.	5% Black/African Am.
2% Middle Eastern/ Native Am./Other	4% Middle Eastern/ Native Am./Other
Median Income \$73,100	Median Income \$79,900
Median Age 47	Median Age 53
72% Own their home	91% Own their home

- It was indicated the percentage of customers who placed a call to the Call Center is declining from 18% in 2006, to 10% and 9% in 2008 and 2012 respectively. The survey indicates the main reason for customers' contact with the Call Center is billing issues (72%). The average number of calls customers make to achieve

resolution to their issue also continues to decline with 77% of call center customers resolving their matter in one call versus 71% in 2006.

- Overall satisfaction with the call center is very high and is consistent with previous years ratings with 83% of respondents indicating *excellent* or *good* in the 2012 survey. There were four different aspects (ability to reach a service representative, courtesy of service representative, knowledge and expertise of the service representative and satisfaction with problem resolution) rated by the respondents concerning their call center experience and 80% or higher rated their experience as *very satisfied* or *somewhat satisfied*.
- Compared to other monthly services, the District's call center received a rating of either highly rated or best ranking from 2/3 of the survey respondents. This rating has improved each survey year since 2006. It was noted that the satisfaction rating with the call center is strongly related to the number of calls that the respondents must make to resolve their issue. The less calls needed to resolve their issue, the higher the rating.
- The percentage of callers needing a field visit has declined consistently and significantly since 2006 with only 13% of respondents requiring a field visit compared to 26% and 18% in 2006 and 2008 respectively. Survey respondents indicated that the primary service performed during a field visit is connecting their water service. In previous surveys, the primary function was to fix a problem/leak. Three quarters of the respondents who required a field visit rated the service as either *good* or *excellent*. Similar to respondents' satisfaction of the call center, the rating of the field service visits was closely related to the number of calls required to resolution.
- It was discussed that of the 41 (13%) respondents requiring a field visit, 9 rated the service as poor. Rea and Parker reviewed the data to track the responses of these 9 individuals and found that these individuals tended to protest everything and were generally dissatisfied with the District as a whole. Rea and Parker Research thought to note this as the rating could be misleading and is not representative of a real issue with field services.
- Three quarters of the respondents were *very* or *somewhat satisfied* with the accuracy of their water bills and meters. This is consistent with previous years and is very high. Two thirds were *very* or *somewhat satisfied* with the new bill design and one quarter of respondents were not aware of the bill design change.

This is consistent with the General Customer Satisfaction and Awareness Survey.

- Satisfaction with the District's web service is increasing with respondents who have had contact with the call center. Among the 30% who have visited/used the District's website, 71% indicated that they were *very satisfied* with the website and 17% indicated they were *somewhat satisfied*. This is stronger than the General Customer Satisfaction and Awareness Survey where 29% rated the website *excellent* and 44% rated it *good*.
- Twenty-nine percent of respondents have used the District's interactive voice response (IVR) feature, which has steadily increased from 2006 and 2008 where 16% and 20% respectively have utilized the IVR feature. Of the 29% who have utilized the IVR feature, 87% indicated that it was useful.
- It was discussed that each year the survey questions are adjusted to probe customers' views on newly implemented services, such as the implementation of IVR, participating in social media, impact of the power outage, etc., to help improve customer service. Staff was pleased to see customers' positive response to the implementation of the IVR system. The positive response supports the District's goal to increase customer satisfaction. From a business perspective, the IVR system also provides increased efficiency, driving down the cost of the call center. The District also tracks the number of calls that are abandoned and billing accuracy through a performance measure. This tracking may be part of the reason for the positive survey results.
- The committee inquired what percentage of the call center callers preferred to speak Spanish. It was indicated that the District receives 5000 to 6000 calls each month and approximately 400 (6% to 8%) request a Spanish speaking customer service representative.
- Currently, 60% of the District's customers use some form of auto pay. The District wishes to increase the number of auto pay customers as it provides savings. The cost to process a payment by personal check is \$.50 per check. There was a discussion regarding the reasons customers are unwilling to switch to auto pay that included the possible fear that there will not be enough in their account to cover the bill or customers just like to know how much their bill is prior to it being paid should the bill be unusually high. Staff shared that the District's system tracks unusually high water use and that a staff person looks at these bills before they are forwarded. Also, if the water use hits a specific threshold, the District's autodialer will call and

advise customers of their unusual high water use. Additionally, if a staff person is visiting a customer to verify a meter read and identifies a leak during the visit, he/she will leave a door hanger advising the customer of the possible leak at their property. The District's customer service staff tries to be proactive in assisting customers in monitoring their water use.

Following the discussion, the Committee accepted the findings of the Call Center Customer Survey and presentation to the full board.

# Call Center Customer Satisfaction Survey Otay Water District-----July, 2012



Principal Researchers:  
Richard A. Parker, Ph.D.  
Louis M. Rea, Ph.D.

Rea & Parker Research  
Professors, School of Public Affairs, SDSU

**Respondent Characteristics**  
**2012 Call Center and 2012 General Customer Surveys**

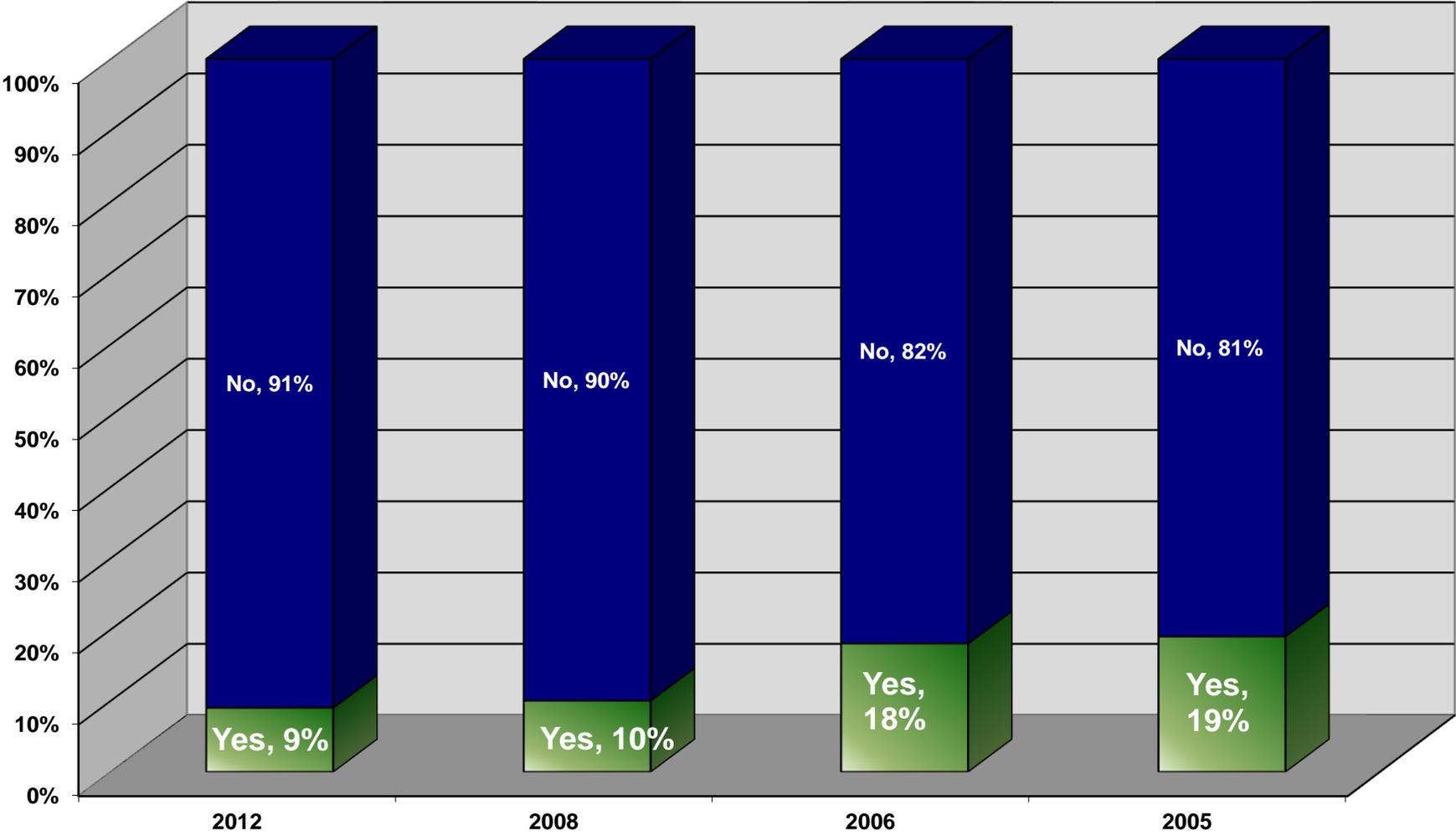
<b>Characteristic</b>	<b>2012 Call Center</b>	<b>2012 General Customer</b>
<b>Ethnicity</b>		
White	43%	55%
Hispanic/Latino	41%	26%
Asian/Pacific Islander	8%	10%
Black/African-American	6%	5%
Middle Eastern/Native American/Other	2%	4%
<b>Annual Household Income</b>		
Median	\$73,100	\$79,900
% over \$100,000	29%	28%
% under \$25,000	8%	6%
<b>Age</b>		
Median	47 years	53 years
<b>Years Customer of Otay Water District</b>		
Median	8 years	12 years
<b>Education</b>		
High School or Less	19%	17%
At Least One Year College, Trade, Vocational School	30%	32%
Bachelor's Degree	39%	34%
At Least One Year of Graduate Work	12%	17%
<b>Own/Rent</b>		
Homeowner	72%	91%
Renter	28%	9%
<b>Mean Persons per Household</b>	<b>3.72</b>	<b>3.12</b>

# Calls to Call Center

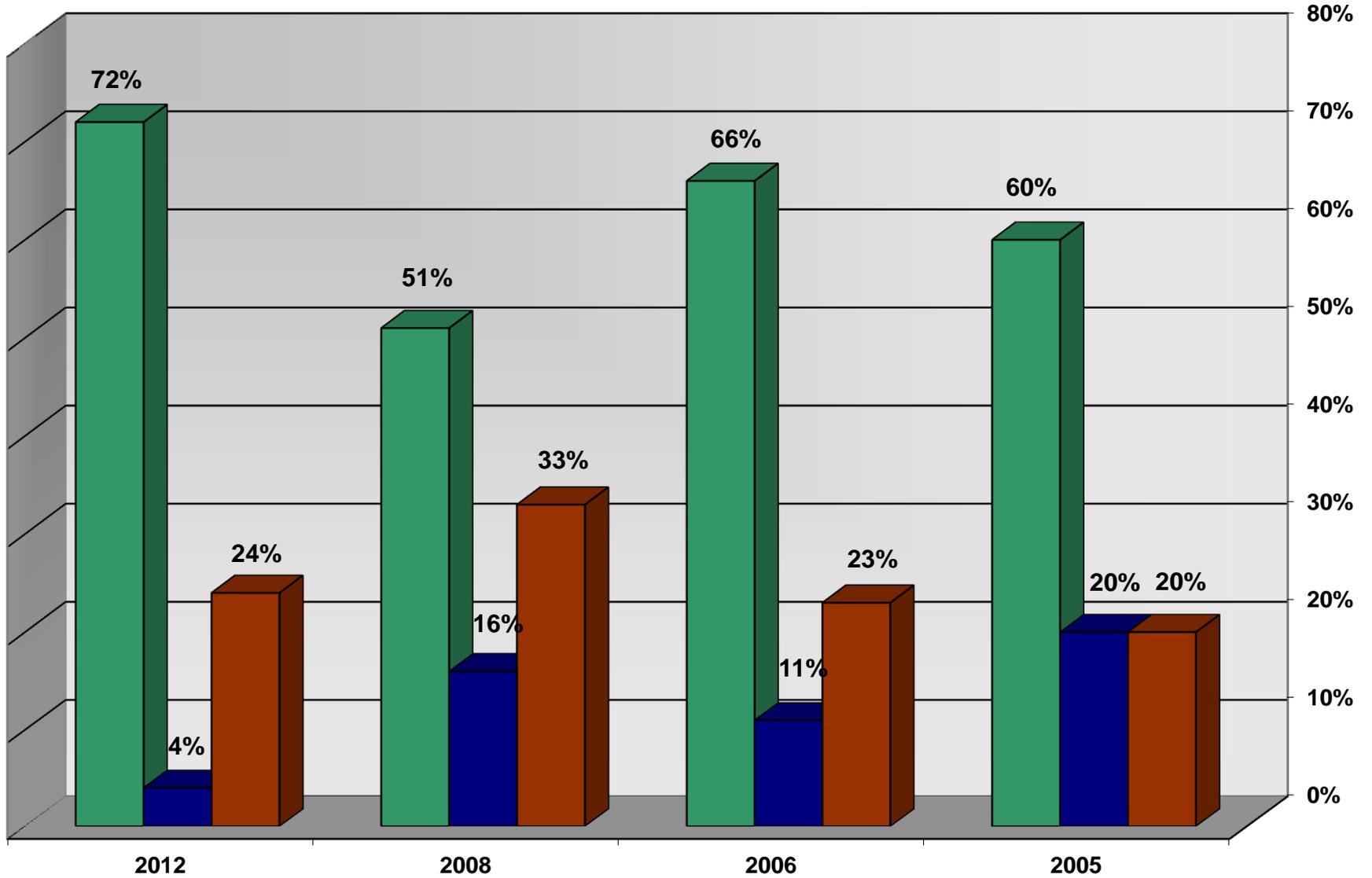
- Percentage of customers who place call to Call Center is declining.
- Main purpose and increasing number of these calls is billing issues
- Average number of calls customers must make to achieve resolution has been declining since 2006.

# Percent of District Customers Who Called Customer Service in Past 6 Months

Note: 2005 pertains to preceding 12 months

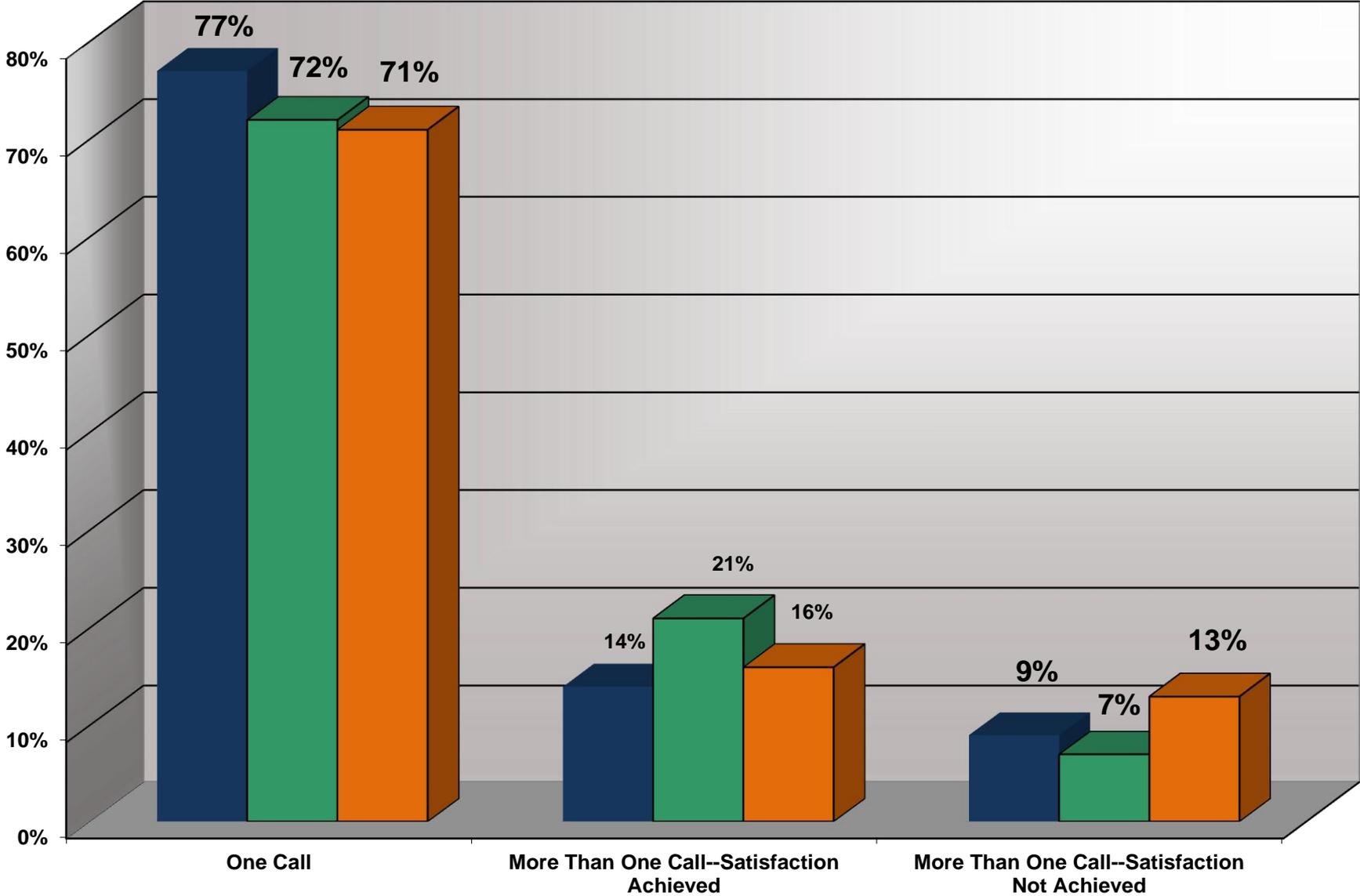


# Main Purpose of Call



# Number of Calls Required to Resolve Issue

(Mean number of calls: 2012 = 1.4 2008 = 1.6 2006 = 1.8)

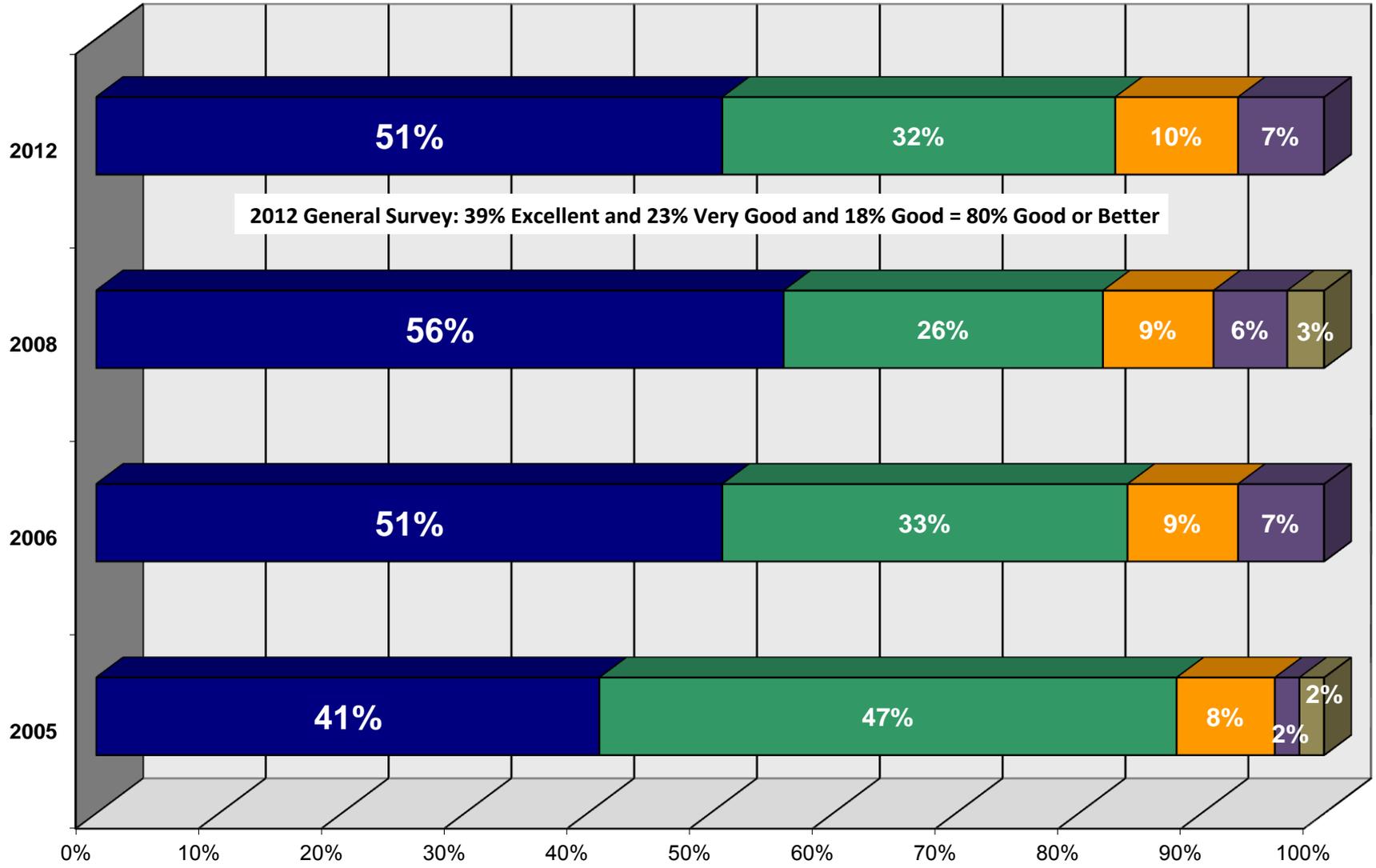


# Satisfaction with Call Center

- **Overall satisfaction with call center holding steady at 4/5 good or excellent**
  - All individual aspects of call center experience at least 80 percent very or somewhat satisfied
- **Compared to other monthly services, call center receives 2/3 highly rated or best ranking**
  - Improved ranking each survey year
- **Satisfaction strongly correlated with number of calls to resolution**

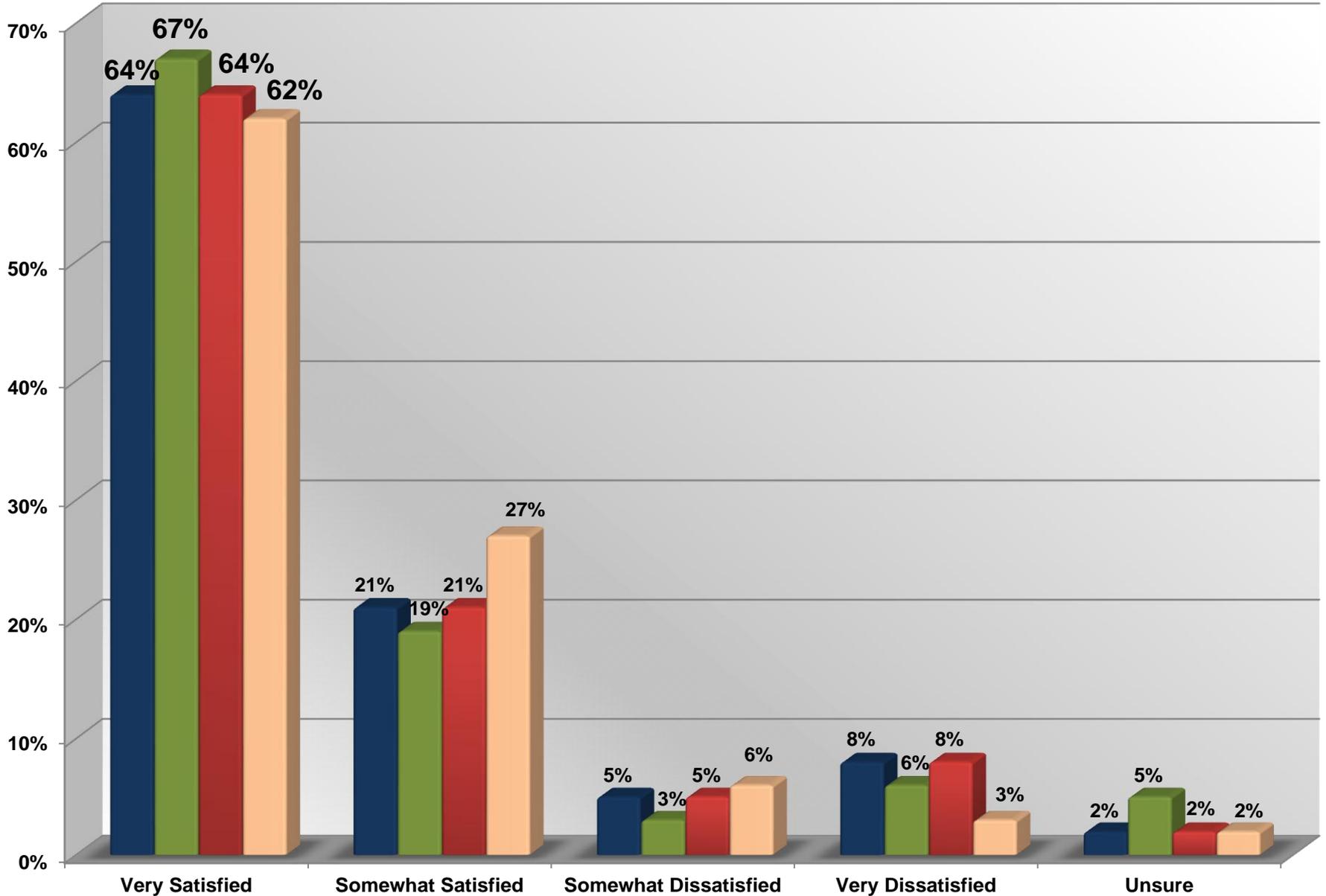
# Overall Satisfaction with Call Center

■ Excellent ■ Good ■ Fair ■ Poor ■ Unsure



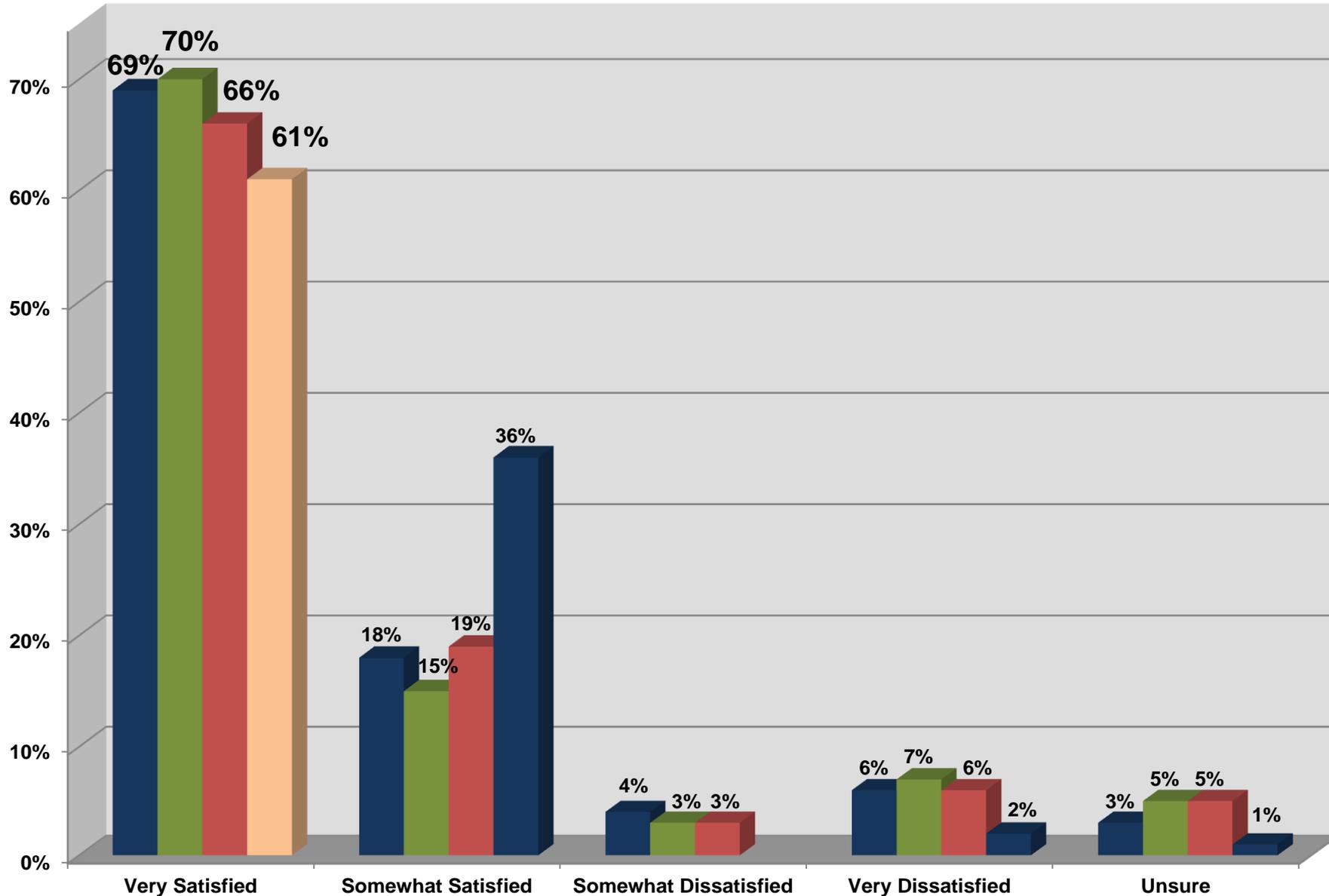
# Satisfaction with Ability to Reach Service Representative

■ 2012 ■ 2008 ■ 2006 ■ 2005



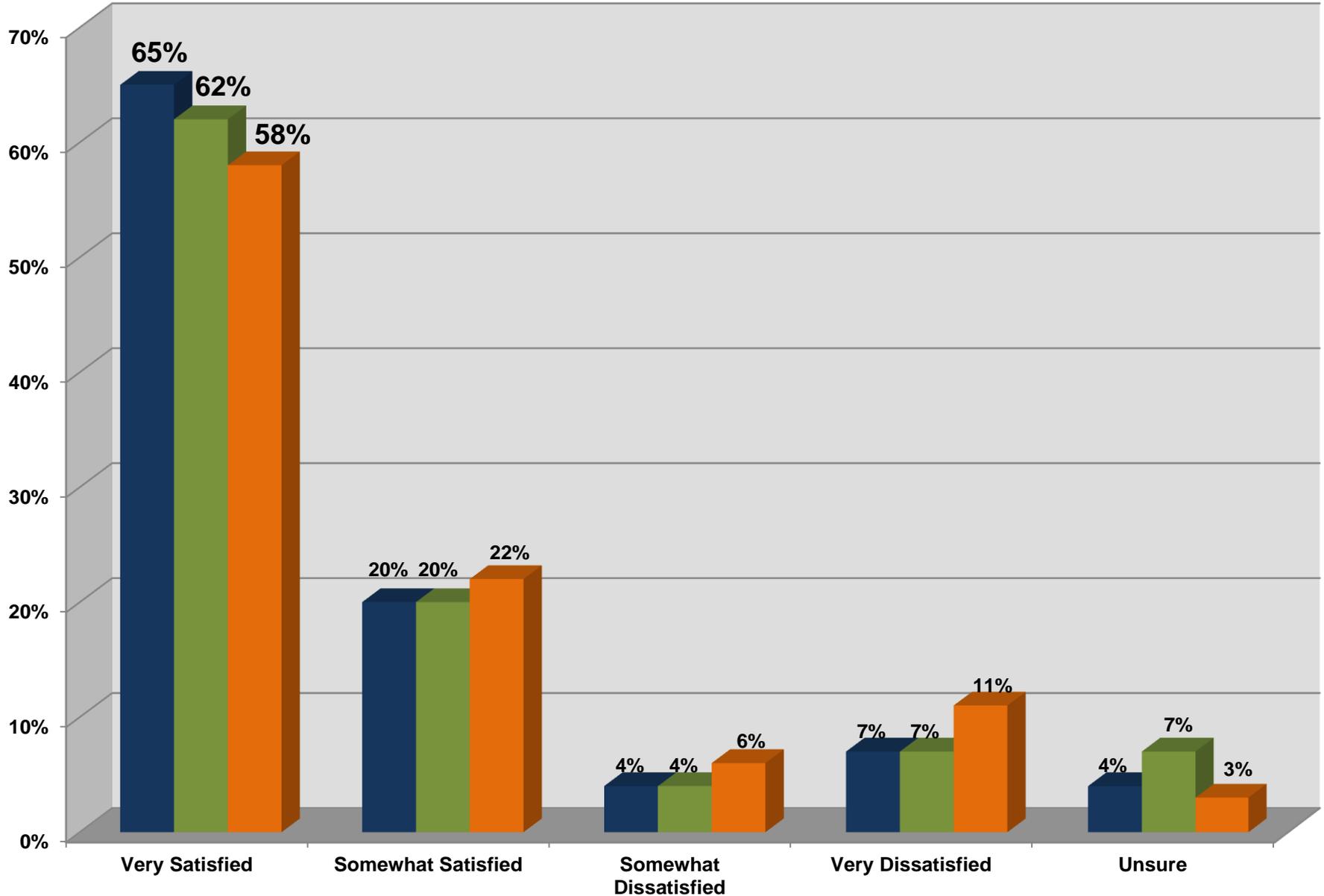
# Satisfaction with Courtesy of Service Representative

■ 2012 ■ 2008 ■ 2006 ■ 2005



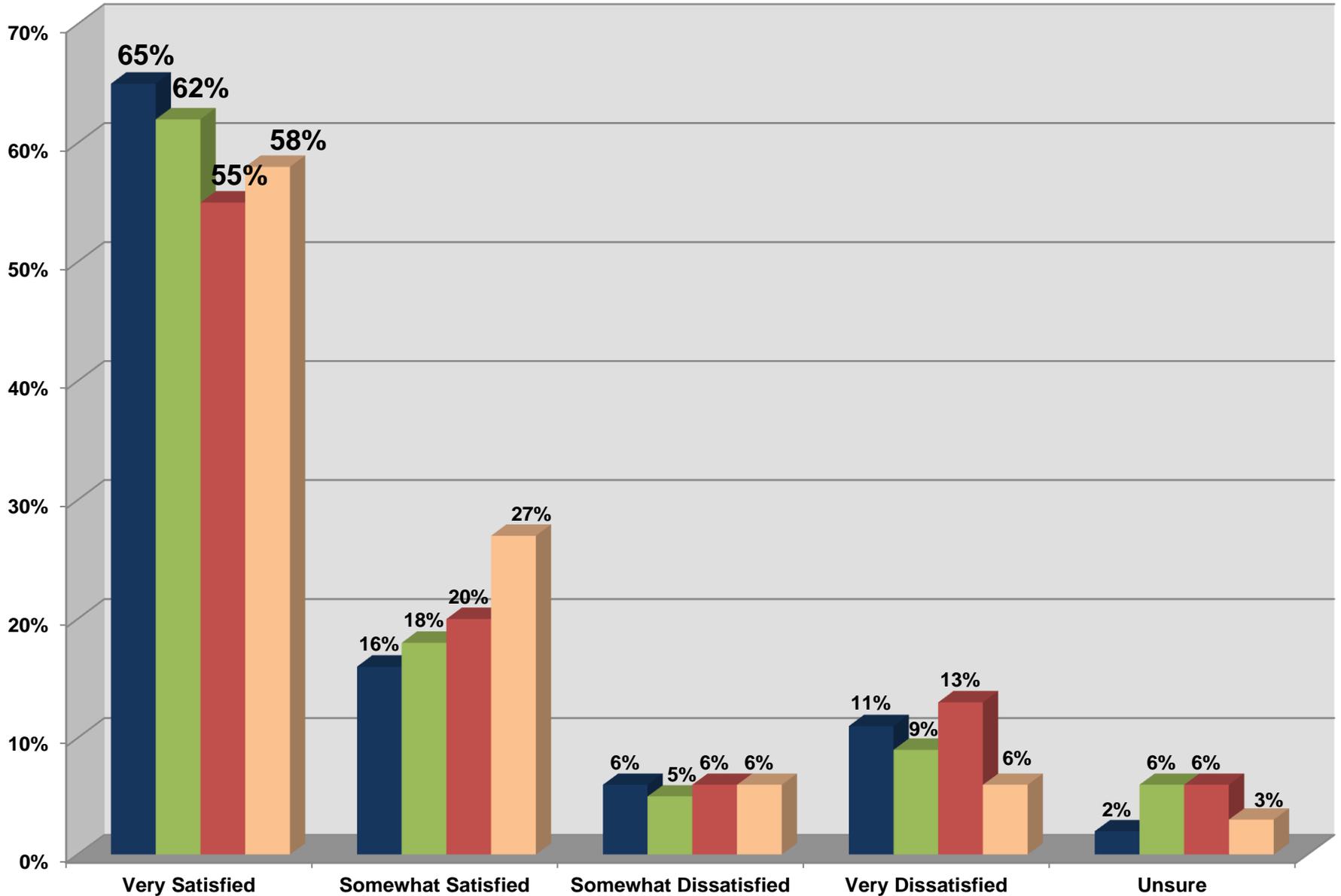
# Satisfaction with Knowledge and Expertise of Service Representative

■ 2012 ■ 2008 ■ 2006



# Satisfaction with Problem Resolution

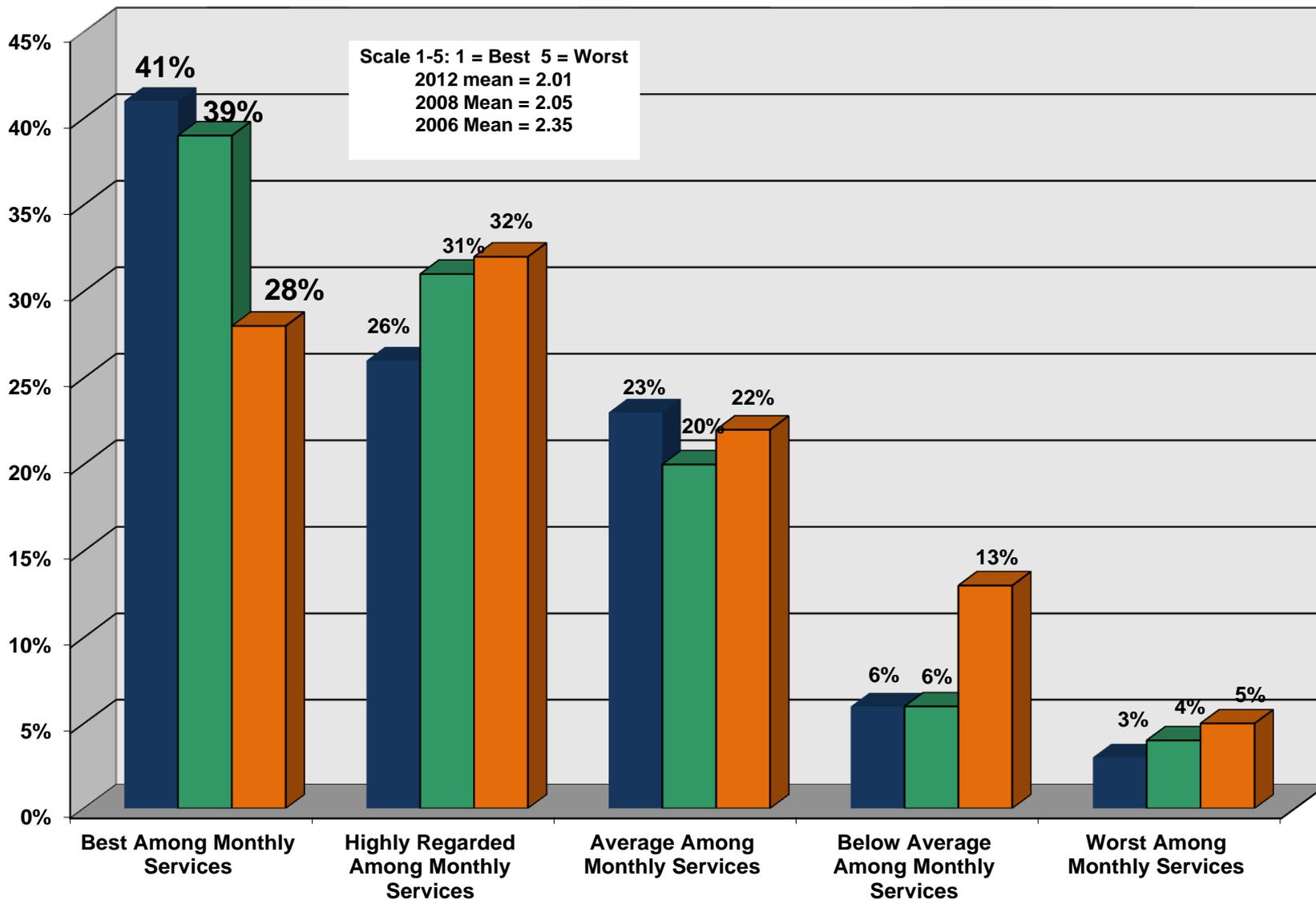
■ 2012 ■ 2008 ■ 2006 ■ 2005



# Comparative Ranking of Otay Water District Call Center Service Against Other Monthly Services

■ 2012      ■ 2008      ■ 2006

Scale 1-5: 1 = Best 5 = Worst  
2012 mean = 2.01  
2008 Mean = 2.05  
2006 Mean = 2.35



## Satisfaction with Service Characteristics Based upon Number of Calls and Resolution of Problem

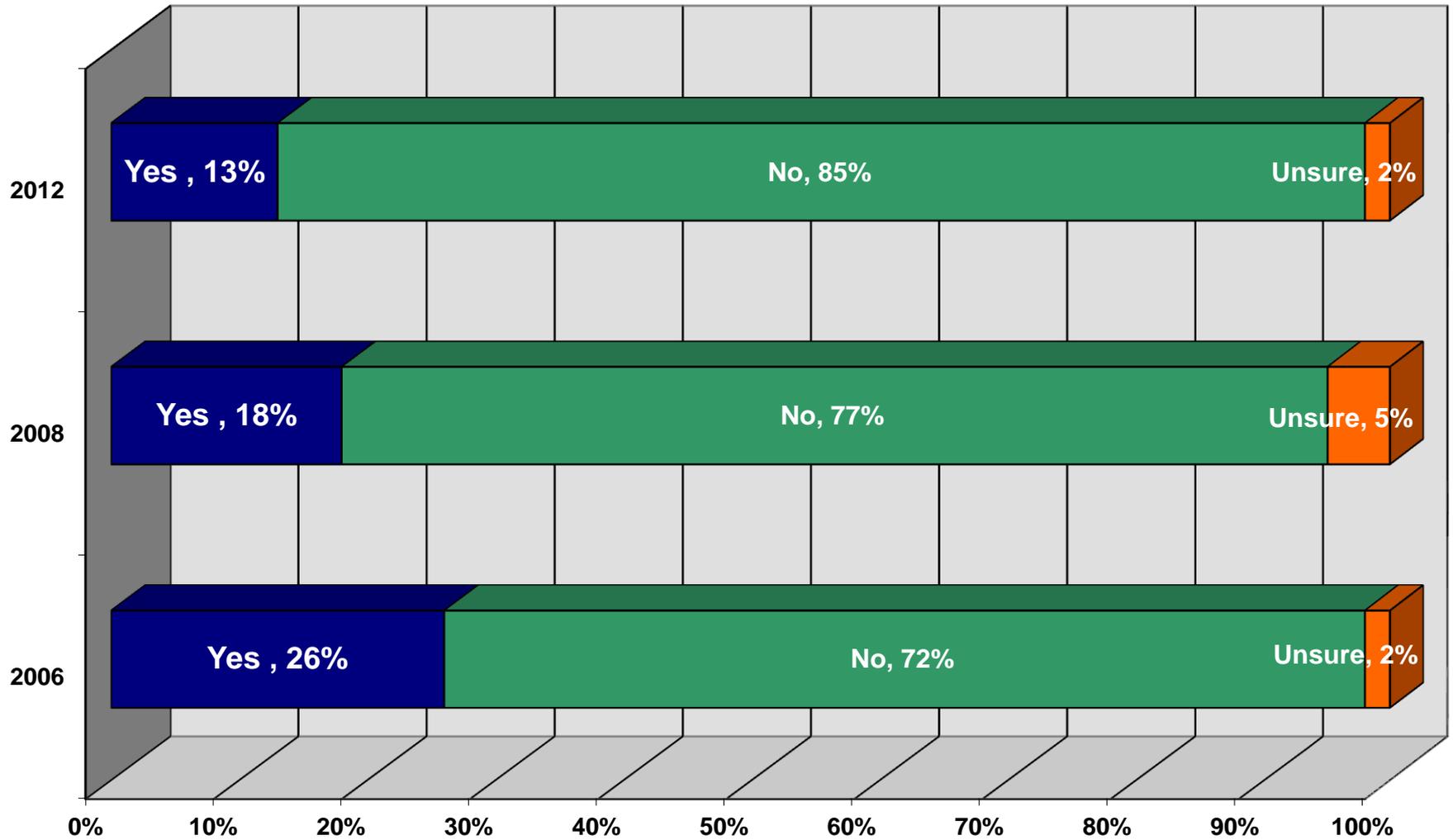
(1 = very satisfied and 4 = very dissatisfied)

Service Characteristic	Problem resolved after one call	Problem resolved after 2 or more calls	Problem not resolved
Ability reach representative	1.38	1.73	2.62
Courtesy service representative	1.32	1.56	2.52
Knowledge of service representative	1.35	1.51	2.90
Getting problem resolved	1.43	1.57	3.34
Overall quality of service	1.53	1.84	3.14

# Field Service

- **Percentage of callers needing field visit has declined consistently and significantly since 2006**
- **Primary function performed during field visit is connecting service**
  - Formerly, primary function was fix problem/leak
- **Overall satisfaction—3/4 good or excellent**
  - Similar to 2008—much improved over 2006
- **As with overall satisfaction, field service satisfaction closely correlated with number of calls to resolution**

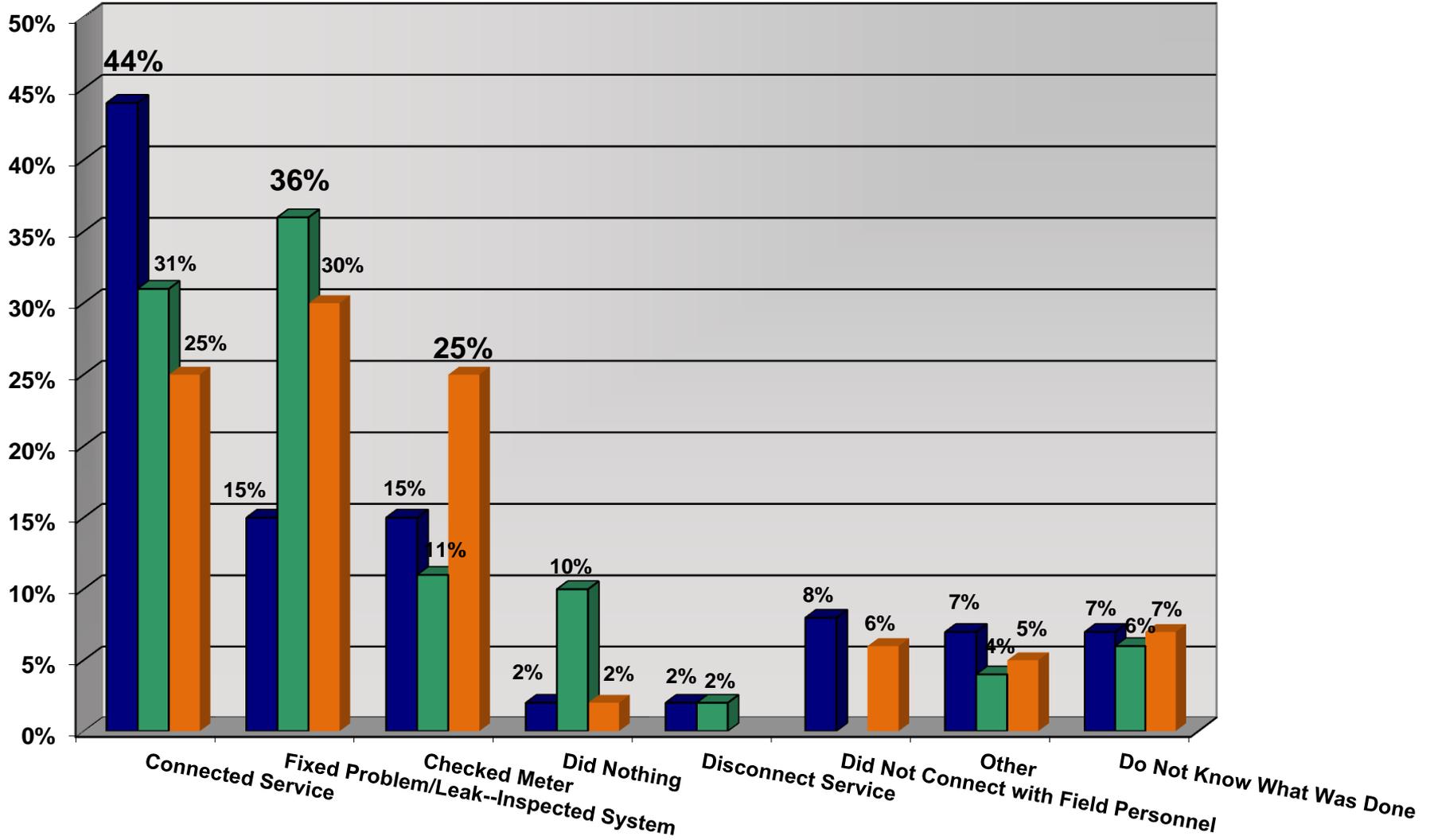
# Field Visit Required?



# Service Performed by Field Rep

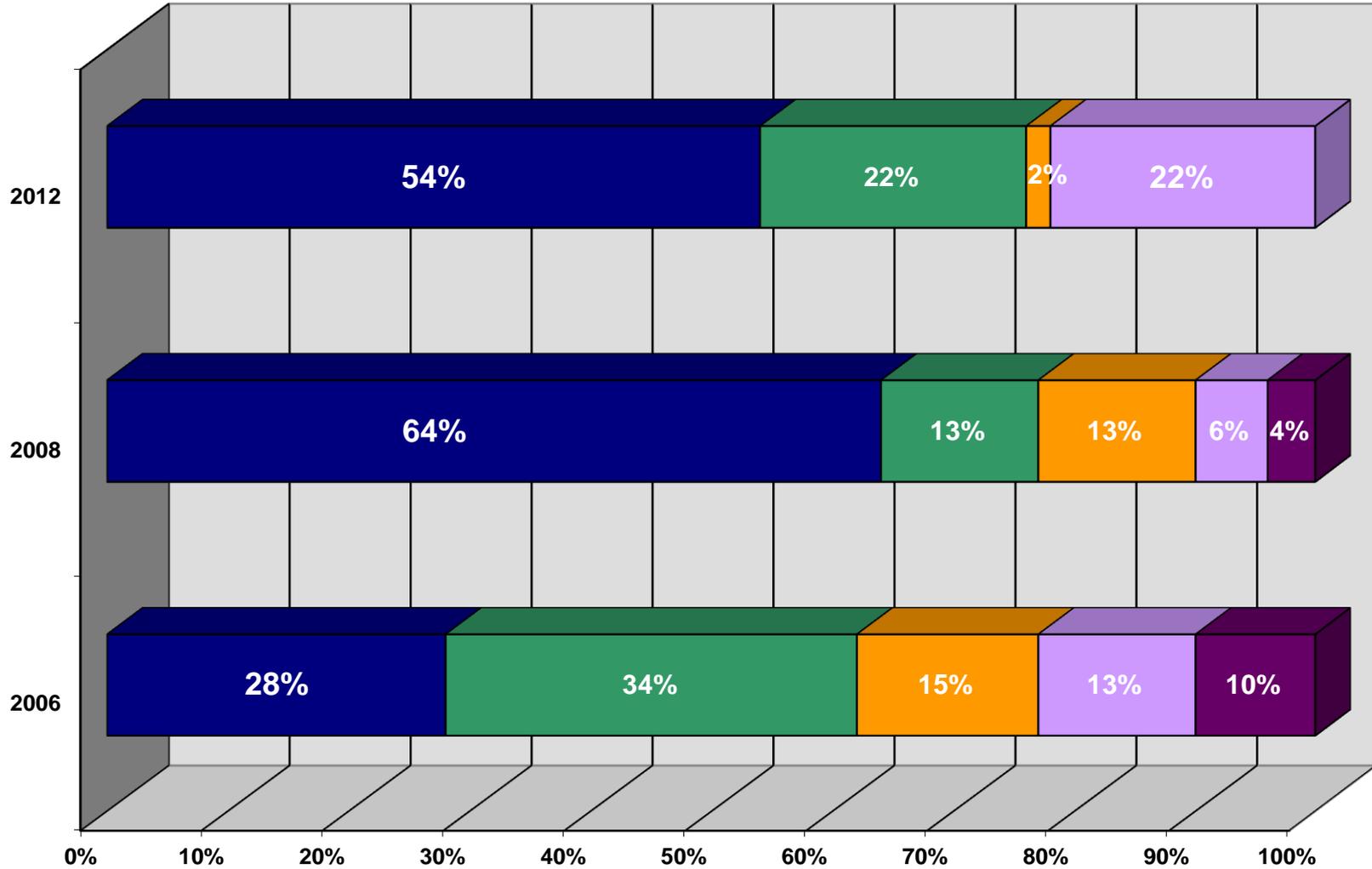
(among 13% that required field service)

■ 2012 ■ 2008 ■ 2006



# Overall Satisfaction with Field Service

(among 13% that required field service--n = 41)



## Satisfaction with Field Service Characteristics Based upon Number of Calls and Resolution of Problem

(1 = very satisfied and 4 = very dissatisfied)

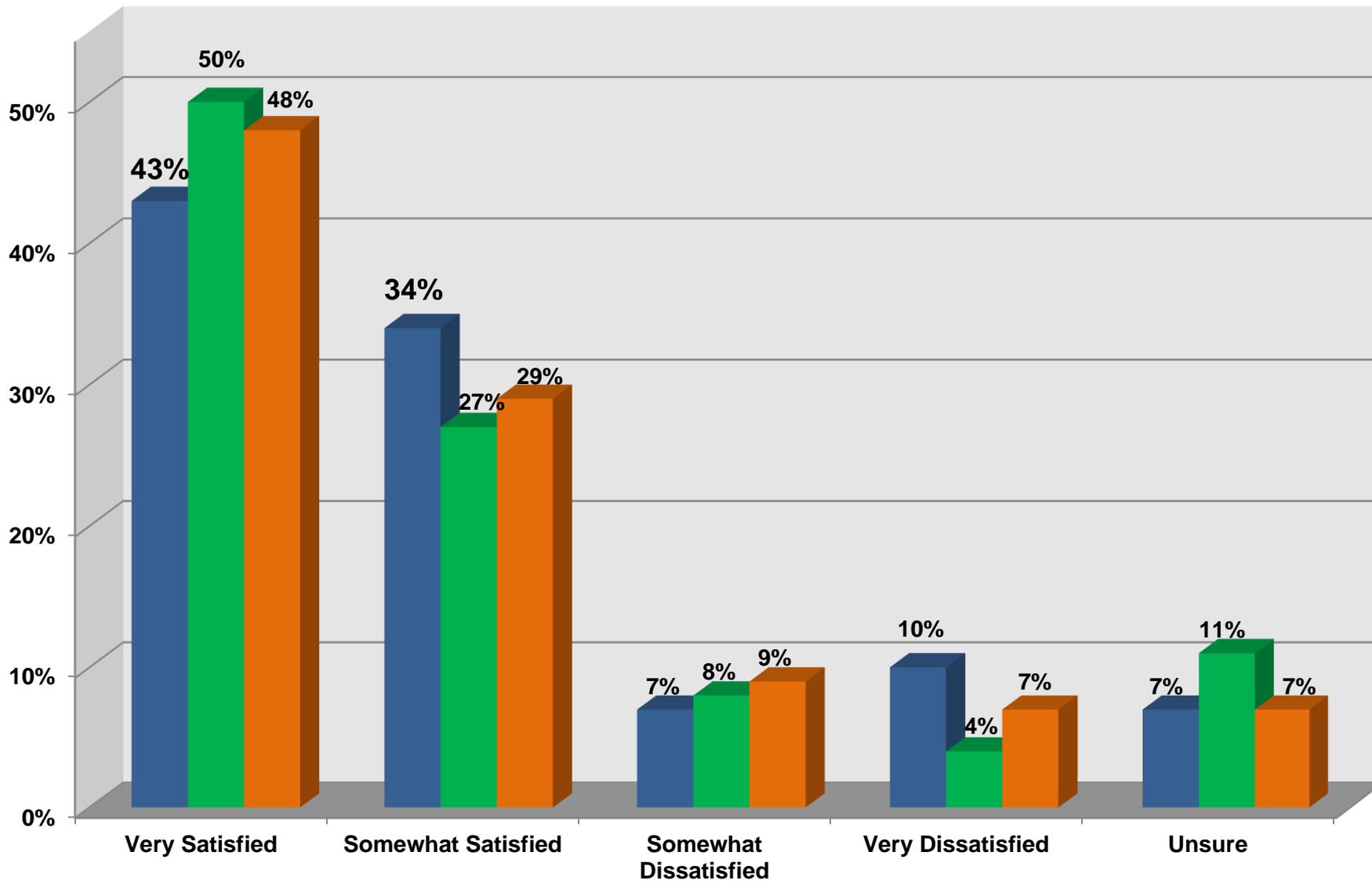
Service Characteristic	Problem resolved after one call	Problem resolved after 2 or more calls	Problem not resolved
Field Service Outcome	1.16	1.54	3.44
Time Required to Come to Property	1.32	1.62	3.28
Time Spent at Property	1.42	1.67	4.00
Overall quality of service	1.37	1.62	3.56

# Billing—Web Service— Interactive Voice Response

- Satisfaction with accuracy of water bill and confidence in accuracy of meters both steady at  $\frac{3}{4}$  very or somewhat satisfied/confident.
- New bill design—same as full customer survey— $\frac{2}{3}$  very or somewhat satisfied and  $\frac{1}{4}$  unaware of change.
- Satisfaction with web service increasing and very high
- Increased usage and perceived usefulness of Interactive Voice Response

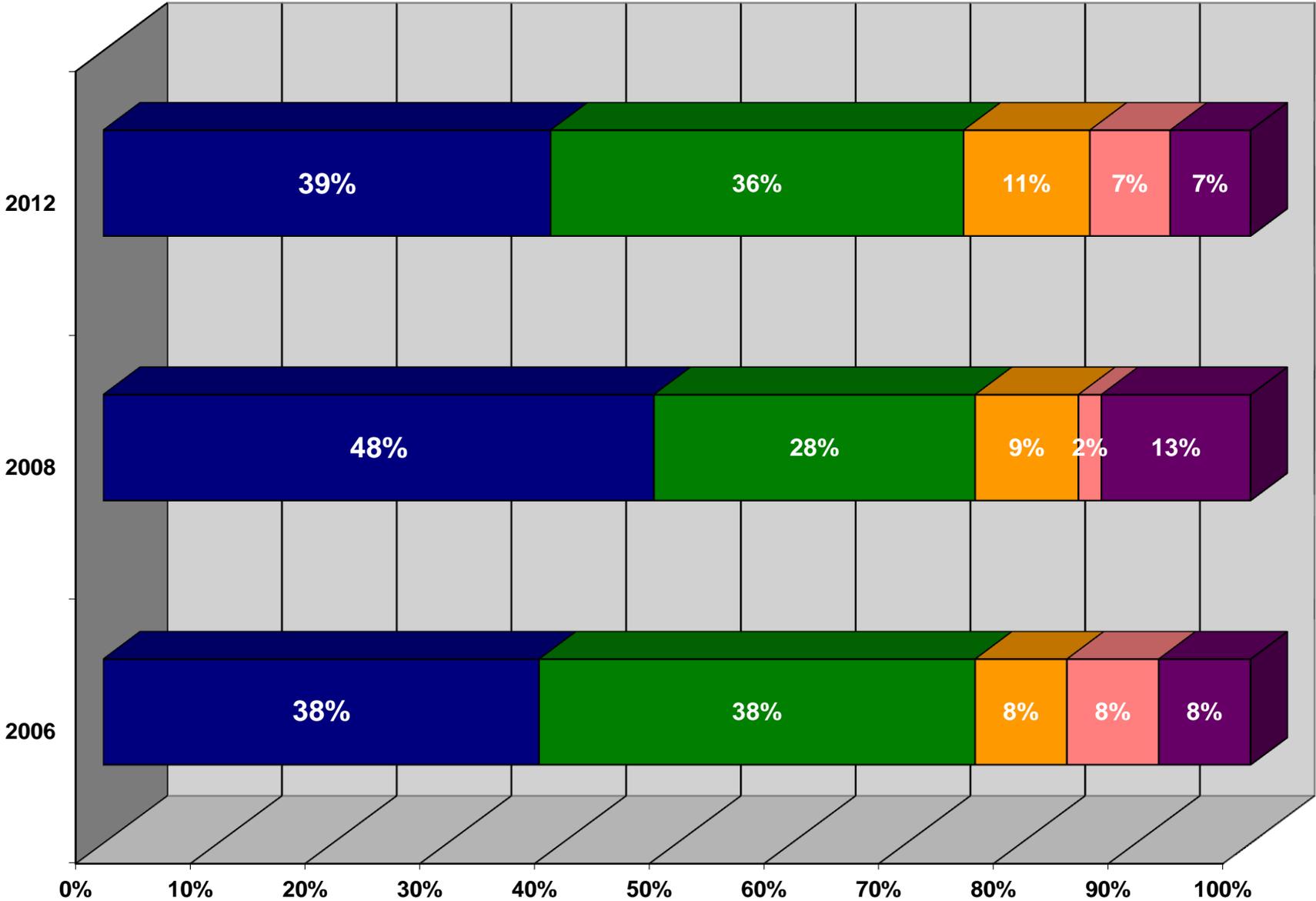
# Satisfaction with Accuracy of Water Bill

■ 2006 ■ 2008 ■ 2012



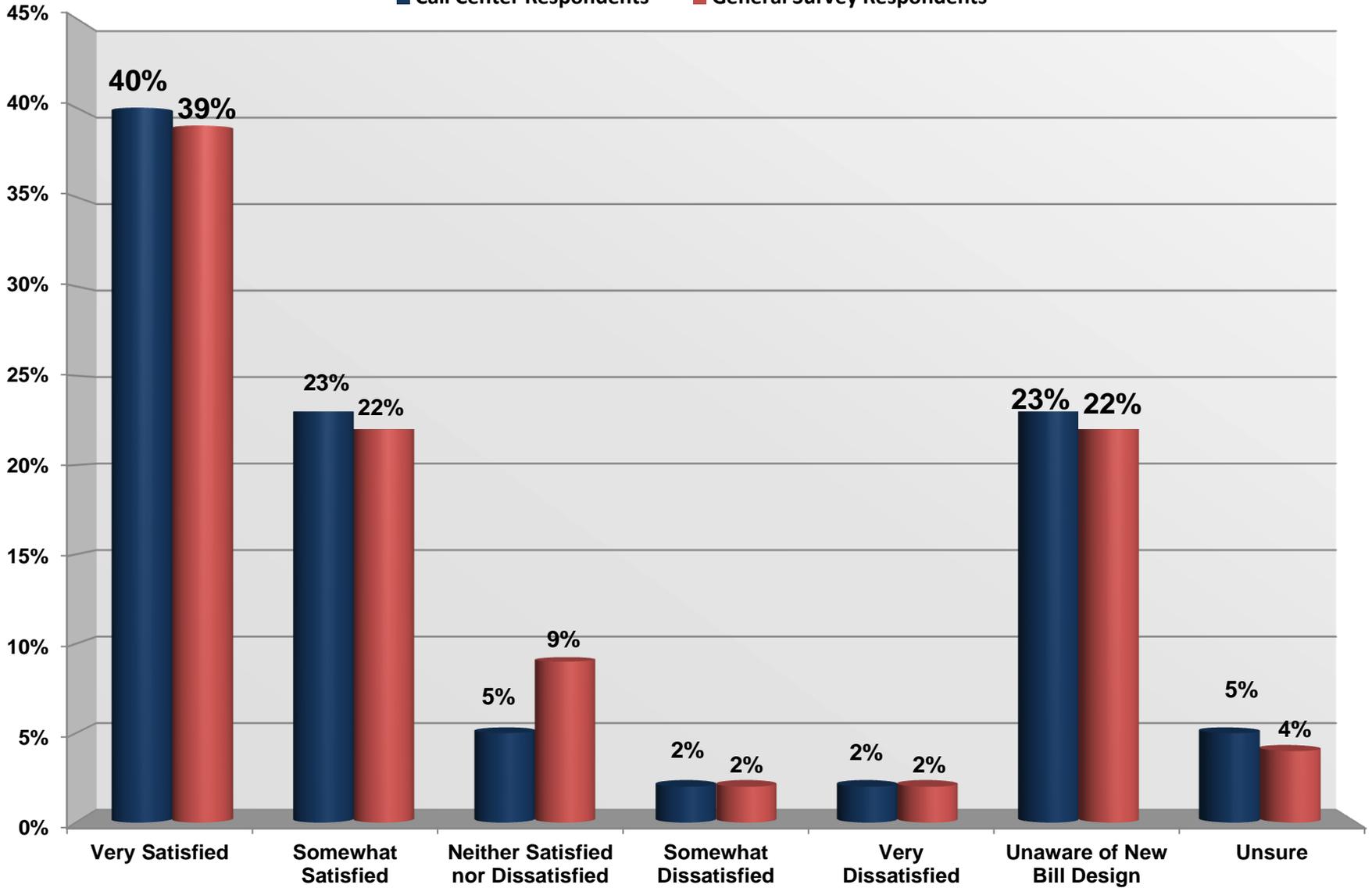
# Confidence in Accuracy of Meter Reading

■ Very Confident ■ Somewhat Confident ■ Not Very Confident ■ Not At All Confident ■ Unsure



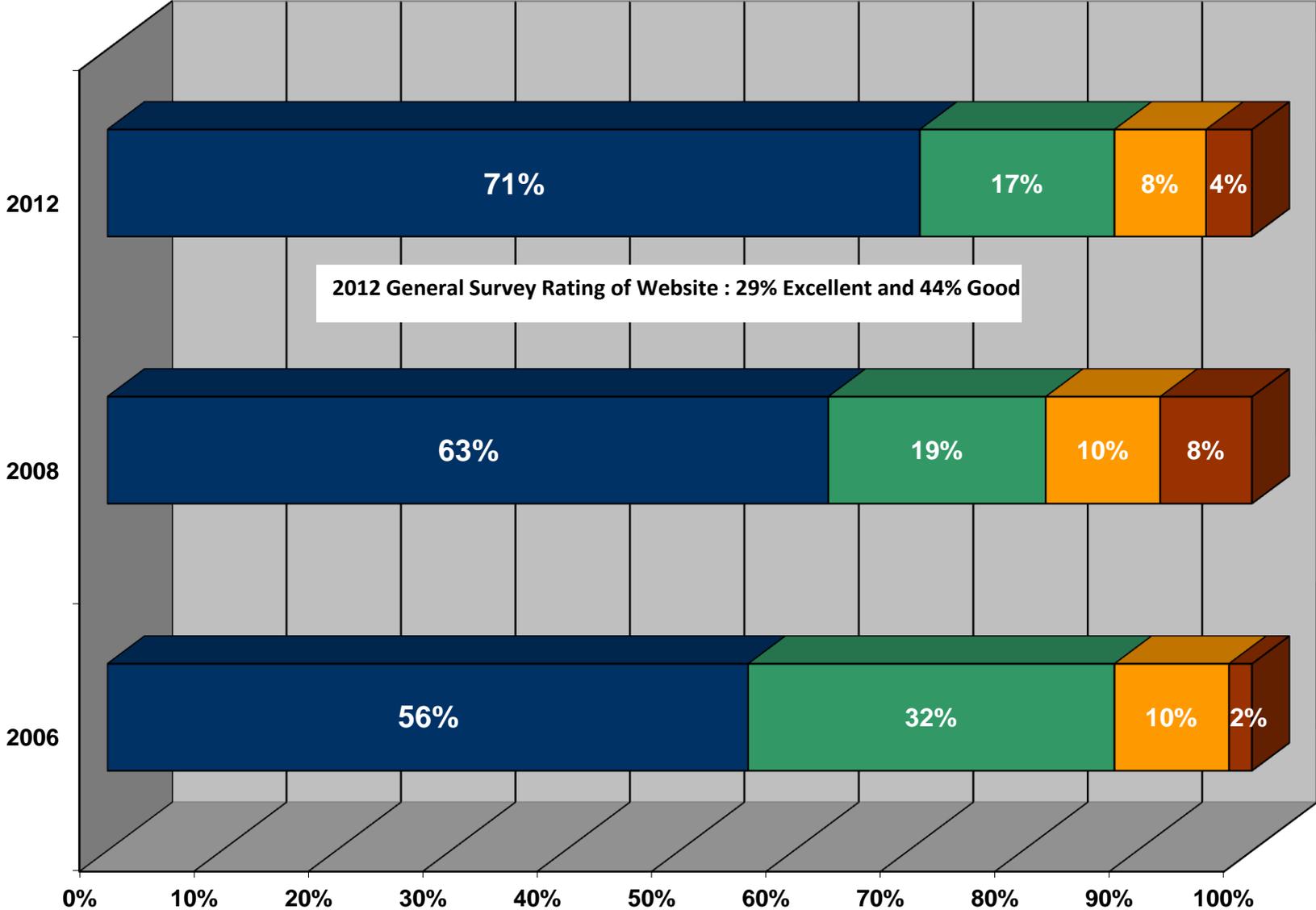
# Satisfaction with New Bill Design

■ Call Center Respondents ■ General Survey Respondents

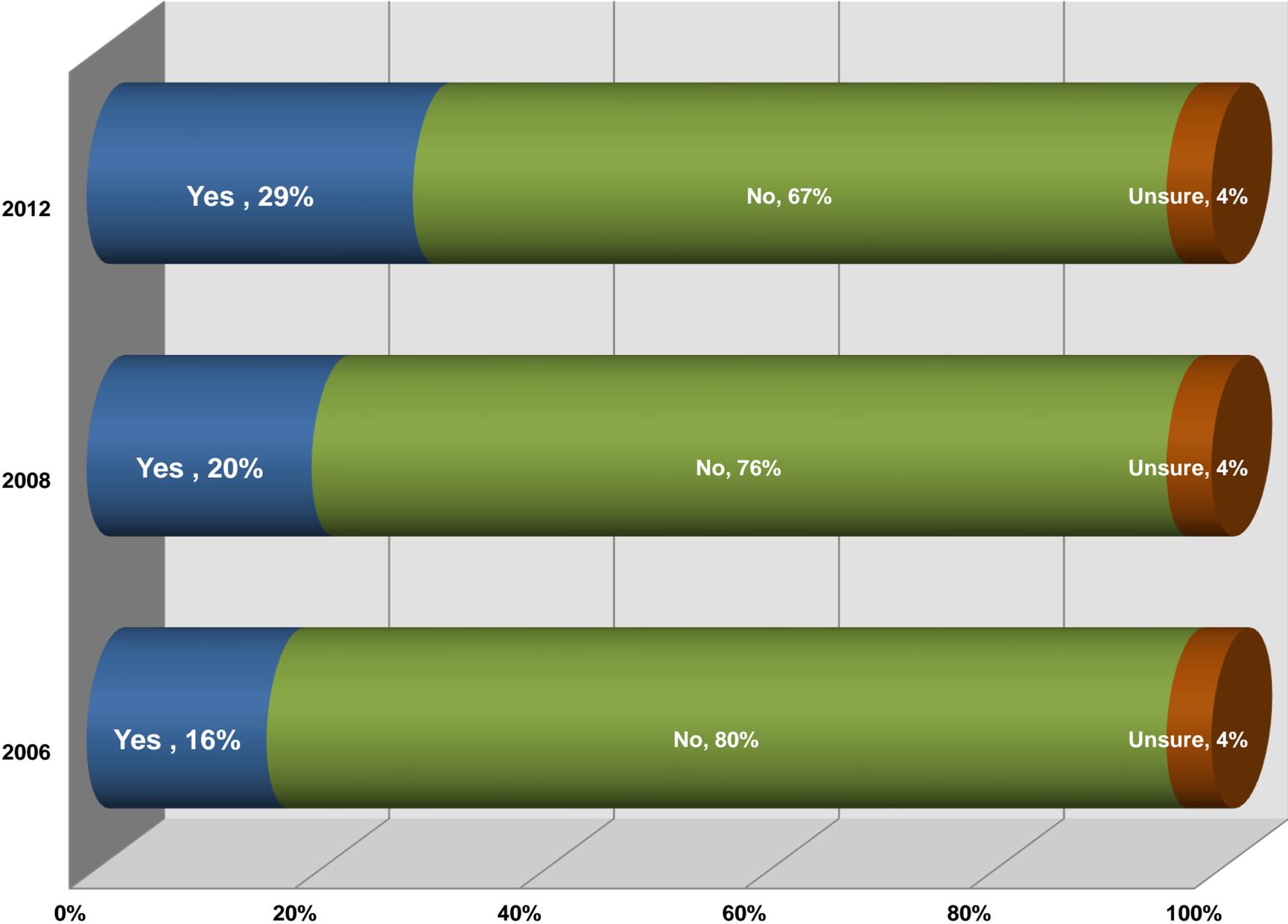


# Satisfaction with Web Service

(among 30% who have use website)

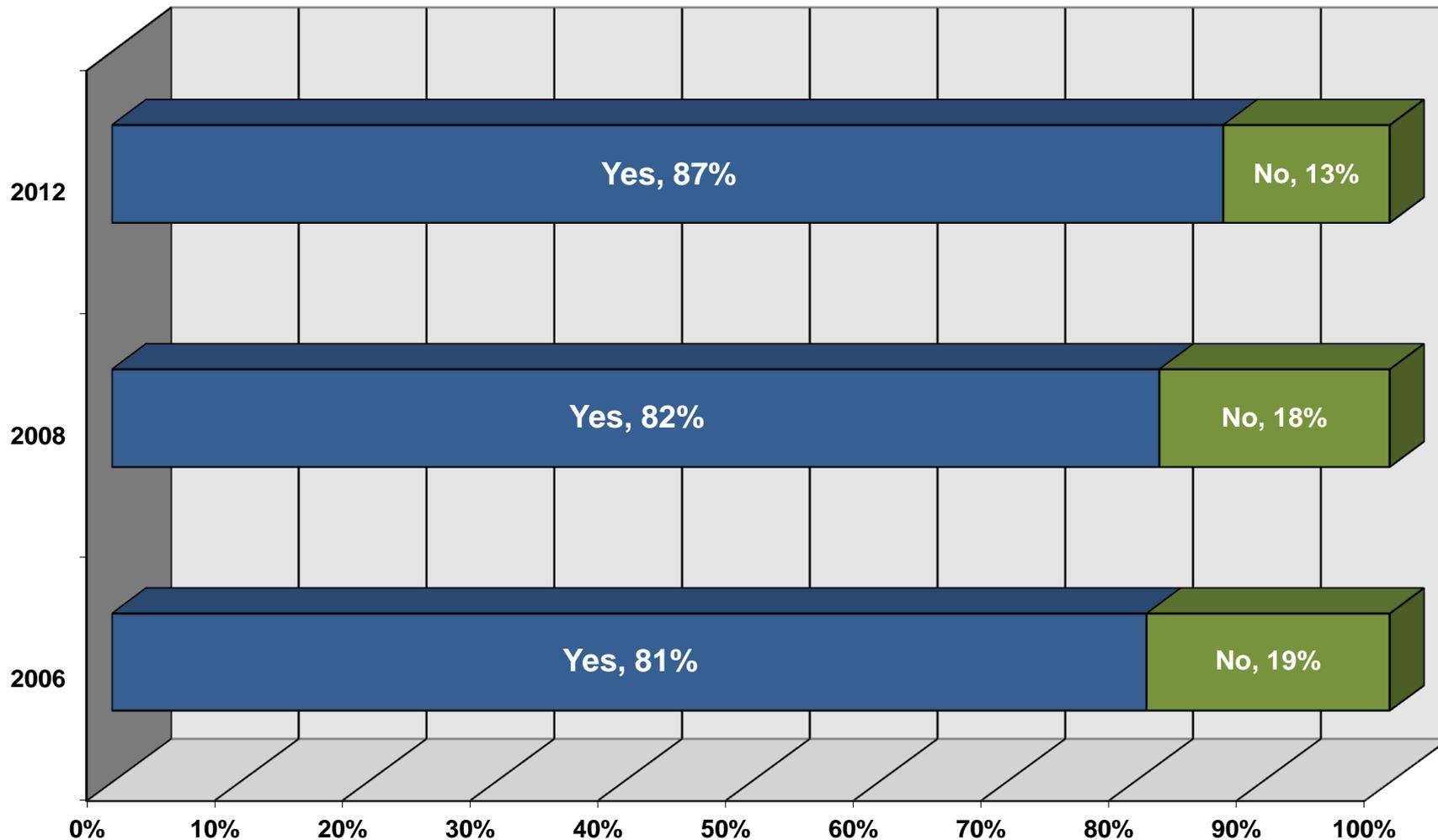


# Used Interactive Voice Response Feature?



# Usefulness of Interactive Voice Response

(among 29 percent who have used Interactive Voice Response)





# Otay Water District Call Center Customer Satisfaction Survey Report

**Rea & Parker Research**

**May, 2012**

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# **Otay Water District Call Center**

## **Customer Service Satisfaction Survey**

### **Executive Summary**

The Otay Water District has elected to conduct a statistically reliable customer satisfaction telephone survey among those who have called for customer service during the past 6 months. The purpose of the survey is threefold – first, and foremost, to improve customer service, second, to provide information about the volume and purpose of customer calls, to determine the level of satisfaction regarding customer and field service, the bill payment process, and the communication efforts of the District (including the new telephone system, the website and the Interactive Voice Response Feature); and third, to compare the results of this 2012 Call Center Customer Service Survey with the results of previous Call Center Customer Service Satisfaction Surveys and the more general 2012 Residential Customer Satisfaction and Awareness Survey where the data are comparable.

Specifically, the primary areas of interest are:

- Volume and purpose of customer calls
- Basic demographic statistics/sampling characteristics
- Overall customer satisfaction
- Satisfaction with services of telephone and field representatives
- Satisfaction with the resolution of problems and issues
- Satisfaction with the bill payment process
- Satisfaction with communication efforts

Rea & Parker Research was selected to conduct this study, as it was for the 2005, 2006 and 2008 Call Center Customer Services Satisfaction Surveys. The purpose of the research is to:

- Obtain scientifically reliable and sufficiently robust results to determine the level of satisfaction among those who seek customer service for important service delivery features.
- Determine customer service call patterns with regard to the purpose and volume of calls.
- Determine level of satisfaction with various issues, including:
  - Telephone and field representatives
  - Problem resolution
  - District communication efforts including the official website, Interactive Voice Response Feature, and the new telephone system
  - Bill payment process
- Obtain demographic data about the population for use in descriptive analysis and crosstabulations of data that can result in new, optimally targeted and tailored public outreach programs.
- Compare the results of this survey with the results of the 2005, 2006 and 2008 Call Center Surveys and the 2012 General Customer Survey, where applicable.

## **Sample**

The survey was conducted by a random telephone sample of 303 respondents, which equates to a margin of error of +/- 5.4 percent at the 95 percent confidence level.

In the current survey, respondents are predominantly White (43 percent) and Hispanic/Latino (41 percent) and earn an annual median household income of \$73,100 (29 percent earning \$100,000 or more and 8 percent earning under \$25,000). They have a median age of 47 years and have been customers of the Otay Water District for a median of 8 years. Among these respondents, 51 percent possess a Bachelor's degree or more, with 19 percent having a high school education or less. Survey respondents are predominantly homeowners (72 percent) with a mean household size of 3.72.

## **Survey Findings**

This survey report has been divided into six informational components as follows:

- Demographic statistics/Respondent characteristics
- Overall satisfaction with customer service
- Satisfaction with field service
- Purpose of customer calls
- Issues regarding the bill payment process
- Communication with the Otay Water District

### **Overall Satisfaction with Customer Service**

- According to the 2012 General Survey of all customers of the Otay Water District, a survey conducted immediately prior to the 2012 Call Center Survey, it is reported that 9 percent of customers have contacted customer services during the 6 months that immediately preceded the survey. This is consistent with the results of the 2008 Call Center Survey where 10 percent called Customer Service 6 months prior to the Survey, but less than the percentage of callers indicated in the 2009 and 2011 General surveys—17 percent each.
- Customer service callers rate the overall quality of customer service as very high—83 percent rate it as excellent (56 percent) or good (26 percent). This is consistent with the high rating provided by customers in the 2008 Call Center Survey, where 82 percent of the callers rated their satisfaction with customer satisfaction favorably. Based upon the 2012 General Survey, customers who made calls to the Call Center were also highly satisfied with customer service (80 percent in the favorable range).
- Between 81 and 87 percent of customer service callers feel very satisfied or somewhat satisfied regarding the 4 service features presented in the survey: knowledge and expertise of the service representative, courtesy of the service representative, ability to reach service representative, and satisfaction in getting their problem solved. Similarly high levels of satisfaction were found regarding these features in the 2005, 2006, and 2008 Call Center Surveys.

- Callers make an average of 1.4 calls per issue to customer service (a decrease from the 1.6 calls per issue reported in the 2008 Call Center Survey and 1.8 calls in 2006), with 77 percent of all callers having their issue resolved in one call. Among the 23 percent who make more than one call, 14 percent of them had their problem ultimately resolved, leaving only 9 percent of callers with unresolved issues. This represents an improvement over the findings of the 2008 survey where about 21 percent of those who made one call had their problem ultimately resolved and 13 percent of callers were left with unresolved issues
- Customer service callers to the Otay Water District compare the District very favorably to other authorities and utilities that bill monthly, with 41 percent of the customer callers saying that it is the best among monthly service providers. This rating is consistent with the 2008 Call Center Survey where 39 percent rated the District as the best.
- Resolution of problems that customers of the Otay Water District call about impacts satisfaction more than does the number of calls required to achieve resolution. Further, overall satisfaction parallels the lowest rated of service characteristics, thereby making each of these features critically important to overall satisfaction.

### **Satisfaction with Field Service**

- Only 13 percent of customer service callers required a field visit to their property – a 5 percent decrease from the findings of the 2008 Call Center Survey. In fact, there has been a steady decline in the percentage of callers who required a field visit since 2006.
- Over three-fourths of callers (76 percent) rate their overall experience with the service of field representatives as either excellent or good. This is consistent with the rating in the 2008 Call Center Survey where 77 percent rated overall field service as favorable.
- Approximately three-fourths of those who required a field visit are either very satisfied or somewhat satisfied with the amount of time needed for service at the property (71 percent), the time required to come to the property (71 percent), and the outcome of the field service (78 percent).
- Satisfaction with field service is also more a function of the ultimate resolution of the problem than the number of calls required to achieve resolution.

### **Purpose of Customer Calls**

- The main purpose of customer calls relates to billing issues (72 percent) while approximately one-quarter of the call are associated with starting or stopping service. The remaining 4 percent are repair related. Using the 2008 Call Center Survey as a baseline, calls about the billing process are increasing (from 51 percent in 2008 to 72 percent in 2012); calls about starting and stopping service have decreased from 33 percent to 24 percent over the same period of time. The percentage of customers who called about pipeline breaks in the current survey is considerably greater than what was reported in the 2008 survey where 24 percent called about pipeline breaks. There has been a decline, however, since 2008, among customer callers who are concerned about leaks and connecting the water supply to their home.

- Of those customers who call about repairs, 34 percent call about suspected leaks, 40 percent call about pipeline breaks, and the other 13 percent are concerned about the supply of water to their home, including how to shut off their valve.
- Non-repair calls as well as additional calls beyond the most recent one made by customers are largely for paying the water bill by phone, starting service, clarification of the bill, and customer concerns that too much was charged for the water used.

### **Issues Regarding the Bill Payment Process**

- Over three fifths (63 percent) of customers are either very satisfied (40 percent) or somewhat satisfied (23 percent) with the new design of the water bill. This is highly consistent with the level of satisfaction found in the 2012 General Survey of Customers conducted immediately prior to this Call Center Survey. In the General Survey, 61 percent of all customers in the District are either very satisfied or somewhat satisfied with the new bill design.
- Nearly one-quarter of callers pay their bill by sending a check in the mail, 35 percent pay on-line, 17 percent pay their bill through automatic bank deductions, 16 percent pay by credit card over the telephone, and 4 percent pay in person at the Otay Water District offices or payment center. It is noteworthy that 22 percent would prefer to use postal mail (2 percent less than actually do so) and 37 percent would prefer to pay on line (2 percent more than actually do so).
- This pattern is substantially different from the findings of the 2008 Call Center Survey. In 2008, 19 percent of customer callers reported that they pay their bill on-line (16 percent less than in the current survey). Also, in 2008, 50 percent of the customer callers paid their bill by sending a check in the mail (15 percent more than in 2012). There is clearly a strong trend toward the use of the Internet to pay their water bill among the customers of the Otay Water District.
- The greatest opposition to paying on-line is among older customers, and, as they decrease in number, it can be expected that the preference for on-line will continue to grow.
- Nearly one-half of customer callers are interested in receiving their monthly bill by e-mail, and over three-fifths (64 percent) indicate that it is likely they will be paying their various bills through a paperless option within the next 2 years. Among those who say they are unlikely to use paperless bill paying options within the next two years, over one-quarter (27 percent) indicate they do not use the Internet and 17 percent want a paper record of their transactions.
- Customer service callers are satisfied with the accuracy of the water bill (77 percent are either very satisfied or somewhat satisfied) and are confident in the accuracy of their meter reading.

### **Communication with the Otay Water District**

- Among callers, 86 percent are unaware of the new telephone system that was implemented by the Otay Water District within the last several months. Among those who are aware, 5 percent feel the new system is better and another 3 percent feel the previous system is better.
- Those who are aware of the new telephone system rated 4 features of that system quite highly. On a scale of 1 to 5, where 1 = very effective and 5 = not at all effective. Ratings were provided for quality of voice (1.87), clarity of the instructions (2.01), overall effectiveness of message (2.10), and menu of options (2.13).
- Well over one-quarter (29 percent) of callers have used the interactive features of the voice response system. Among these 29 percent, 87 percent found it to be useful. The trend is clear –

since the 2006 and 2008 Call Center Surveys, there is an increase in the percentage of customers who use the Interactive Response Feature and a greater percentage of those who use this feature find it useful.

- Of those customers in the current survey who found the system to be useful, 46 percent were able to resolve their problem by using this automated system alone. This represents a decline since the 2008 Call Center Survey where nearly three-fifths (58 percent) achieved resolution of their problem using the automated system alone.
- Nearly one-third (30 percent) of the customer callers have used the Otay Water District website to obtain information in the past 6 months. There has been a steady increase in the use of the website since 2006 – 20 percent in 2006 and 23 percent in 2008).
- Nearly 9 in 10 of these users (88 percent) are either very satisfied (71 percent) or somewhat satisfied (17 percent) with the service provided through the website. This represents an increase in the satisfaction level since 2008 where 82 percent were either very satisfied or somewhat satisfied.

### **Conclusions**

It is clear that customers of the Otay Water District who have made customer service calls to the District are largely satisfied with the customer service they have received. Customers are generally more satisfied with the Call Center services than ever and are increasingly accepting of efforts to move toward more automated and paperless communications. There is considerable support for the efforts made by the Otay Water District to address customer issues in a timely fashion and to resolve problems to the customers' satisfaction.

## **Introduction and Methodology**

In 1956, the Otay Water District was authorized by the State Legislature and gained its entitlement to imported water. Today, the District serves the needs of approximately 208,000 people within 125.5 squares miles in southern San Diego County by purchasing water from the Metropolitan Water District of Southern California through the San Diego County Water Authority and Helix Water District. Sewer services are also provided to portions of the customer base. Since its inception, the Otay Water District also has collected and reclaimed wastewater generated within the Jamacha Drainage Basin and pumped the reclaimed water south to the Salt Creek Basin where it is used for irrigation and other non-potable uses.

The District has elected to conduct a statistically reliable customer opinion and satisfaction telephone survey among those who have called customer service during the past 6 months. The purpose of the survey is threefold – first, and foremost, to improve customer service, second, to provide information about the volume and purpose of customer calls, to determine the level of satisfaction regarding customer and field service, the bill payment process, and the communication efforts of the District (including the website and the Interactive Voice Response System); and third, to compare the results of this 2012 Call Center Customer Service Survey with the results of the 2008, 2006, and 2005 Customer Services Satisfaction Surveys and the more general 2012 Residential Customer Satisfaction and Awareness Survey where the data are comparable.

Specifically, the primary areas of interest are:

- Volume and purpose of customer calls
- Basic demographic statistics/sampling characteristics
- Overall customer satisfaction
- Satisfaction with services of telephone and field representatives
- Satisfaction with the resolution of issues
- Satisfaction with the bill payment process
- Satisfaction with communication efforts including the new telephone system, the website and the Interactive Voice Response System

Rea & Parker Research was selected to conduct this study, as it was for the 2005, 2006 and 2008 Call Center Customer Services Satisfaction Surveys. The purpose of the research is to:

- Obtain scientifically reliable and sufficiently robust results to determine the level of satisfaction among those who seek customer service for critical service delivery features
- Determine customer service call patterns with regard to the purpose and volume of calls.
- Determine level of satisfaction with various issues, including:

- Telephone and field representatives
- Problem resolution
- District communication efforts
- Bill payment process
- Obtain demographic data about the population for use in descriptive analysis and crosstabulations of data that can result in new, optimally targeted and tailored public outreach programs.
- Compare the results of this survey, as relevant and appropriate, with the results of the 2008, 2006, and 2005 Call Center Customer Services Satisfaction Survey and the 2012 Residential Customer Satisfaction and Awareness Survey (General Survey), where comparable and applicable.

### **Sample**

The survey was conducted by a random telephone sample of 303 respondents and secured a margin of error of +/-5.4 percent @ the 95 percent confidence level. This figure represents the widest interval that occurs when the survey question represents an approximate 50 percent-50 percent proportion of the sample. When it is not 50 percent-50 percent, the interval is somewhat smaller. For example, in the survey findings that follow, 49.2 percent of respondents would be interested in receiving their bill by e-mail. This means that there is a 95 percent chance that the true proportion of those who actually would be interested is between 43.8 percent and 54.6 percent (49.2 percent +/- 5.4 percent).

The survey sample of 303 was randomly drawn from 5,184 customers who have made at least one customer service call to the Otay Water District in the past 6 months. When respondents asked about who was sponsoring the survey, they were told “this project is sponsored by the Otay Water District, and it is about issues related to improving customer service.” This information was provided to 60 percent of the respondents.

The survey was conducted in both English and Spanish. Spanish language respondents comprised approximately 6 percent of the survey population. The distribution of respondents according to gender was 40 percent male and 60 percent female. Regarding the type of water customer, 99 percent are residential customers and 1 percent is business customers.

The survey was conducted from March 23, 2012 to April 6, 2012. Cooperation among those eligible respondents who were actually contacted was 54.2 percent (**Table 1**).

This report is divided into six essential information components as follows:

- Demographic statistics/respondent characteristics
- Overall satisfaction with customer service
- Satisfaction with field service
- Purpose of customer calls

- Issues regarding the bill payment process
- Communication with the Otay Water District

<b>Table 1 Otay Water District 2012 Call Center Survey Telephone Call Disposition Report</b>	
<b>Unknown Eligibility</b>	
No Answer	1872
Busy	43
Answering Machine	940
Call Back	378
Language Barrier	38
Total Unknown	3271
<b>Ineligible</b>	
NQ No Service Call	275
Disconnect	122
Fax/Wrong Number	130
Refusal	256
Total Ineligible	783
<b>Eligible</b>	
Complete	303
<b>Cooperation Rate: Complete/Complete + Refusal</b>	
	<b>54.2%</b>
Percent in Spanish	
	2.3%

Each section of the report will begin with a very brief abstract, or summary of highlights within the ensuing section, in order to orient the reader to what is to follow. Charts have been prepared for each of these major components depicting the basic survey results. Subgroup analyses for different age groups, various levels of education, gender, home ownership/rental status, household size, and residential tenure in the community, different income categories, and ethnicity of residents of the service area are presented in succinct bulleted format when statistical significance and relevance warrants such treatment. Lists of open-ended responses to survey questions are contained in the Appendices.

## Survey Findings

### Demographic Statistics/Respondent Characteristics

**Table 2** presents selected demographic and sampling characteristics of the survey respondents (customers who made calls to the customer services unit of the Otay Water District during the past 6 months). These characteristics are compared for three distinct Call Center Surveys: the current 2012 Survey, the 2008 Survey, and the 2006 Survey.

In the current survey, respondents are predominantly White (43 percent) and Hispanic/Latino (41 percent) and earn an annual median household income of \$73,100 (29 percent earning \$100,000 or more and 8 percent earning under \$25,000). They have a median age of 47 years and have been customers of the

<b>Table 2 Respondent Characteristics Call Center Surveys</b>			
<b>Characteristic</b>	<b>2012</b>	<b>2008</b>	<b>2006</b>
<b>Ethnicity</b>			
<b>White</b>	<b>43%</b>	<b>33%</b>	<b>49%</b>
<b>Hispanic/Latino</b>	<b>41%</b>	<b>44%</b>	<b>34%</b>
<b>Asian/Pacific Islander</b>	<b>8%</b>	<b>13%</b>	<b>9%</b>
<b>Black/African-American</b>	<b>6%</b>	<b>9%</b>	<b>7%</b>
<b>Middle Eastern/Native American/Other</b>	<b>2%</b>	<b>1%</b>	<b>1%</b>
<b>Annual Household Income</b>			
<b>Median</b>	<b>\$73,100</b>	<b>\$66,400</b>	<b>\$72,600</b>
<b>% over \$100,000</b>	<b>29%</b>	<b>22%</b>	<b>14%</b>
<b>under \$25,000</b>	<b>8%</b>	<b>5%</b>	<b>4%</b>
<b>Age</b>			
<b>Median</b>	<b>47 years</b>	<b>43 years</b>	<b>44 years</b>
<b>Years Customer of Otay Water District</b>			
<b>Median</b>	<b>8 years</b>	<b>5 years</b>	<b>8 years</b>
<b>Education</b>			
<b>High School or Less</b>	<b>19%</b>	<b>20%</b>	<b>22%</b>
<b>At Least One Year College, Trade, Vocational School</b>	<b>30%</b>	<b>34%</b>	<b>24%</b>
<b>Bachelor's Degree</b>	<b>39%</b>	<b>35%</b>	<b>35%</b>
<b>At Least One Year of Graduate Work</b>	<b>12%</b>	<b>11%</b>	<b>18%</b>
<b>Own/Rent</b>			
<b>Homeowner</b>	<b>72%</b>	<b>69%</b>	<b>80%</b>
<b>Renter</b>	<b>28%</b>	<b>31%</b>	<b>20%</b>
<b>Persons per Household</b>			
<b>Mean</b>	<b>3.72</b>	<b>3.77</b>	<b>3.65</b>

Otay Water District for a median of 8 years. Among these respondents, 51 percent possess a Bachelor's degree or more, with 19 percent having a high school education or less. Survey respondents are predominantly homeowners (72 percent) with a mean household size of 3.72.

- The following comparisons among the current survey respondent characteristics and those in the 2008 and 2006 Call Center Surveys are relevant: The proportions of Whites and Latinos are quite similar in the current survey; in 2006 and 2008, there is considerable divergence within the White and Latino population proportions.
- The proportion of respondents who earn over \$100,000 and under \$25,000 has grown since 2006.
- The customer callers are becoming older and their tenure within the District has increased since 2008.
- The population proportions associated with a high school education or less and the proportion of the population with a bachelor's degree have stabilized over the last three survey periods.
- Homeownership and household size remain stable since 2008.

**Table 3** presents and compares selected demographic and sampling characteristics of the survey respondents for two distinct 2012 Otay Water District surveys: the 2012 Call Center Survey and the 2012 General Customer Service Survey. The Call Center Survey is based upon customers who called the Otay Water District Customer Services Center within the last 6 months while the latter survey represents the entire customer base of the Otay Water District.

Respondents of the Call Center survey are 12 percent less White than is the general survey population and correspondingly more Hispanic/Latino (14 percent more). Call Center survey respondents have a lower annual income level than the general survey respondents (\$73,100 median for Call Center respondents--\$6,800 lower than for the general survey). Call Center survey respondents have been customers of the Otay Water District for a shorter period of time than the general population (median of 8 years for Call Center and 12 years for general). Renters play a significantly greater role in Call Center activity (28 percent) than they are represented in the total population (9 percent), and they have a higher mean household size of 3.72 versus 3.12 in the General Survey.

**Table 3  
Respondent Characteristics  
2012 Call Center and 2012 General Customer Surveys**

<b>Characteristic</b>	<b>2012 Call Center</b>	<b>2012 General Customer</b>
<b>Ethnicity</b>		
White	43%	55%
Hispanic/Latino	41%	26%
Asian/Pacific Islander	8%	10%
Black/African-American	6%	5%
Middle Eastern/Native American/Other	2%	4%
<b>Annual Household Income</b>		
Median	\$73,100	\$79,900
% over \$100,000	29%	28%
% under \$25,000	8%	6%
<b>Age</b>		
Median	47 years	53 years
<b>Years Customer of Otay Water District</b>		
Median	8 years	12 years
<b>Education</b>		
High School or Less	19%	17%
At Least One Year College, Trade, Vocational School	30%	32%
Bachelor's Degree	39%	34%
At Least One Year of Graduate Work	12%	17%
<b>Own/Rent</b>		
Homeowner	72%	91%
Renter	28%	9%
<b>Persons per Household</b>		
Mean	3.72	3.12

## Satisfaction with Customer Service

***SUMMARY:*** According to the 2012 General Survey of all customers of the Otay Water District, a survey conducted just prior to the 2012 Call Center Survey, it is reported that 9 percent of customers have contacted customer services during the 6 months that immediately preceded the survey. This is consistent with the results of the 2008 Call Center Survey where 10 percent called Customer Service 6 months prior to the Survey but less than the percentage of callers in the 2009 and 2011 General Surveys (17 percent each).

Customer service callers rate the overall quality of customer service as very high –83 percent rate it as excellent (56 percent) or good (26 percent). This is consistent with the high rating provided by customers in the 2008 Call Center Survey, where 82 percent of the callers rated their satisfaction with customer services favorably. Based upon the 2012 General Survey, customers who made calls to the Call Center were also highly satisfied with customer service (80 percent in that same favorable range).

Between 81 and 87 percent of customer service callers feel very satisfied or somewhat satisfied regarding the 4 service features presented in the survey: knowledge and expertise of the service representative, courtesy of the service representative, ability to reach service representative, and satisfaction in getting their problem solved. Similarly high levels of satisfaction were found regarding these features in the 2005, 2006, and 2008 Call Center Surveys.

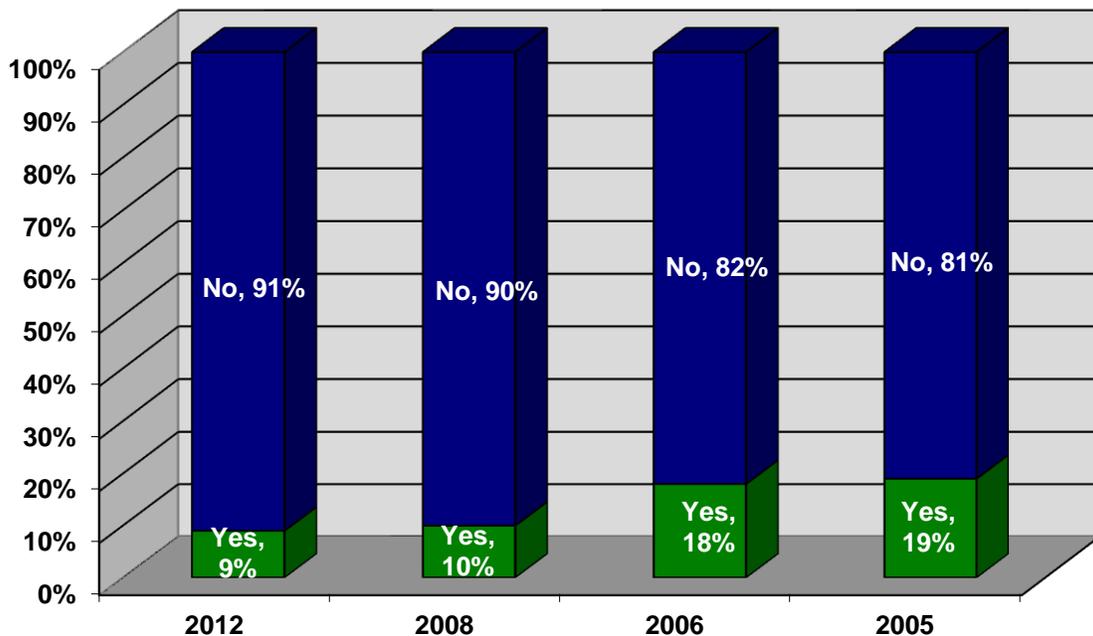
Callers make an average of 1.4 calls per issue to customer service (a decrease from the 1.6 calls per issue reported in the 2008 Call Center Survey and 1.8 calls in 2006), with 77 percent of all callers having their issue resolved in one call. Among the 23 percent who make more than one call, 14 percent of them had their problem ultimately resolved, leaving 9 percent of callers with unresolved issues. This represents an improvement over the findings of the 2008 survey where about 21 percent of those who made one call had their problem ultimately resolved and 13 percent of callers were left with unresolved issues. Resolution of problems that customers of the Otay Water District call about impacts satisfaction more than does the number of calls required to achieve resolution. Further, overall satisfaction parallels the lowest rated of service characteristics, thereby making each of these features critically important to overall satisfaction

Customer service callers to the Otay Water District compare the District very favorably to other authorities and utilities that bill monthly, with 41 percent of the customer callers saying that the District is the best among monthly service providers. This rating is consistent with the 2008 Call Center Survey where 39 percent rated the District as the best.

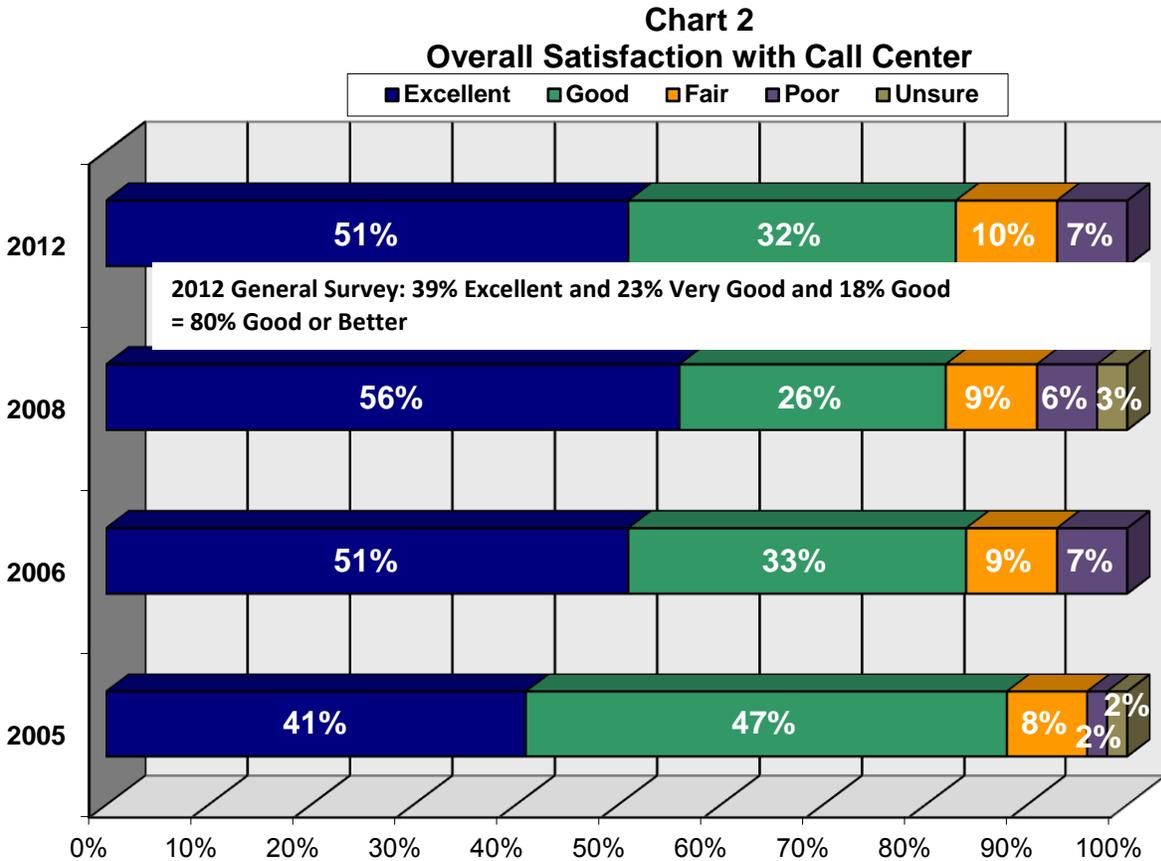
**Chart 1** shows that 9 percent of all customers in the Otay Water District called the Customer Service Call Center in the past 6 months. This information is derived from the 2012 General Survey and is consistent with the results in 2008 where 10 percent called customer service, but less than the General Surveys of 2009 and 2011 (years when no Call Center Survey was conducted—17 percent each). In these most recent two survey periods where both surveys were conducted (2008 and 2012), the percentage of customers who called customer service is about one-half the percentage of those who called in 2006 and 2005 –18 percent and 19 percent respectively.

**Chart 1**  
**Percent of District Customers Who Called Customer Service in Past 6 Months**

Note: 2005 pertains to preceding 12 months  
 Source: 2005, 2006, 2008, 2012 General Customer Surveys



**Chart 2** indicates that 83 percent of the customer service respondents rate the overall quality of customer service as excellent (51 percent) or good (32 percent). These ratings are consistent with the high levels of satisfaction expressed in the 2008 Call Center Survey, where 82 percent of the callers rated their satisfaction with customer service favorably, and 2006 Call Center Survey (84 percent). Those who made such calls among General Survey respondents were also highly satisfied with customer service with 80 percent in the positive range (39 percent excellent, 23 percent very good, and 28 percent good). On a scale of 1-4, where 1 = very satisfied and 4 = very dissatisfied, the mean rating is 1.73, which is slightly less favorable than, but not statistically different from, the mean of 1.65 reported in the 2008 Survey.

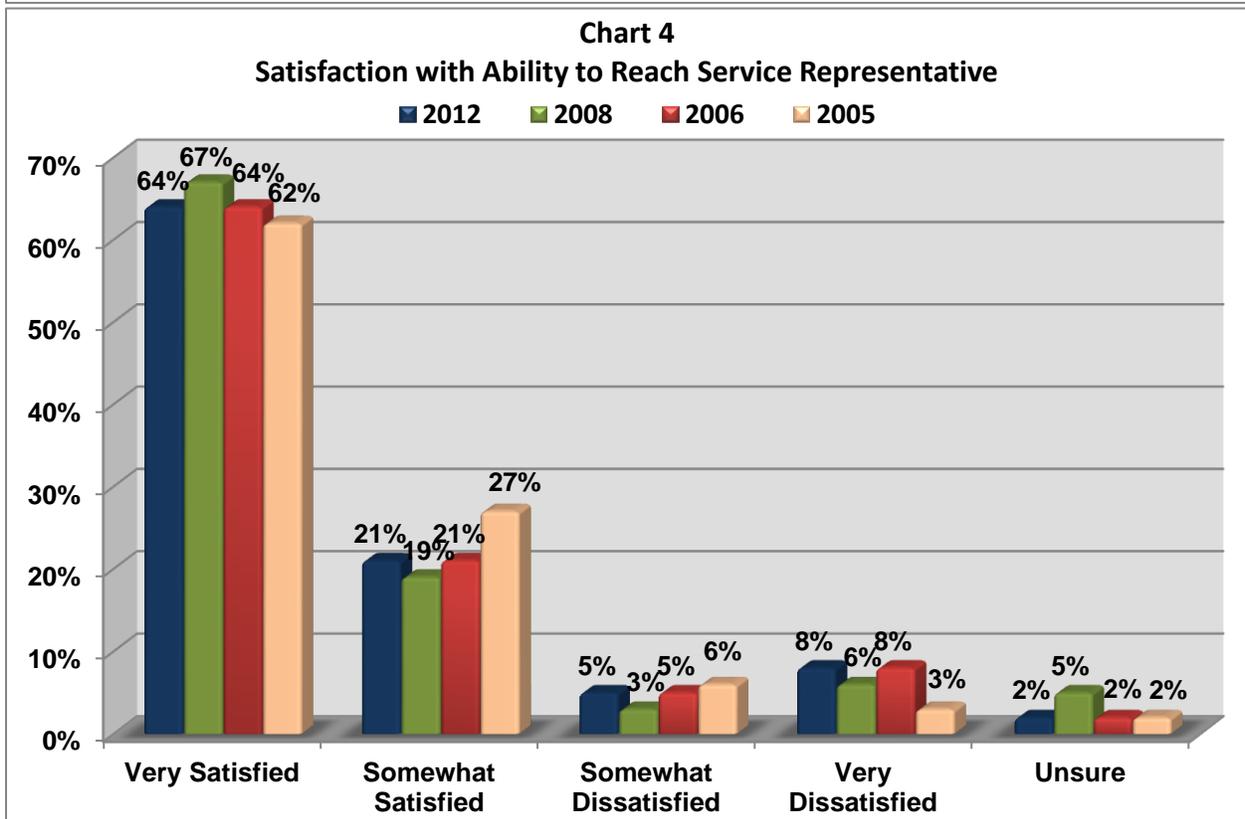
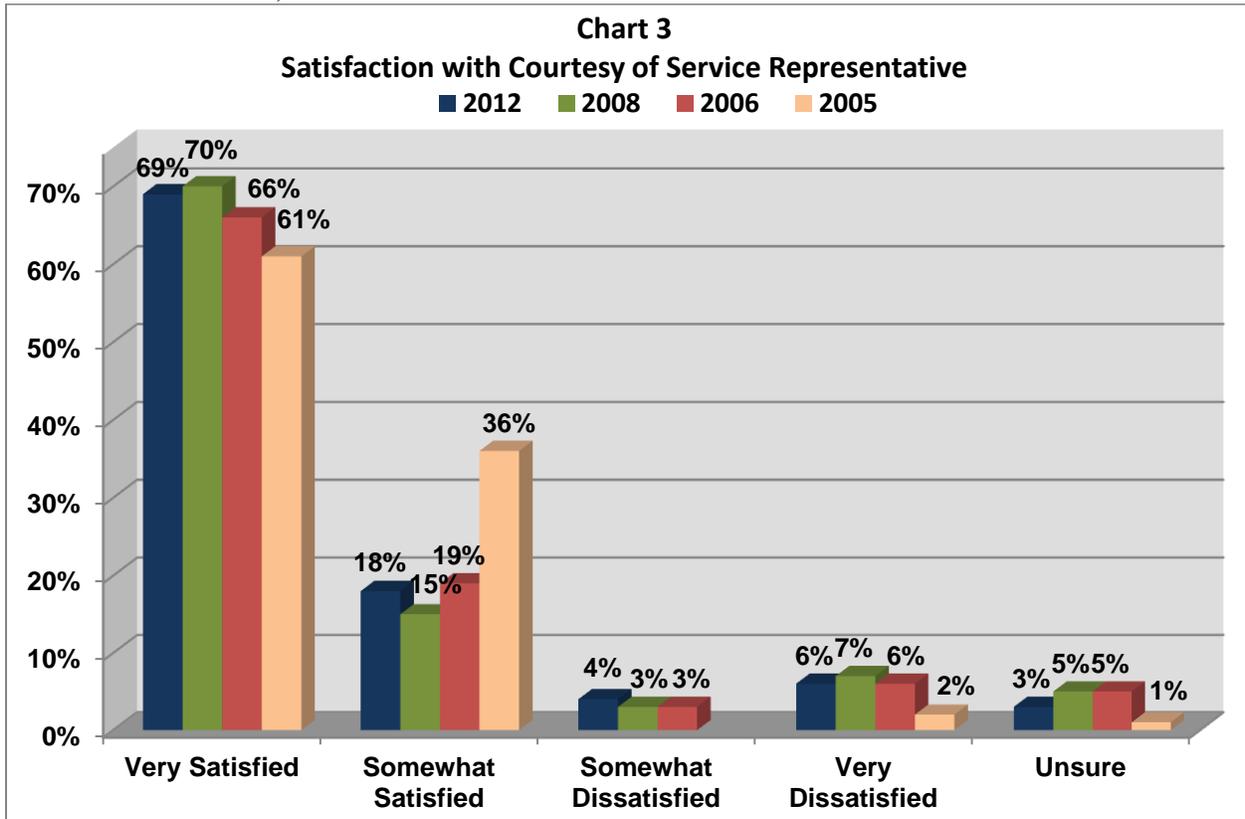


**Charts 3 through 6** show that there is a high level of satisfaction regarding four particular customer service features. Specifically, at least 85 percent of those who made customer calls feel either very satisfied or somewhat satisfied with the following three features: courtesy of service representative (87 percent) (**Chart 3**), ability to reach representative (85 percent) (**Chart 4**), and the knowledge and expertise of service representative (85 percent) (**Chart 5**). Customer callers also indicate a high level of satisfaction with the issue of getting their problem resolved – 81 percent either very satisfied or somewhat satisfied (**Chart 6**). Similarly high satisfaction ratings were expressed regarding these features in the 2005, 2006, and 2008 Call Center Surveys.

The following subgroups are particularly satisfied with their ability to reach a service representative (scale of 1 to 4, where 1 = very satisfied and 4 = very dissatisfied).

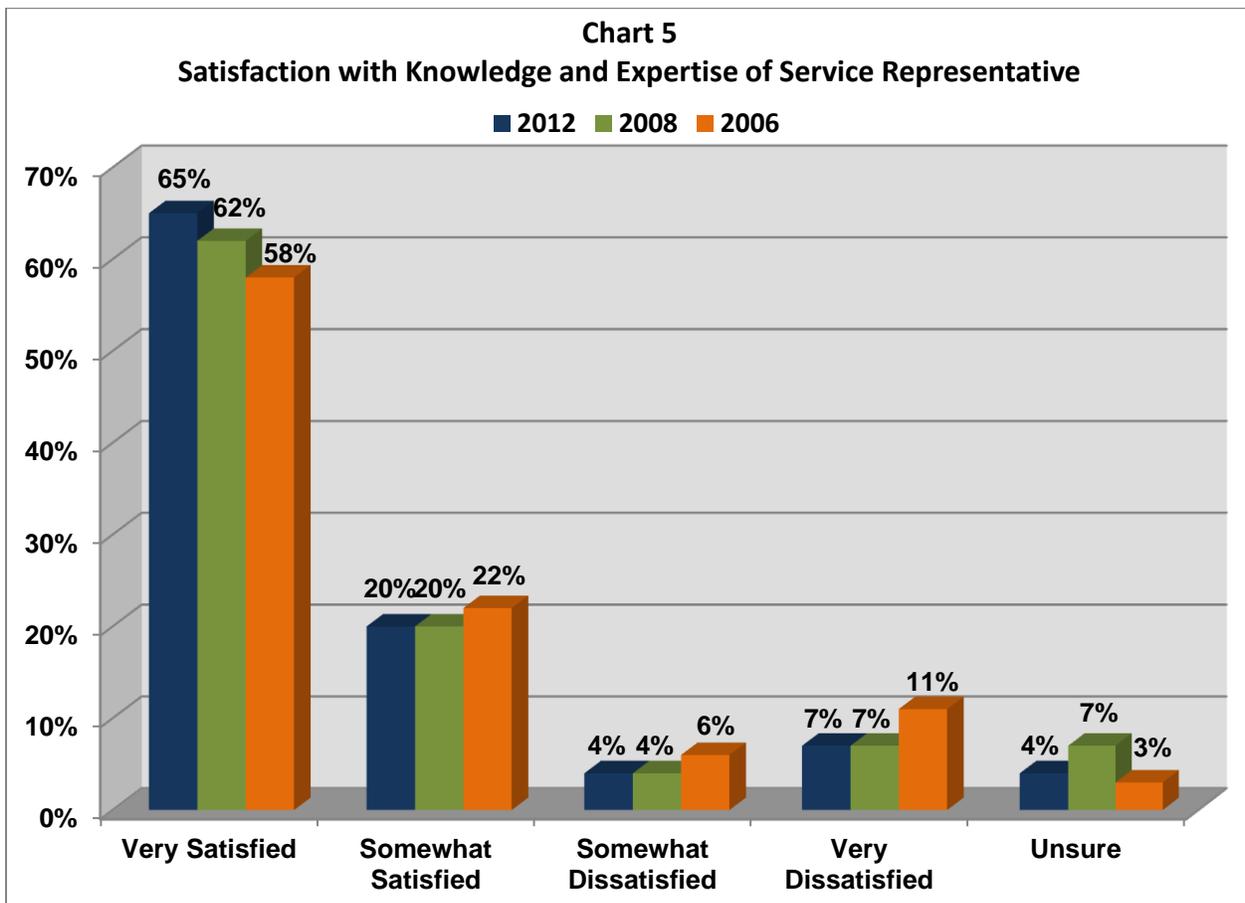
- Younger customers (18 – 34 – mean of 1.34) versus older customers (65 and over – mean of 1.81).
- Larger households of 4 or more persons (mean of 1.39) versus smaller households of 1 to 3 persons (mean of 1.72).
- Customers with higher income levels (\$50,000 or more – mean of 1.42) versus customers with lower income levels (under \$25,000 -- mean of 2.11).

- More recent customers (2 years or less – mean of 1.36) versus longer term customers (6-10 years – mean of 1.78).



The following subgroups are particularly satisfied with the knowledge and expertise of their service representative (scale: 1 to 4, where 1 = very satisfied and 4 = very dissatisfied).

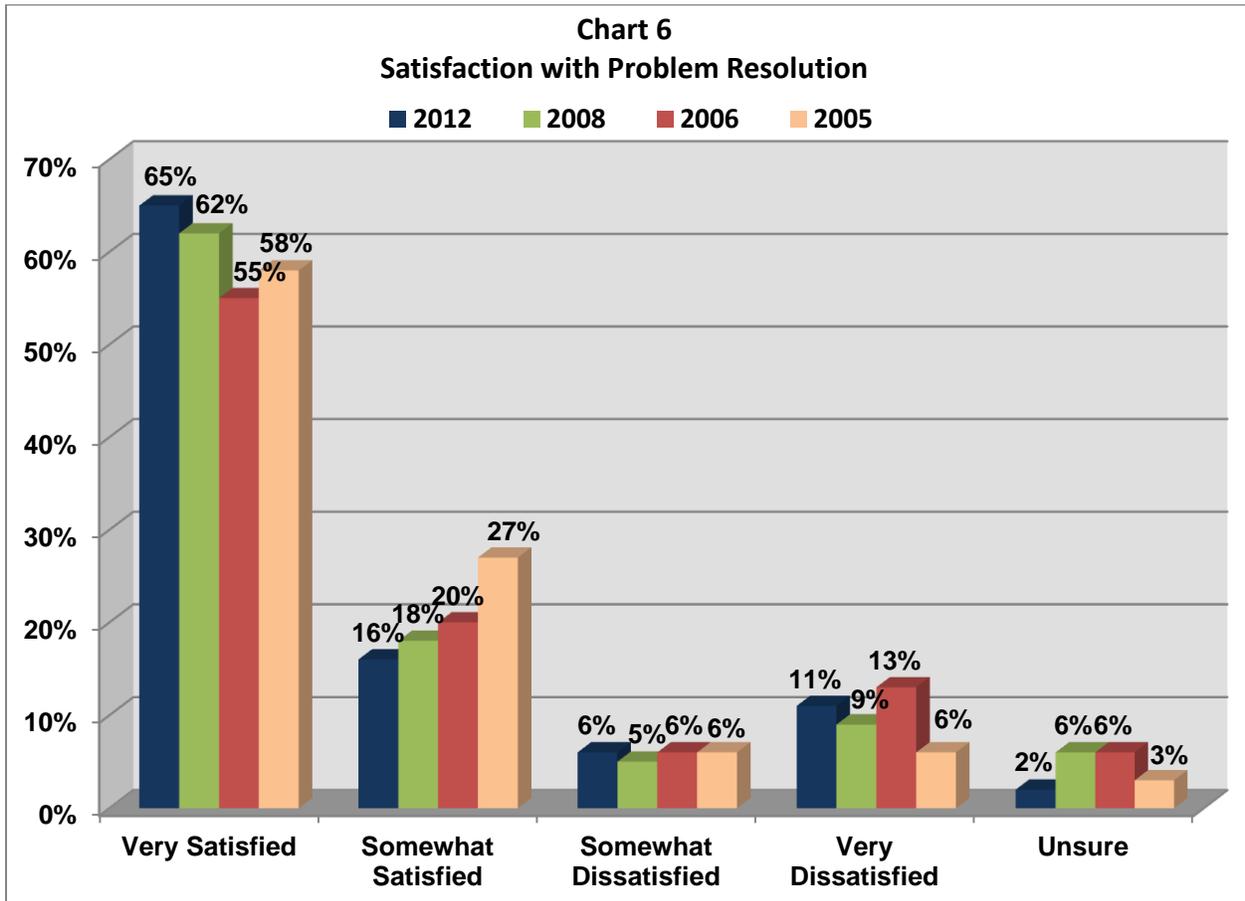
- Customers with higher income levels (\$100,000 or more – mean of 1.30) versus customers with lower income levels (under \$25,000 – mean of 1.83).
- Younger customers (18 – 34 years of age – mean of 1.40) versus older customers (65 and over – mean of 1.81).
- Short term residents (2 years or less – mean of 1.32) versus longer term residents (6-15 years—mean of 1.70).



The following subgroups are particularly satisfied with getting their problem resolved through a Call Center representative (scale 1 to 4, where 1 = very satisfied and 4 = very dissatisfied):

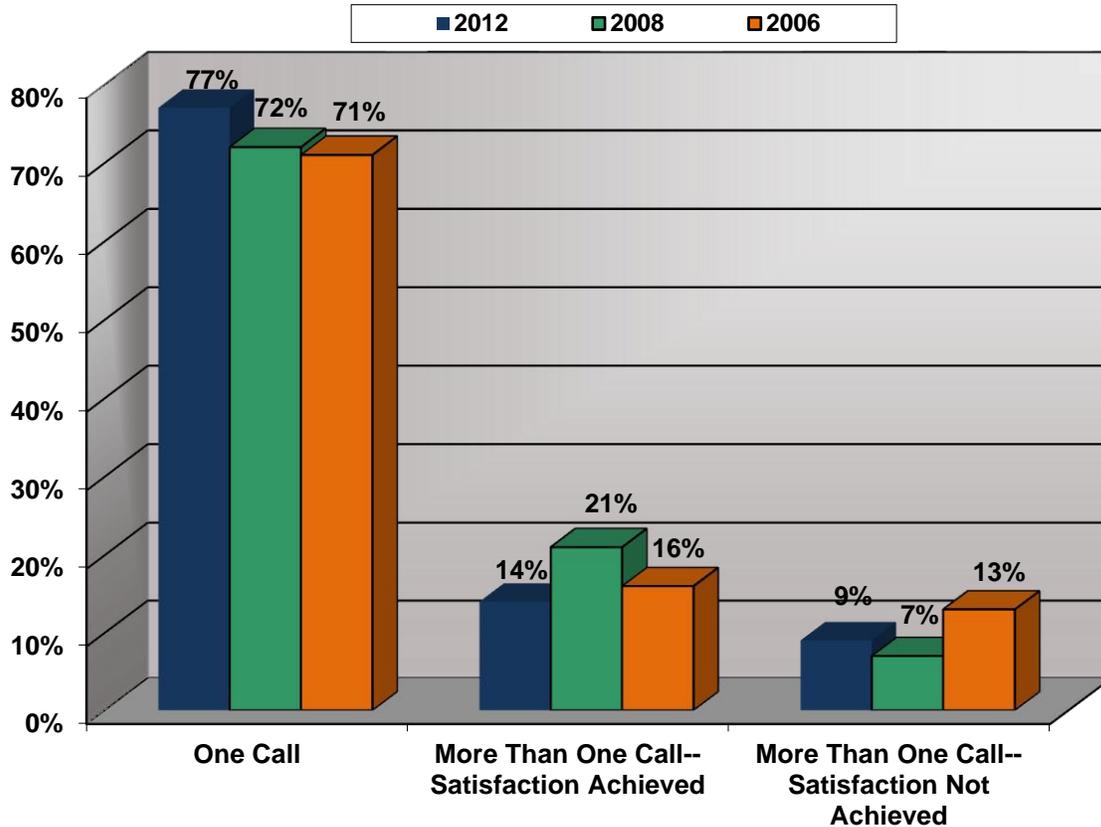
- Larger households of 4 or 5 persons (mean of 1.49) versus smaller households of 1 or 2 persons (mean of 1.91).
- Customers with incomes of \$25,000 or more (mean of 1.48) as opposed to customers with incomes of under \$25,000 (mean of 3.17).
- Customers with a bachelor's degree or less (mean of 1.53) versus customers with at least one year of graduate work (mean of 2.10).

- Customers 64 years of age and younger (mean of 1.54) as opposed to customer who are 65 years of age and older (mean of 2.07).



**Chart 7** indicates that customer callers make an average of 1.4 calls per issue to customer service. This represents a steady decline in the mean number of calls reported in the 2006 and 2008 Call Center Surveys, where callers indicated they made 1.8 and 1.6 calls per issue, respectively. Over three-fourths (77 percent) of customer callers had their issue resolved in one call – an improvement over the results of the 2008 and 2006 Call Center Surveys where 72 percent and 71 percent respectively achieved resolution in one call. Among the 23 percent who make more than one call, 14 percent of them had their problem ultimately resolved, leaving only 9 percent of callers with unresolved issues. These findings represent an improvement over the findings from the 2006 Call Center Survey where about 21 percent of those who made more than one call had their problem ultimately resolved and 7 percent of callers were left with unresolved issues.

**Chart 7**  
**Number of Calls Required to Resolve Issue**  
 (Mean number of calls: 2012 = 1.4 2008 = 1.6 2006 = 1.8)



**Table 4** shows that customer callers whose question/problem was resolved after one call or after two or more calls are more likely to be satisfied with the customer service features than are customer callers whose question/problem was not resolved. Most interesting within this finding is that it is resolution of the problem that ultimately impacts satisfaction more than number of calls. The decline in satisfaction between one call to resolution and two or more calls to resolution is considerably less than the drop-off when resolution is not achieved. Also interesting is how much the overall satisfaction is impacted by and parallels the lowest rated of the characteristics. (The means reported in **Table 4** are based on a scale of 1-4, where 1 = very satisfied and 4 = very dissatisfied). It is noteworthy that these findings are consistent with the results of the 2008 Call Center Survey.

<b>Table 4</b> <b>Satisfaction with Service Characteristics Based upon Number of Calls</b> <b>and Resolution of Problem</b> <b>(1 = very satisfied and 4 = very dissatisfied)</b>			
<b>Service Characteristic</b>	<b>Problem resolved after one call</b>	<b>Problem resolved after 2 or more calls</b>	<b>Problem not resolved</b>
<b>Ability reach representative</b>	<b>1.38</b>	<b>1.73</b>	<b>2.62</b>
<b>Courtesy service representative</b>	<b>1.32</b>	<b>1.56</b>	<b>2.52</b>
<b>Knowledge of service representative</b>	<b>1.35</b>	<b>1.51</b>	<b>2.90</b>
<b>Getting problem resolved</b>	<b>1.43</b>	<b>1.57</b>	<b>3.34</b>
<b>Overall quality of service</b>	<b>1.53</b>	<b>1.84</b>	<b>3.14</b>

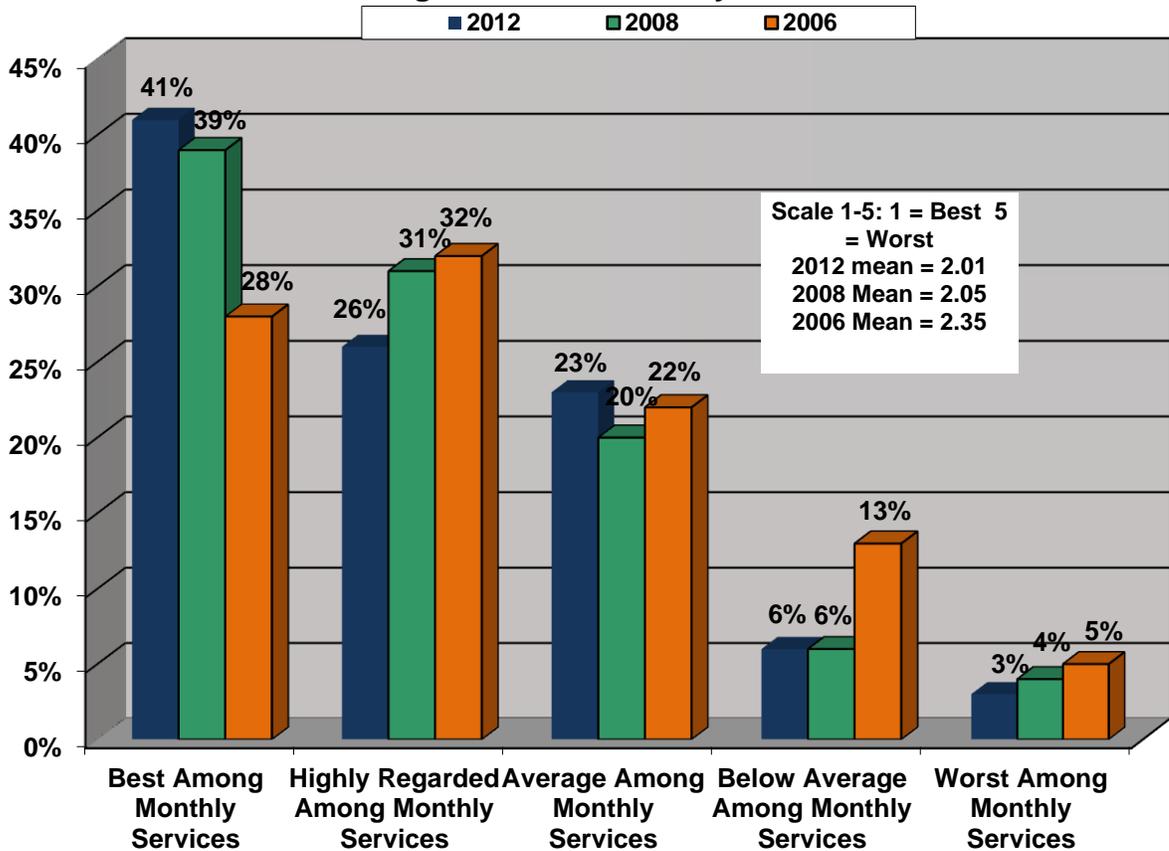
Customer service callers also gave high ratings to the Otay Water District in comparison to other utilities (e.g. cable service, electricity) that bill monthly. **Chart 8** shows that over two-fifths (41 percent) of the customer callers rate the customer services of the Otay Water District as the best. This rating is quite consistent with the rating in the 2008 Call Center Survey (39 percent). However, both the 2008 and 2012 ratings are considerably higher than the 2006 rating, where 28 percent rated the Otay Water District as the best. In the current survey, another 26 percent think highly of the District’s customer services relative to the service provided by similar companies. The customers rate the Otay Water District well above average with a mean of 2.01 on a scale of 1 to 5 where 1 = the best and 5 = the worst. These ratings represent an improvement over the ratings in the 2006 and 2008 Call Center Surveys, where the overall mean rating was 2.35 and 2.05 respectively.

### **Satisfaction with Field Service**

***SUMMARY:*** *Only 13 percent of customer service callers required a field visit to their property – a 5 percent decrease from the findings of the 2008 Call Center Survey. This 13 percent equates to only 41 field service visits reported by the survey participants. There has not only been a decline in this number since 2008 but also from 2006. Over three-fourths of these callers who required field service (76 percent) rate their overall experience with the service of field representatives as either excellent or good. This is consistent with the rating in the 2008*

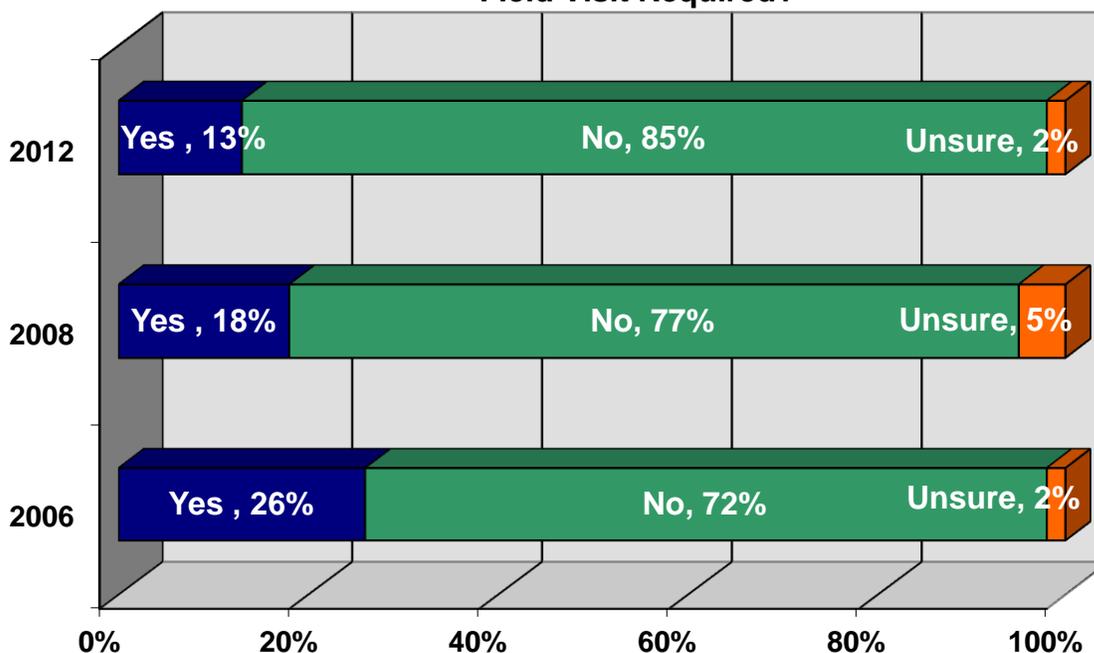
*Call Center Survey where 77 percent rated overall field service as favorable. Approximately three-fourths of callers who required a field visit are either very satisfied or somewhat satisfied with the amount of time needed for service at the property (71 percent), the time required to come to the property (71 percent), and the outcome of the field service (78 percent). Once again, lack of resolution of the problem impacts satisfaction significantly more than does the number of calls required to achieve resolution.*

**Chart 8  
Comparative Ranking of Otay Water District Call Center Service  
Against Other Monthly Services**



Only 13 percent of customer service callers (41 respondents) required a field visit to their property – a 5 percent decrease from the findings of the 2008 Call Center Survey (**Chart 9**). In fact, there has been a steady decline in the percentage of callers who require a field visit since 2006, when over one-fourth (26 percent) required a field visit. In 2012, there were more field visits pertaining to service connection and fewer for repairing leaks.

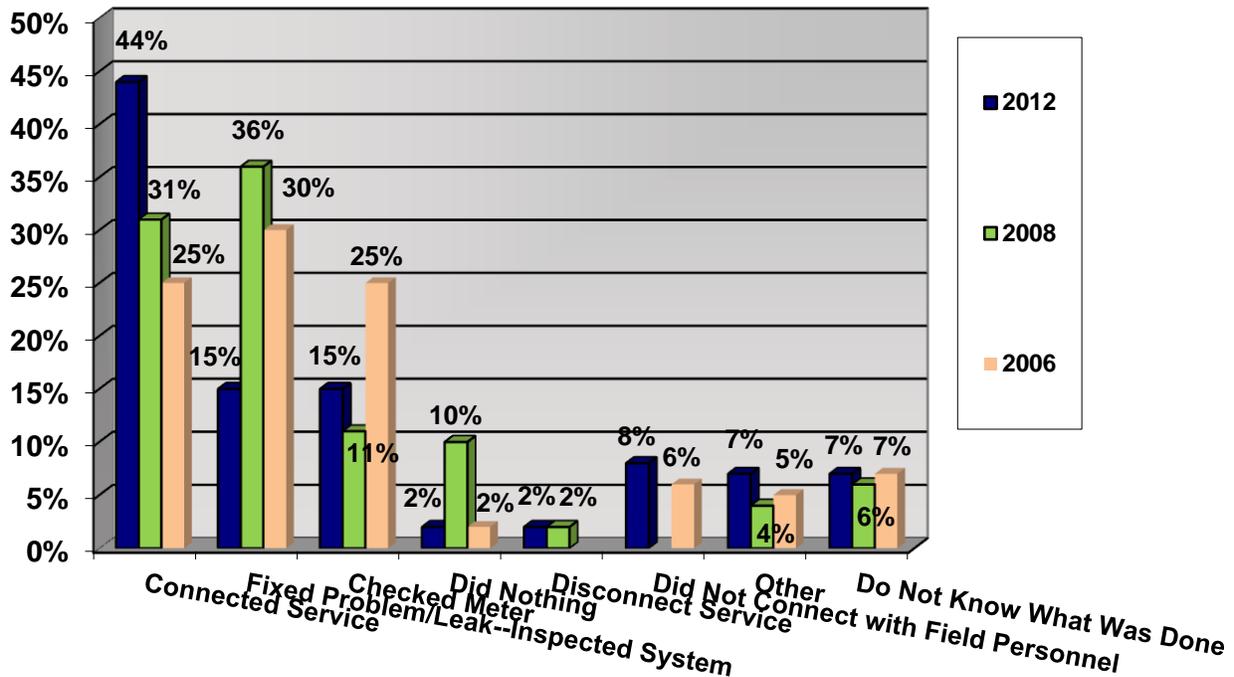
**Chart 9**  
**Field Visit Required?**



Among those 41 respondents who required a field visit, customers said that the field representative mostly connected the service or turned on the water (44 percent) – a considerably higher percentage for this type of service call than in either the 2006 Survey (25 percent) or the 2008 Survey (31 percent) (**Chart 10**). Another 15 percent of callers called a field representative to fix a problem such as a leak or to inspect the system. This percentage is much lower than the associated findings in 2006 and 2008 Surveys, where 30 percent and 36 percent respectively called a field representative for this purpose. In the 2012 Call Center Survey, another 15 percent of those who called a field representative did so to have their meter checked – a percentage that is consistent with the 2008 Call Center finding (11 percent) but much lower than the 2006 result (25 percent).

**Chart 11** demonstrates that over three fourths (76 percent) of the 41 callers who required field service rate their overall experience with the service of field representatives as either excellent (54 percent) or good (22 percent). This favorability rating is largely consistent with the results of the 2008 survey in that 77 percent rated their overall satisfaction as either excellent or good.

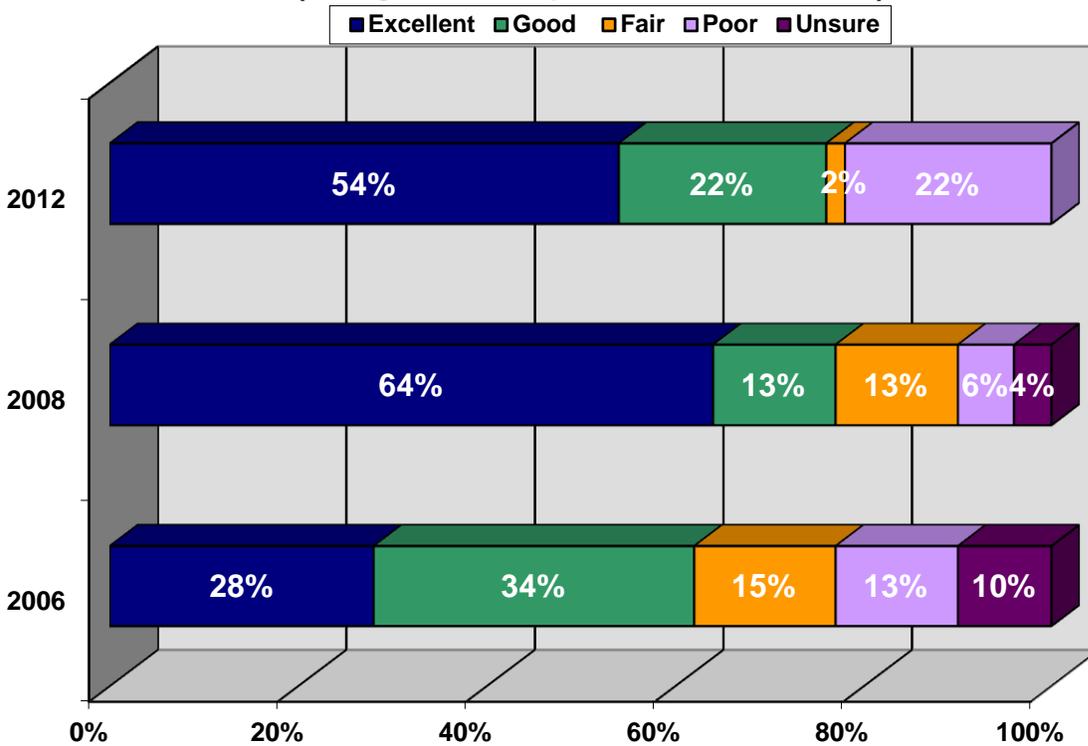
**Chart 10**  
**Service Performed by Field Rep**  
 (among 13% that required field service -- n = 41)



There are two considerations in **Chart 11** that merit some mention. First, there is a decrease of 10 percent since 2008 in the percentage who rated their field service experience as excellent and there is an increase since 2008 in the percentage who rated this experience as poor -- from 6 percent in 2008 to 22 percent in 2012. Again, however, it must be noted that there are only 9 respondents who constitute this 22 percent (9 out of 41) and caution is urged before using so small a sample to draw reliable conclusions. On a scale of 1-4, where 1 = excellent and 4 = poor, the mean satisfaction rating in the current 2012 Survey is 1.93. This represents a decline from the rating in the 2008 Call Center Survey where the mean satisfaction rating was 1.59. The current mean reverts to the satisfaction level of 2006 – mean of 2.14.

- Customers with higher income levels are more likely to be generally satisfied with their field service experience than are customers with lower income levels (\$100,000 - \$150,000 – mean of 1.00); (\$25,000 - \$50,000 – mean of 2.33) (scale: 1 to 4, where 1 = very satisfied, 2 = somewhat satisfied, 3 = somewhat dissatisfied, and 4 = very dissatisfied).

**Chart 11**  
**Overall Satisfaction with Field Service**  
**(among 13% that required field service--n = 41)**

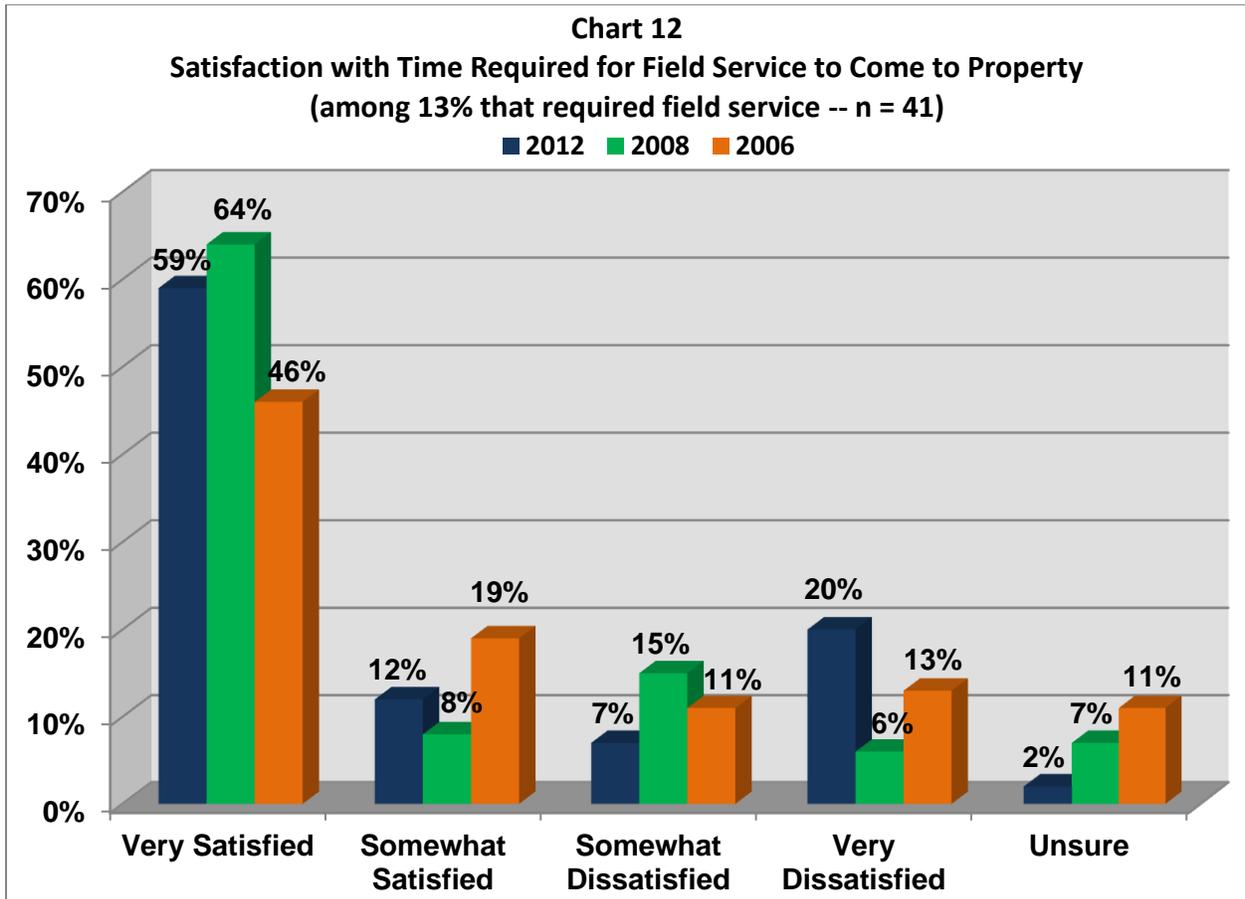


**Charts 12 to 14** show the level of satisfaction with specific features of field service experienced by this limited number of customer callers that required field service. **Chart 12** indicates that more than 7 in 10 callers (71 percent) feel either very satisfied (59 percent) or somewhat satisfied (12 percent) with the time required to come to the property. This is consistent with the level of satisfaction found in the 2008 Call Center Survey regarding this issue. **Chart 13** shows that 71 percent of customer callers are also either very satisfied (59 percent) or somewhat satisfied (12 percent) with regard to the amount of time needed for service. This represents a decline in satisfaction since 2008, where over four-fifths (81 percent) of callers expressed satisfaction on this issue. According to **Chart 14**, nearly four-fifths (78 percent) of customer callers are either very satisfied (63 percent) or somewhat satisfied (15 percent) with the outcome of their field service experience. This current result is slightly lower than the satisfaction level reported in the 2008 Call Center Survey (83 percent). The satisfaction ratings in both the 2012 and 2008 Call Center Surveys regarding these specific features of field service are higher than the satisfaction ratings reported in the 2006 Call Center Surveys.

- Customers with higher income levels are more likely to be satisfied with the outcome of their field service than are customers with lower income levels (\$100,000 - \$150,000 – mean of 1.00);

(\$25,000 - \$50,000 – mean of 2.11) (scale: 1 to 4, where 1 = very satisfied, 2 = somewhat satisfied, 3 = somewhat dissatisfied, and 4 = very dissatisfied).

- Customers with higher income levels are more likely to be satisfied with the amount of time the field service representative is needed at their property than are lower income levels (\$100,000 to \$150,000 – mean of 1.00); (\$25,000 - \$50,000 – mean of 2.13).

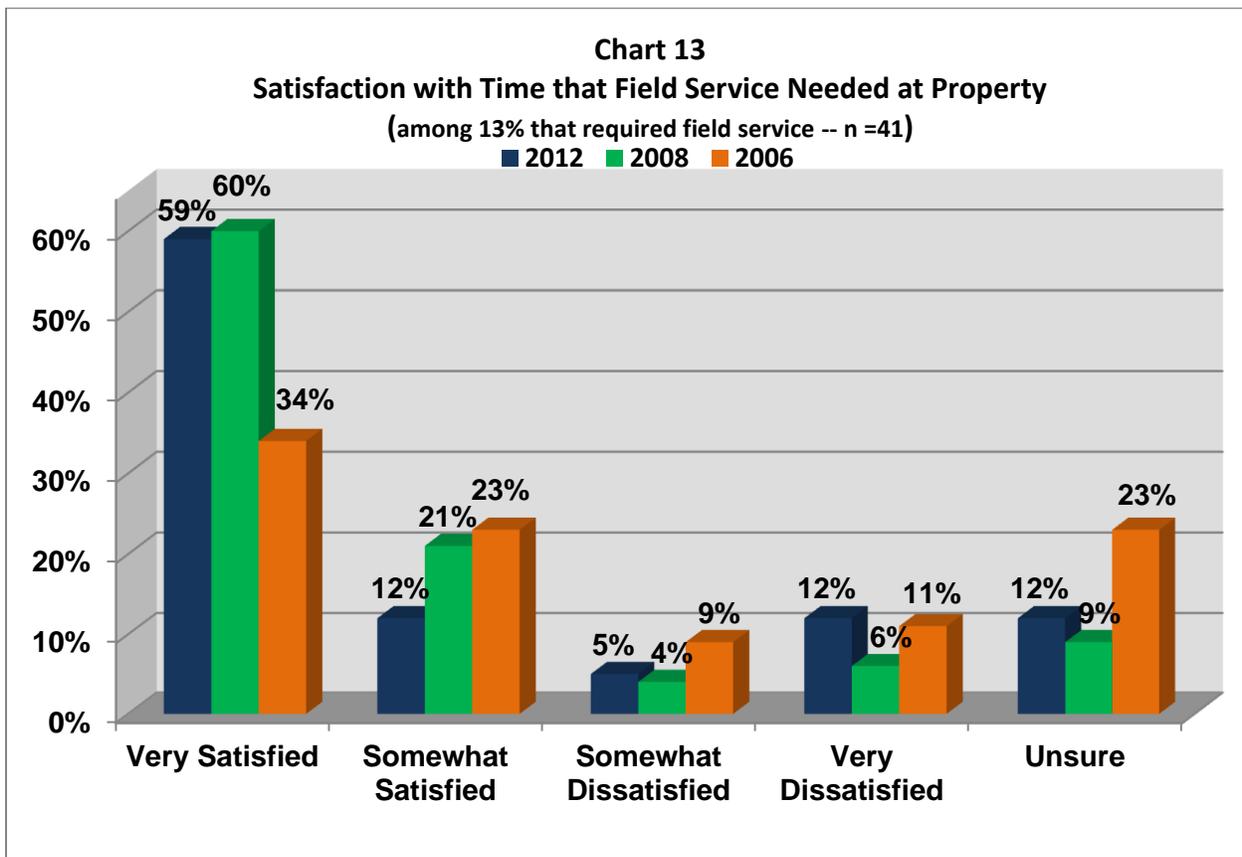


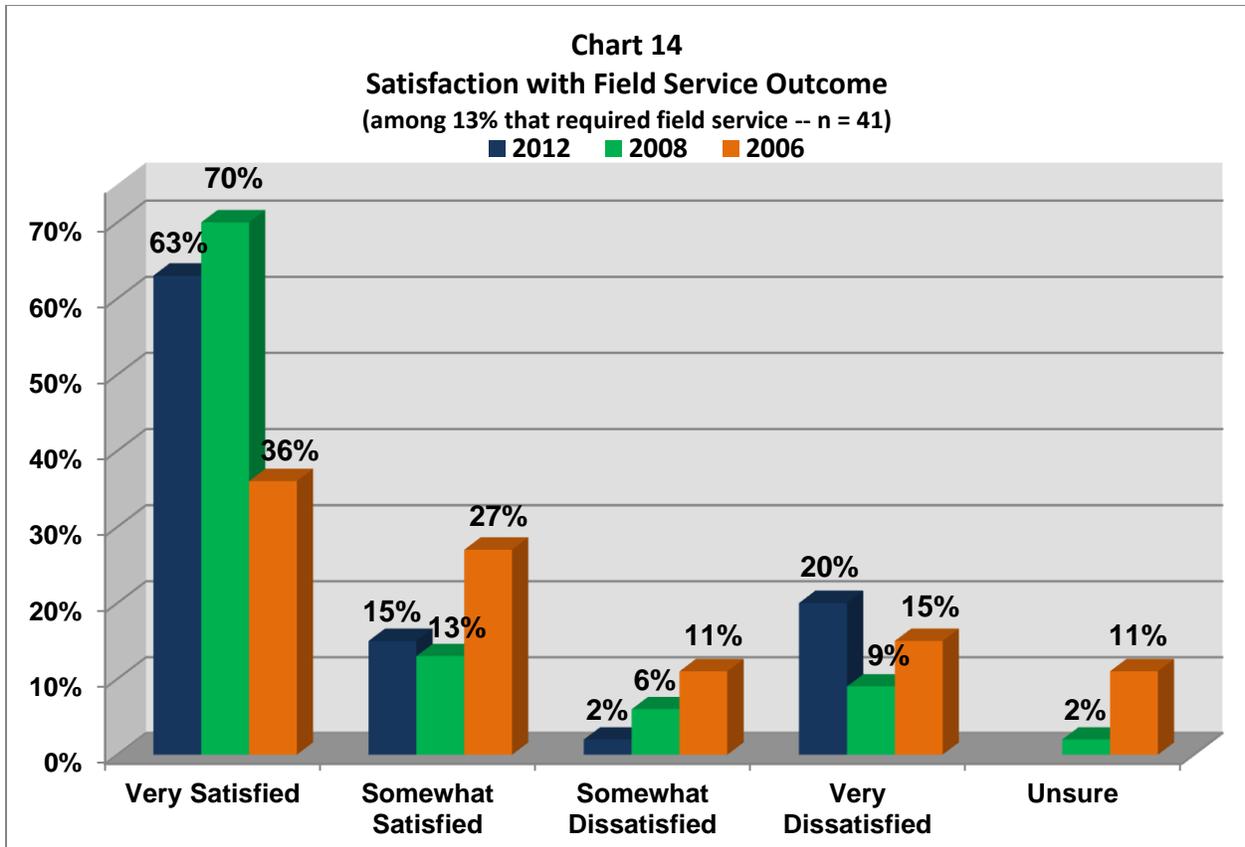
**Charts 11-14**, as has been discussed, do show higher degrees of dissatisfaction with field service than in the past, and, although the small sub-sample does reduce significantly the extent to which this information should be relied upon in policy decisions, it is worthwhile to further examine these respondents and their responses. What is important to note is that these 9 respondents will be blended into the much larger sample of 303 total respondents for questions that all respondents answer, but that they will be very evident in small sub-samples such as the 41 persons who required field service. It is interesting, therefore, that these 9 respondents do seem to be indiscriminant in their protestations. That is, they are dissatisfied with everything in the survey and may be registering an ill-will against the District that is more general. For example,

- 6 of the nine rate overall call center service as poor and the other 3 as fair;
- 8 out of 9 are very dissatisfied with their field service outcome—the other somewhat dissatisfied;

- 7 out of 8 are very dissatisfied with the time that it took for a representative to come to their property—the other somewhat dissatisfied;
- 4 out of 7 were very dissatisfied with the time that the representative spent at their property and one other was somewhat dissatisfied;
- 7 out of 9 were very dissatisfied with the accuracy of their bill
- 4 out of 9 were not at all confident in the accuracy of their meter and 3 others were “not too confident”;
- 5 of the 9 rated the Otay Water District as the worst of their monthly services, including gas and electric, cable television, telephone, garbage collection, and so forth;
- and not a single one of these 9 had noticed that the telephone system had changed.

It appears as if these responses, for whatever reason, are an attempt to deliver a broadside complaint without any real discrimination among the questions.





**Table 5** demonstrates that customer callers who make one call to customer service before resolution are more likely to be satisfied with the various features of their field service experience than are callers who made 2 or more calls before resolution, and that callers who did not get their problem resolved are quite dissatisfied. Once

Service Characteristic	Problem resolved after one call	Problem resolved after 2 or more calls	Problem not resolved
Field Service Outcome	1.16	1.54	3.44
Time Required to Come to Property	1.32	1.62	3.28
Time Spent at Property	1.42	1.67	4.00
Overall quality of service	1.37	1.62	3.56

again, resolution looms larger than number of calls. The means reported are based on a scale of 1-4, where 1 = very satisfied and 4 = very dissatisfied. In 2008, a parallel result was found.

## Purpose of Customer Calls

***SUMMARY:*** *The main purpose of customer calls relates to billing issues (72 percent) while approximately one-quarter of the callers are associated with starting or stopping service. The remaining 4 percent are repair related. Using the 2008 Call Center Survey as a baseline, calls about the billing process are increasing (from 51 percent in 2008 to 72 percent in 2012); calls about starting and stopping service have decreased from 33 percent to 24 percent over the same period of time, as might be expected in a period of slow home sales. The percentage of customers who called about pipeline breaks in the current survey (54 percent) is considerably greater than what was reported in the 2008 survey where 24 percent called about pipeline breaks. There has been a decline, however, since 2008, among customer callers who are concerned about leaks and water supply problems to their homes.*

*Of those customers who call about repairs, 34 percent call about suspected leaks, 40 percent call about pipeline breaks, and 13 percent are concerned about the supply of water to their home, including how to shut off their valve.*

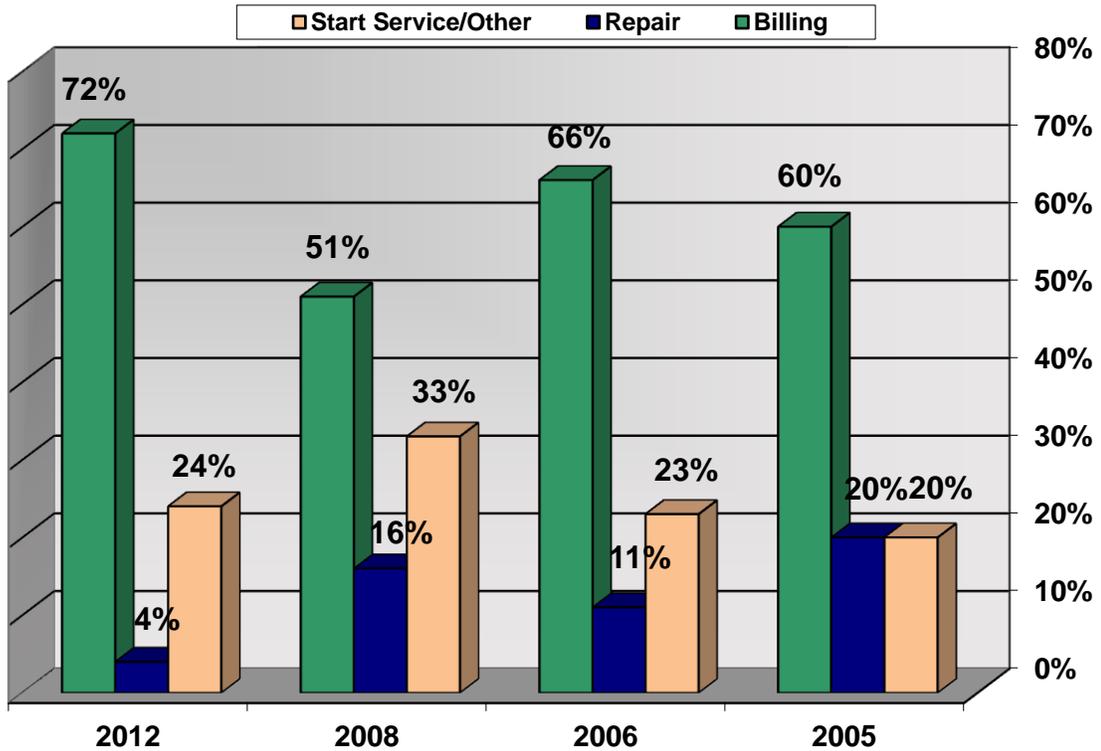
*Non-repair calls as well as additional calls beyond the most recent one made by customers are largely for paying the water bill by phone, starting service, clarification of the bill, and customer concern that too much was charged for the water used.*

**Chart 15** shows that the main purpose of the most recent call relates to billing issues (72 percent); nearly one-fourth (24 percent) are associated with starting or stopping service, and the remaining 4 percent are repair related. **Chart 15** also provides comparative information from previous survey periods. Since the 2008 survey, calls related to billing issues have increased by 21 percent (from 51 percent in 2008 to 72 percent in 2012). Conversely, calls related to the starting and stopping of service as well as repair related calls have declined since 2008. The call patterns exhibited in the current survey are more closely associated with the call patterns in the 2005 and 2006 Call Center Surveys.

With regard to billing issues as the main purpose of the last call made to the Otay Water District, the following relationships are significant:

- Females (77 percent) call about billing issues more so than do males (64 percent).
- Customers whose income level is under \$100,000 call about billing issues more so than do those whose income level is \$100,000 and over.
- Longer term residents of the Otay Water District are more likely to call about billing issues than are the most recent residents (3 or more years – 82 percent versus 2 years or less – 56 percent).

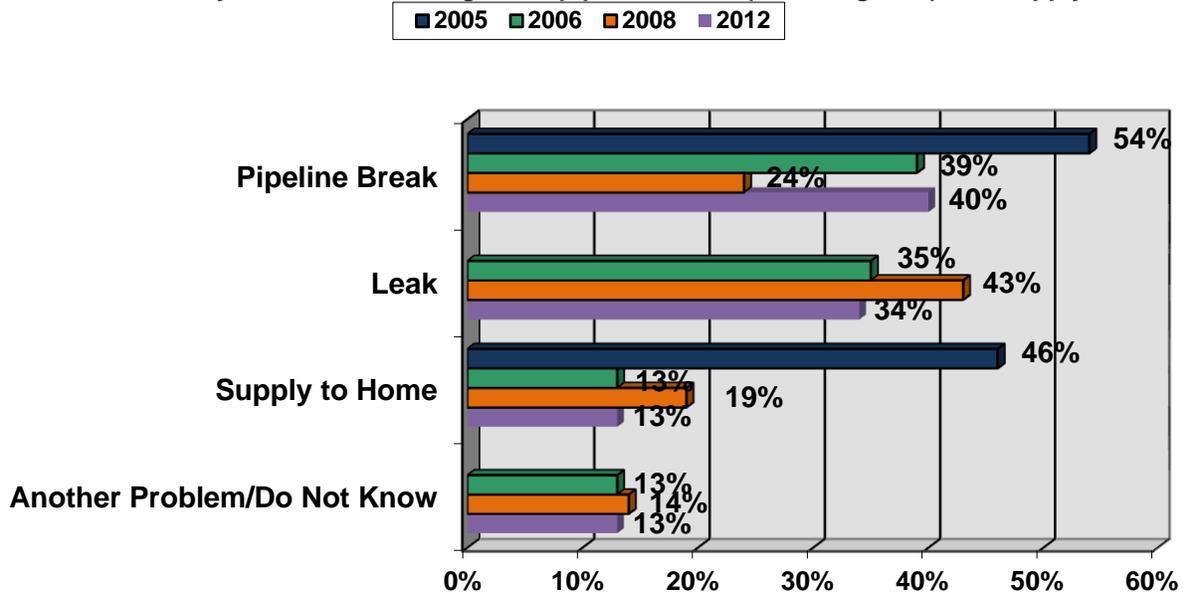
**Chart 15  
Main Purpose of Call**



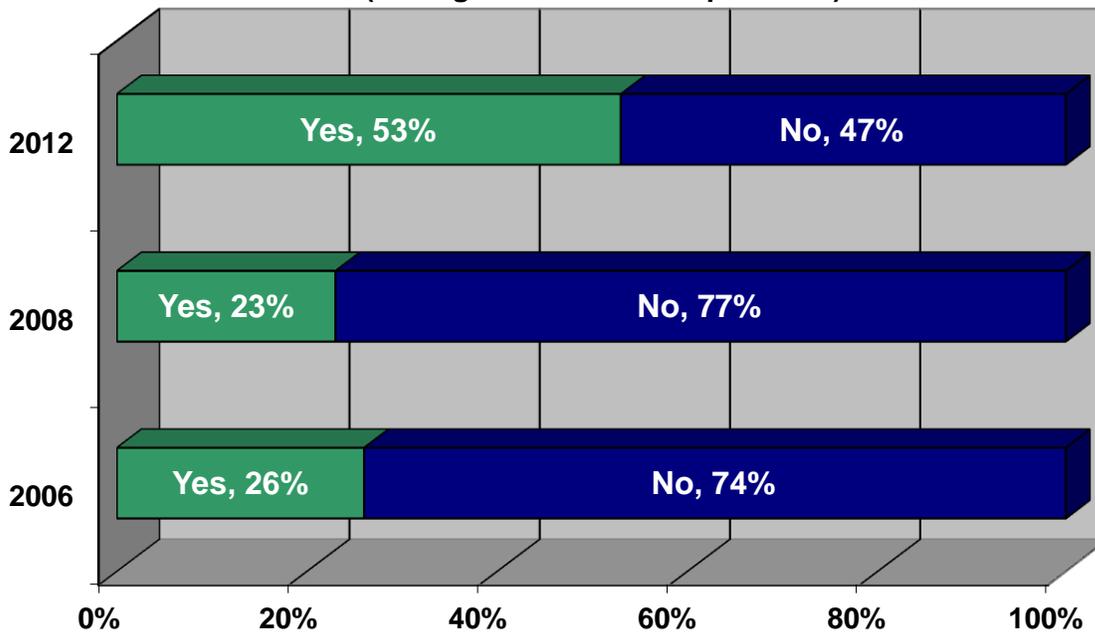
**Chart 16** shows that among those customers who call about repairs, 40 percent call about pipeline breaks, 34 percent call about leaks, and another 13 percent are concerned about the supply of water to their home, including how to shut off their valve. The percentage of customers who called about pipeline breaks in the current survey is considerably greater than what was reported in the 2008 survey where 24 percent called about pipeline breaks. There has been a decline, however, since 2008, among customer callers who are concerned about leaks and connecting the water supply to their home.

**Chart 17** indicates that, among those customers who made repair calls to the Otay Water District and those who made non-repair calls, more than one-half (53 percent) made an additional non-repair related call. This percentage has more than doubled since the 2006 and 2008 Call Center Surveys – 26 percent in 2006 and 23 percent in 2008.

**Chart 16**  
**Nature of Repair Call**  
 2005 only included two categories--pipeline break (including leak) and supply to home

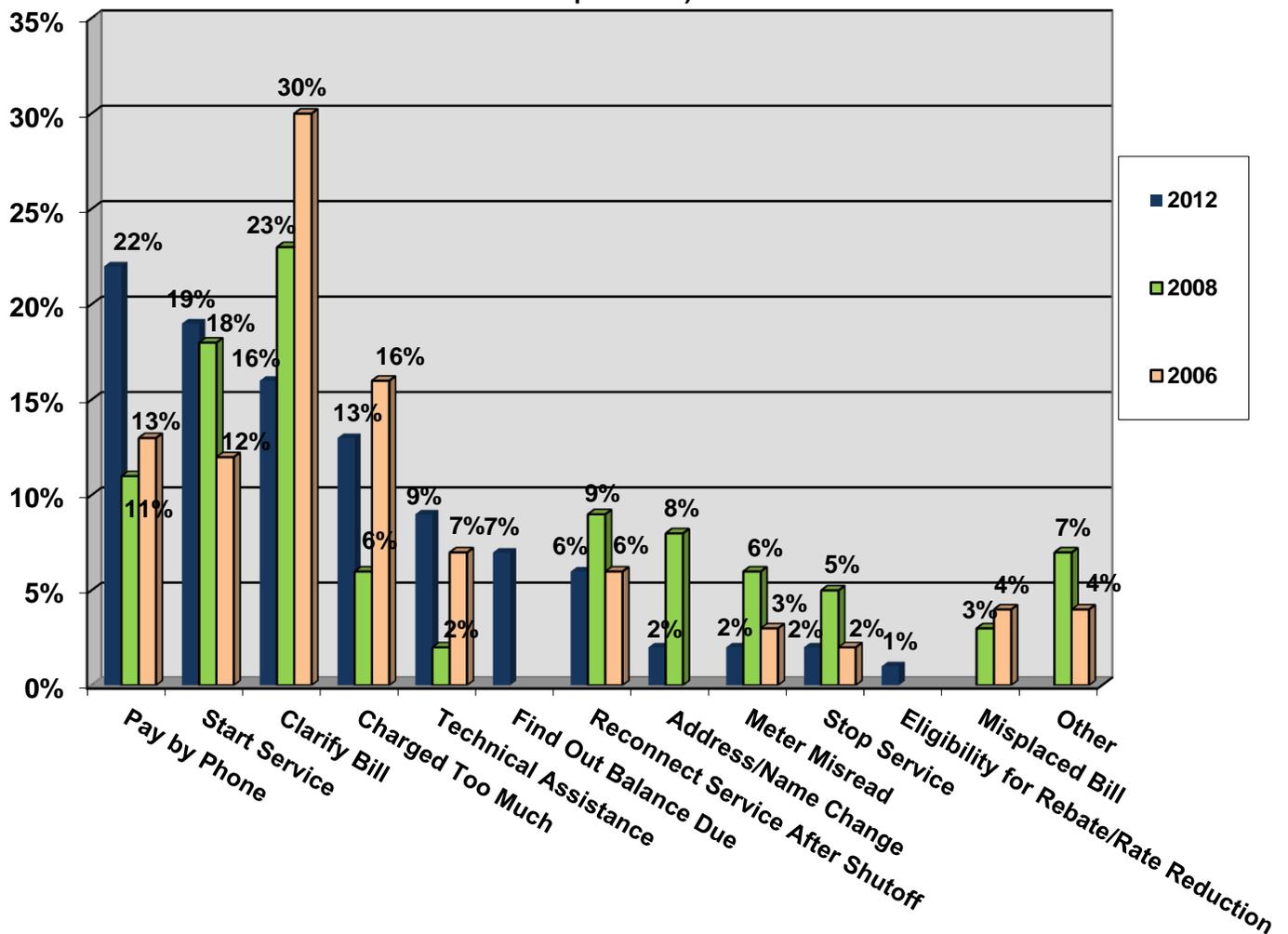


**Chart 17**  
**Make Non-Repair Call?**  
 (among 4% who made repair calls)

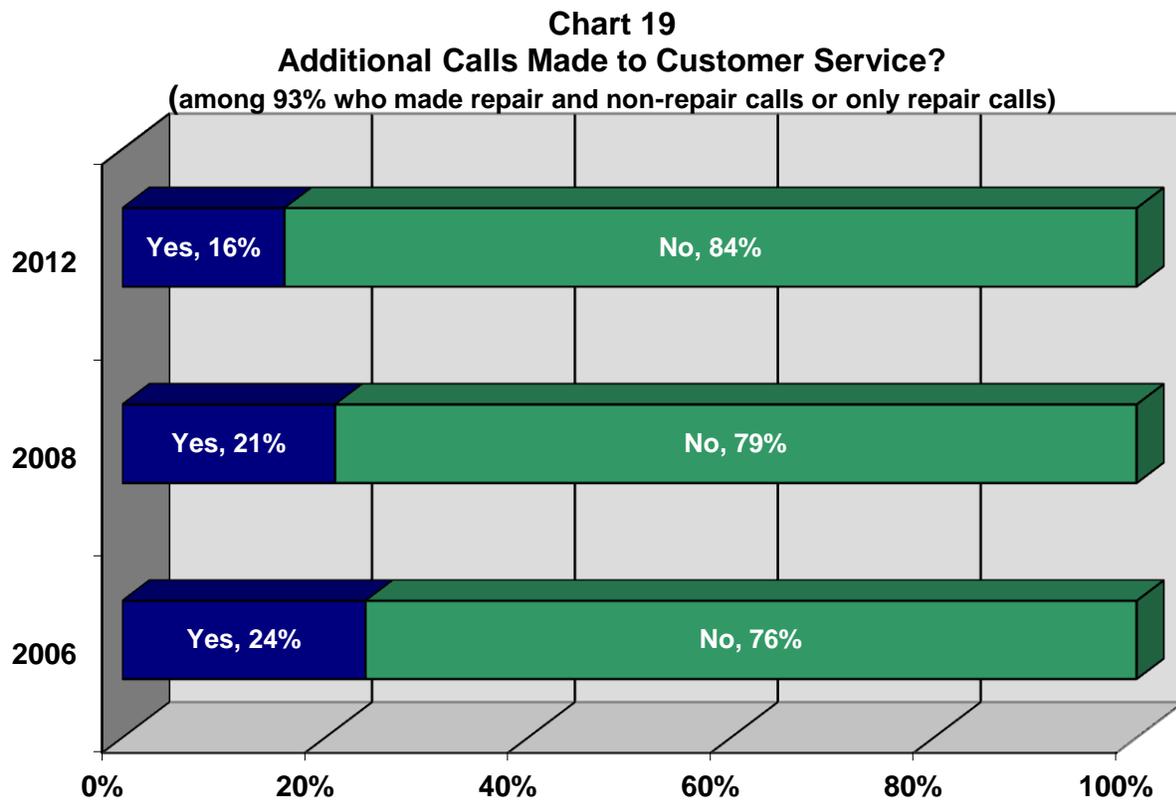


**Chart 18** shows that the purposes for these additional non-repair calls included interest in paying the water bill by phone (22 percent), starting service (19 percent), clarification of the bill (16 percent), and customer concern that too much was charged for the water used (13 percent). In 2012, there is an increase over the 2008 percentage regarding callers who indicated that the purpose of their non-repair call was to pay their bill by telephone (22 percent in 2012 versus 13 percent in 2008). Conversely, there is a 7 percent decline since 2008 in calls made to clarify the bill (16 percent in 2012 versus 23 percent in 2008).

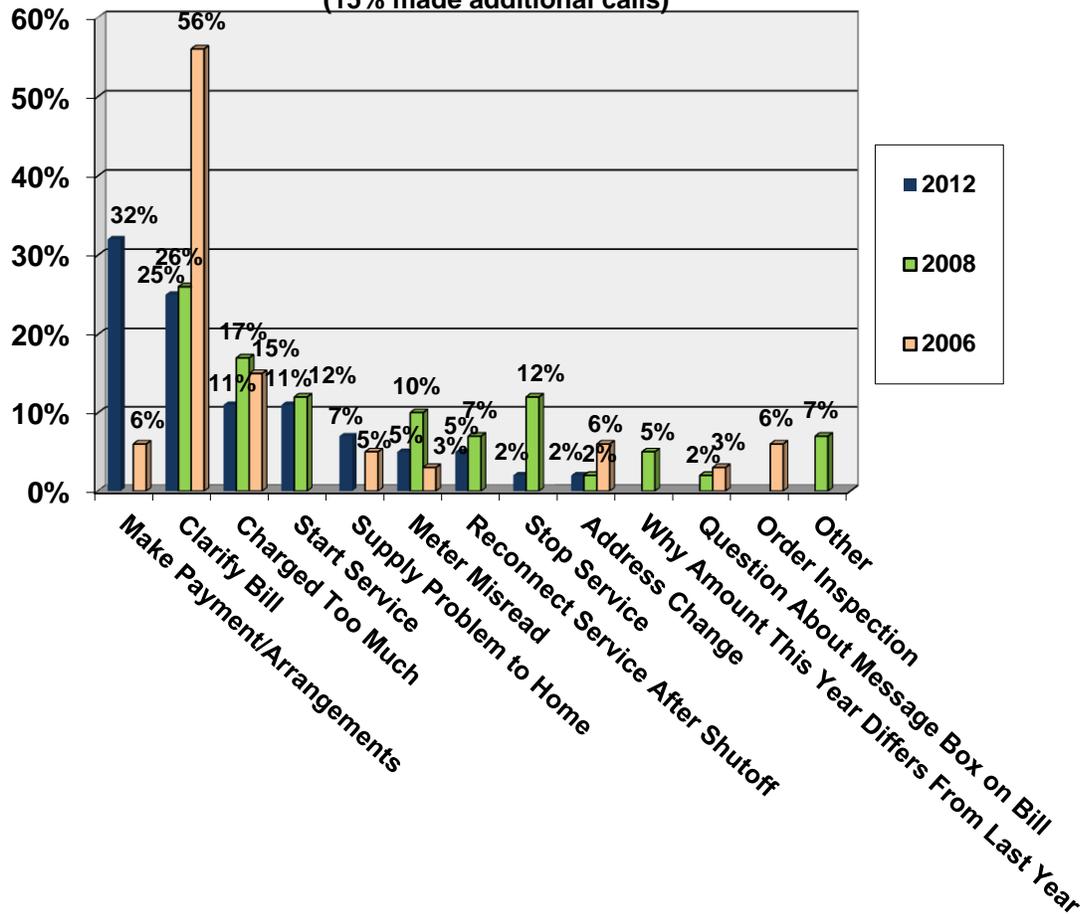
**Chart 18**  
**Purpose of Non-Repair Call**  
 (Among 93% of Callers Who Made Both Repair Calls and Non-Repair Calls or Only Non-Repair Calls)



**Chart 19** demonstrates that 16 percent of customer callers made yet another call (at least three calls if one was a repair call or two calls if non-repair) in the past 6 months. This call rate confirms a slight but steady decline in call rates for such additional calls made to the Call Center (from 24 percent in 2006 to 16 percent in 2012). Nearly one-third (32 percent) of these callers wish to make payments or to make payment arrangements. The relatively high percentage for this specific purpose (make payments) is unique to the current survey period – no one indicated this purpose in 2008 and only 6 percent responded as such in 2006. One-fourth (25 percent) of these callers wanted to clarify their bill and this is consistent with the 2008 Call Center Survey (26 percent). It is interesting that bill clarification in 2008 and 2012 represented less than one-half the call rate for this purpose reported in 2006 (56 percent). Others in the current survey made these additional calls to voice their concern over being charged too much and expressing the desire to start water service (11 percent each) (**Chart 20**).



**Chart 20**  
**Purpose of Additional Calls**  
 (15% made additional calls)



**Issues Regarding the Bill Payment Process**

***SUMMARY:*** Over three fifths (63 percent) of customers are either very satisfied (40 percent) or somewhat satisfied (23 percent) with the new design of the water bill. This is highly consistent with the level of satisfaction found in the 2012 General Survey of Customers conducted just prior to this Call Center Survey. In the General Survey, 61 percent of all customers in the District are either very satisfied or somewhat satisfied with the new bill design.

*Nearly one-quarter of callers (24 percent) pay their bill by sending a check in the mail, 35 percent pay on-line, 17 percent pay their bill through automatic bank deductions, 16 percent pay by credit card over the telephone, and 4 percent pay in person at a the Otay Water District offices or payment center. It is noteworthy that 22 percent would prefer to use postal mail (2 percent less than actually do so) and 37 percent would prefer to pay on line (2 percent more than actually do so). This pattern is substantially different from the findings of the 2008 Call Center Survey. For example, in 2008, 19 percent of customer callers reported that they pay their bill on-line (16 percent less than in the current survey). Also, in 2008, 50 percent of the customer callers paid their bill by sending a check in the mail (15 percent more than in 2012). There is clearly a strong trend toward the use of the Internet to pay their water bill among the customers of the Otay Water District, especially as the older customers, who represent the strongest opposition, become fewer in number. Among those who do not pay on-line and provided a reason for not doing so, there is strong sentiment that there is nothing the District can do to make on-line billing more appealing to them.*

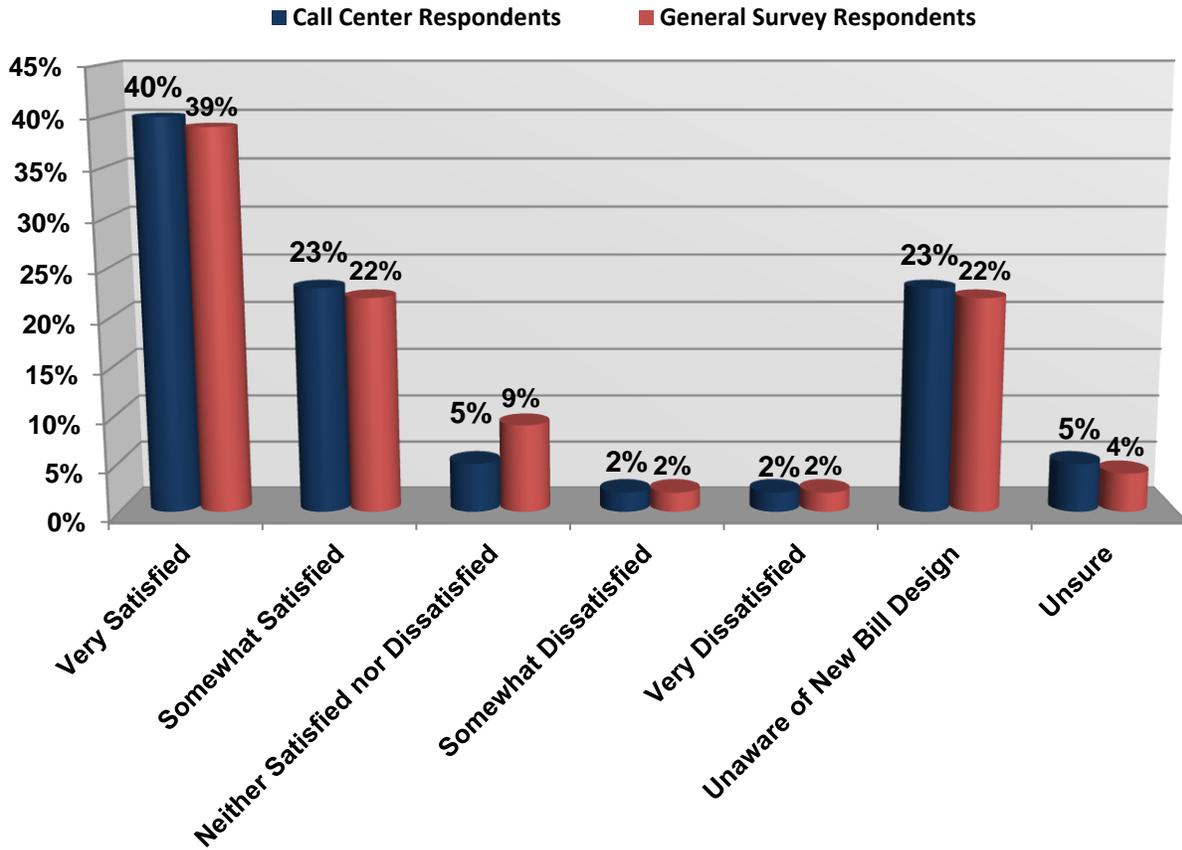
*Approximately one-half of customer callers are interested in receiving their monthly bill by e-mail. However, over three-fifths (64 percent) acknowledge that it is likely they will be paying their various bills through a paperless option within the next 2 years. Among those who say they are unlikely to be using paperless bill paying options within the next two years, over one-quarter (27 percent) indicate they do not use the Internet and 17 percent want a paper record of their transactions.*

*Customer service callers are satisfied with the following billing features: the accuracy of the water bill (77 percent are either very satisfied or somewhat satisfied), and three-fourths of customer service callers are confident in the accuracy of their meter reading.*

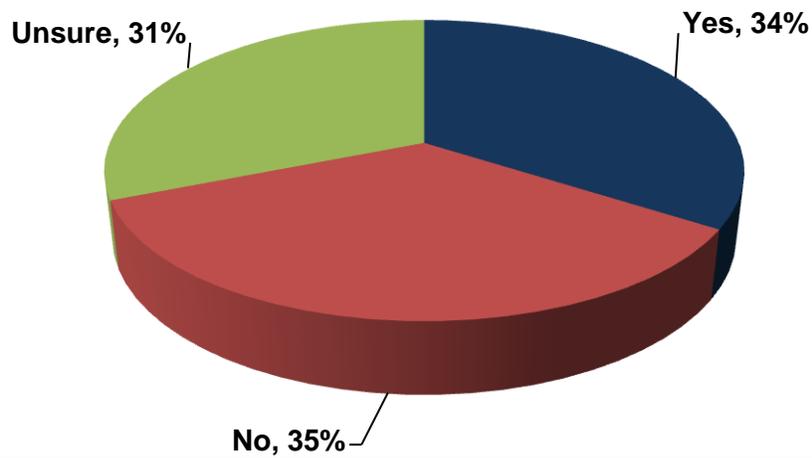
**New Bill Design: Chart 21** shows that over three-fifths (63 percent) of customers are either very satisfied (40 percent) or somewhat satisfied (23 percent) with the new design of the water bill. This is highly consistent with the level of satisfaction found in the 2012 General Survey of customers conducted just prior to this Call Center Survey. In the General Survey, 61 percent of all customers in the District are either very satisfied or somewhat satisfied with the new bill design. Among those who are aware of the new bill design, over one-third (34 percent) indicate that the previous bill design is easier to understand than the new design. Another 35 percent do not think the previous design is more understandable, and 31 percent are uncertain (**Chart 22**).

- Customers who earn \$25,000 or more (mean of 2.76) are more likely to be satisfied with the ease of understanding the new water bill than are customers who earn under \$25,000 (mean of 4.21) (scale of 1 to 5, where 1 = very satisfied, 2 = somewhat satisfied, 3 = neither satisfied nor dissatisfied, 4 = somewhat dissatisfied, and 5 = very dissatisfied).

**Chart 21**  
**Satisfaction with New Bill Design**



**Chart 22**  
**Is Previous Bill Easier to Understand?**  
 (among 72 percent who are aware of new bill)



**Method of Bill Payment:** Chart 23 shows that 24 percent of the customer service callers pay their bill by sending a check in the mail, 35 percent pay on-line, 17 percent pay their bill through automatic bank deductions, 16 percent pay by credit card over the telephone, and 4 percent pay in person at the Otay Water District offices or a payment center. It is noteworthy that 22 percent would prefer to use postal mail (2 percent less than actually do so) and 37 percent would prefer to pay on line (2 percent more than actually do so). This pattern is substantially different from the findings of the 2008 Call Center Survey. For example, in 2008, 19 percent of customer callers reported that they pay their bill on-line (16 percent less than in the current survey). Also, in 2008, 50 percent of the customer callers paid their bill by sending a check in the mail (15 percent more than in 2012). There is clearly a strong trend toward the use of the Internet to pay their water bill among the customers of the Otay Water District, which can be expected to grow as the older customers become fewer in number. There is also a trend toward less use of postal mail for bill payment. In sum, this pattern represents a continued and sustained pattern of Internet use since the 2006 Call Center Survey.

Consistent with the Call Center Survey findings, it is noteworthy that the 2012 General Survey of all District customers shows that 41 percent state that they pay their bill on line at present and almost half (48 percent) prefer the on-line option in the future.

The following subgroups pay their water bill by sending a check in postal mail:

- Homeowners (26 percent) versus renters (15 percent).
- Customers who are 55 years of age or older (38 percent) as opposed to those who are 54 years of age or younger (17 percent).
- Smaller households of 1 or 2 persons (40 percent) versus larger households of 3 or more persons (17 percent).

The following subgroups pay their bill on-line:

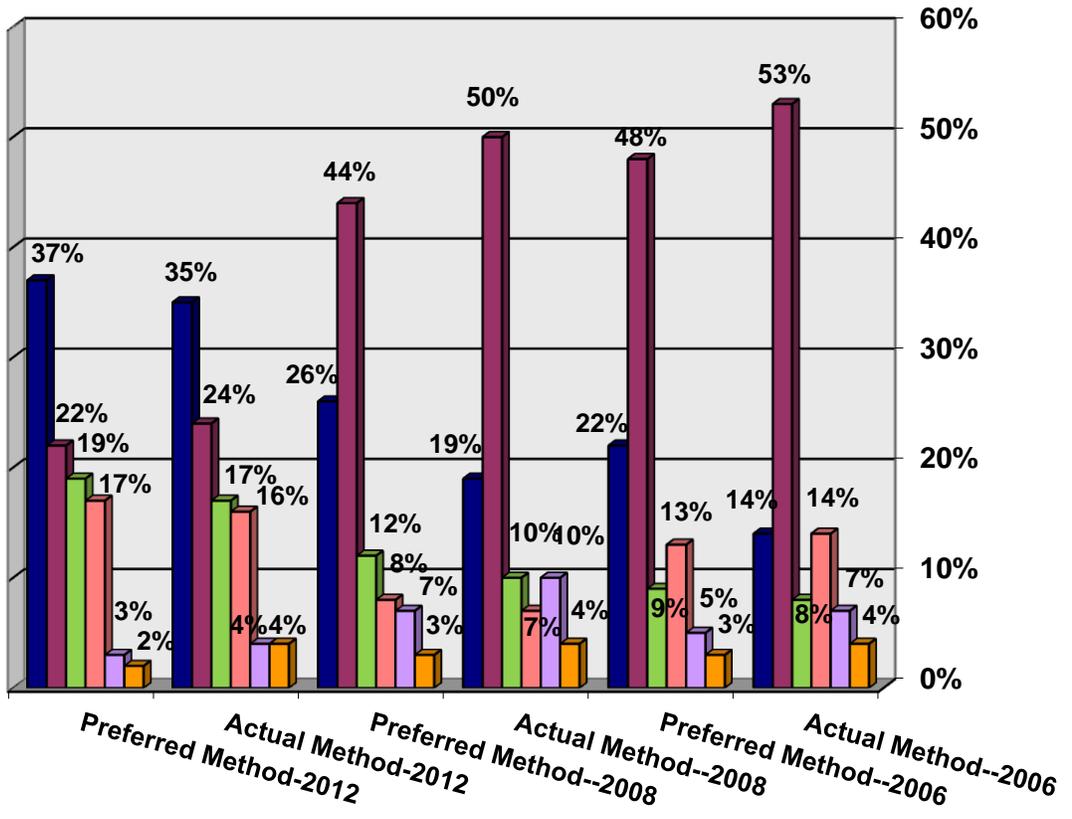
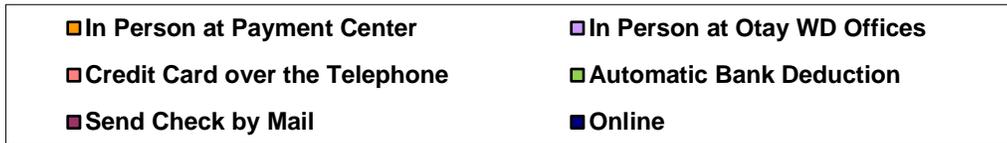
- Customers who are 54 years of age and younger (41 percent) versus those who are 55 years of age and older (28 percent).
- Asians (50 percent), Whites (40 percent), and Hispanics/Latinos (37 percent) as opposed to African-Americans/Blacks (24 percent).

The following subgroups would prefer to pay their bill by sending a check in the mail no matter how they presently pay their bill:

- Customers who are 55 years of age and older (36 percent) versus those who are 54 years of age and younger (15 percent).
- Smaller households of 1 or 2 persons (34 percent) versus larger households of 3 persons or more (17 percent).

## Chart 23 Payment Method for Water Bill: Actual and Preferred

2012 General Survey:  
41% pay online  
48% prefer online in future



The following subgroup would prefer to pay on-line no matter how they presently pay their bill:

- Customers with income levels of \$75,000 and above (50 percent) as opposed to those with income levels under \$75,000 (33 percent).

The method by which customers actually pay their bill is strongly related to the method they prefer to use. Moreover, when preferences deviate from actual behavior, the preference leans toward the use of the Internet to make on-line bill payments. The following examples illustrate this finding:

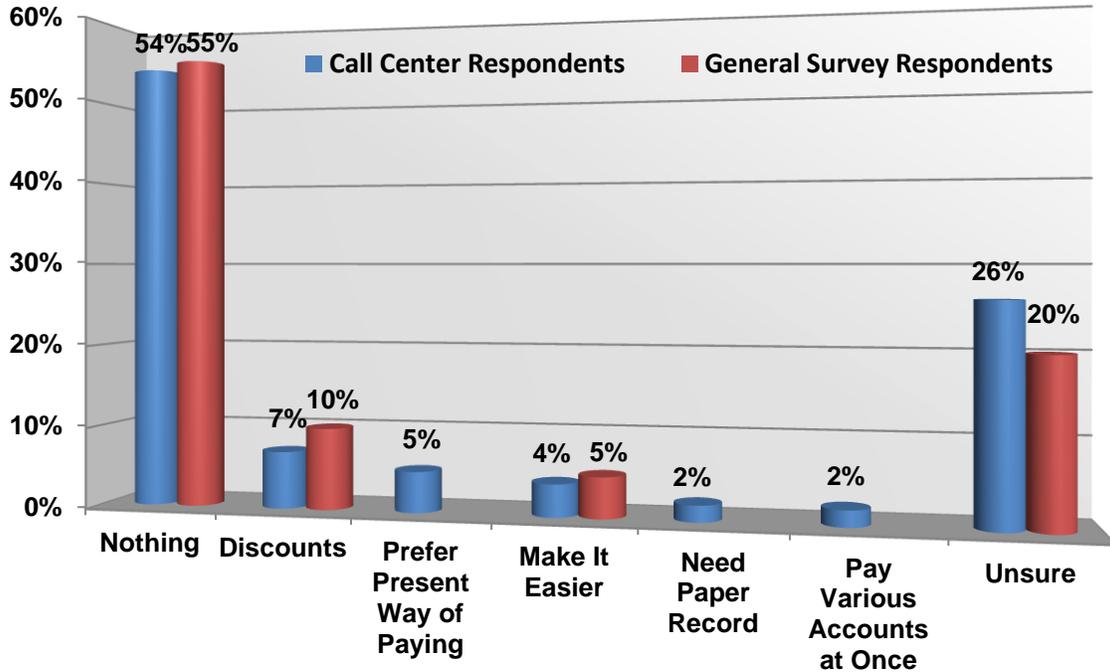
- 85 percent of those who actually pay by sending a check by mail prefer that method, and only 6 percent of those who send a check by mail would prefer to pay on line.
- 80 percent of those who pay by credit card over the telephone prefer that method of payment, and only 12 percent of those who pay in person at the payment center would prefer to pay on-line.

**Chart 24** shows that among the customers who do not pay on line and provide a reason for not doing so, well over one-half (54 percent) of callers indicate that there is nothing the District can do to make on-line bill paying more appealing to them. Furthermore, over one-quarter (26 percent) are uncertain about what the District can do in this regard. Another 7 percent feel that offering discounts on the bill could motivate them to move toward a paperless bill paying option. Comments about how the District can make paperless/on-line billing more appealing are consistent with similar findings in the 2012 General Customer Survey. That is, customers do not provide much encouragement that the District can do anything for them in this regard.

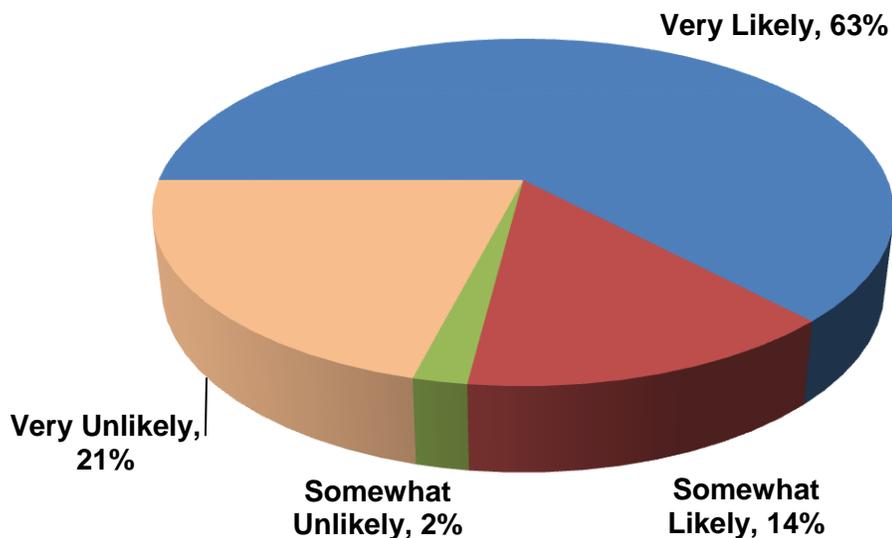
- Customers who feel that the Otay Water District can do nothing to make on-line bill paying a more appealing option tend to be homeowners (79 percent) versus renters (48 percent).

**Chart 25** indicates how likely it is that any of the small number of suggested improvements made by the callers would cause them to move toward on-line bill payment. Over three-fifths, (64 percent) state that they would be either very likely (50 percent) or somewhat likely (14 percent) to pursue on-line bill payment if suggested improvements were made. It is important to note that these percentages are derived from only 49 respondents (16 percent of the sample).

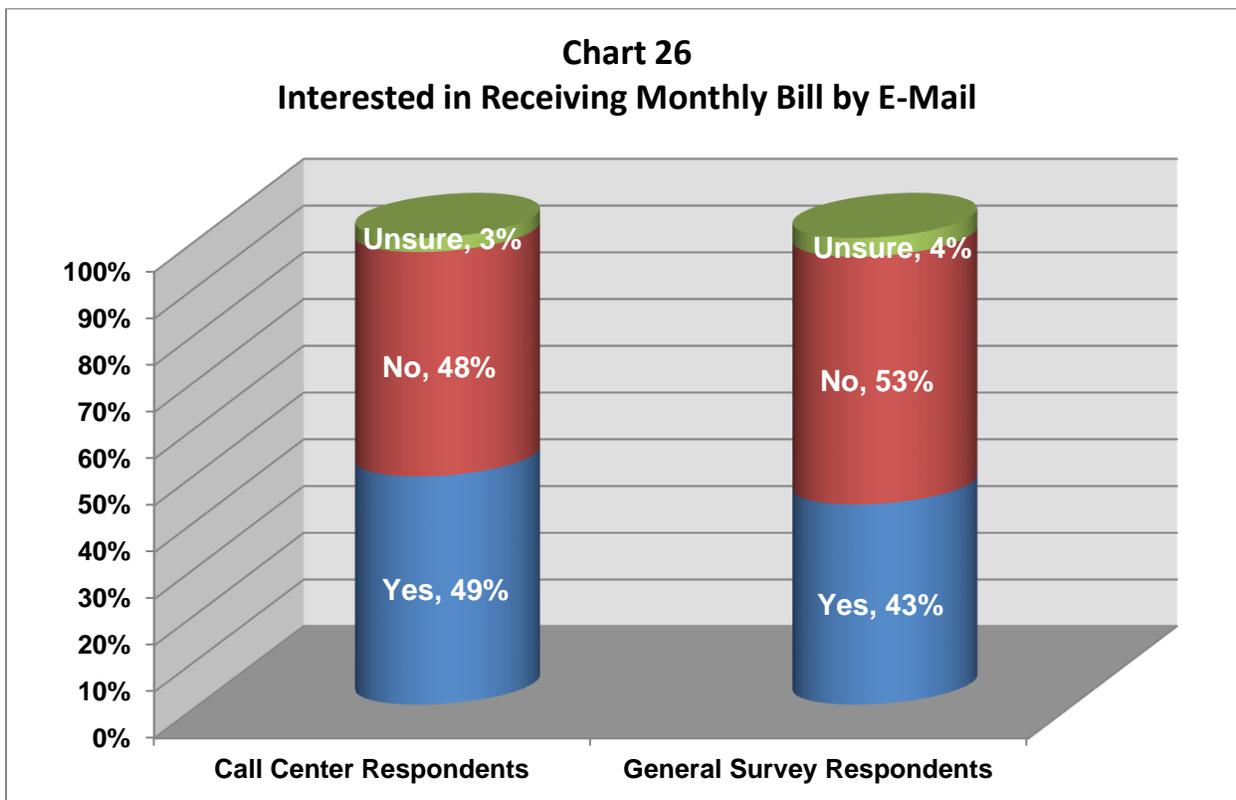
**Chart 24**  
**What Can District Do to Make Bill Paying Online or Paperless a More Appealing Option**  
 (among 63% who do not prefer to pay online)



**Chart 25**  
**Likelihood of Paying Online if Suggested Improvements Implemented**  
 (among 12% who do not pay online and who offered suggestions)



**Chart 26** indicates that nearly one-half (49 percent) of callers are interested in receiving their monthly bill by e-mail. The 2012 General Survey reports that 43 percent are inclined to receive their bill by e-mail – 6 percent less than what is found in the Call Center Survey. In the current survey, over three-fifths (64 percent) indicate that they are either very likely (50 percent) or somewhat unlikely (14 percent) to pay their various accounts through a paperless option within the next year or two. Respondents in the General 2012 Survey similarly indicate that they are likely to pursue the paperless option within the next year or so (61 percent) (**Chart 27**).

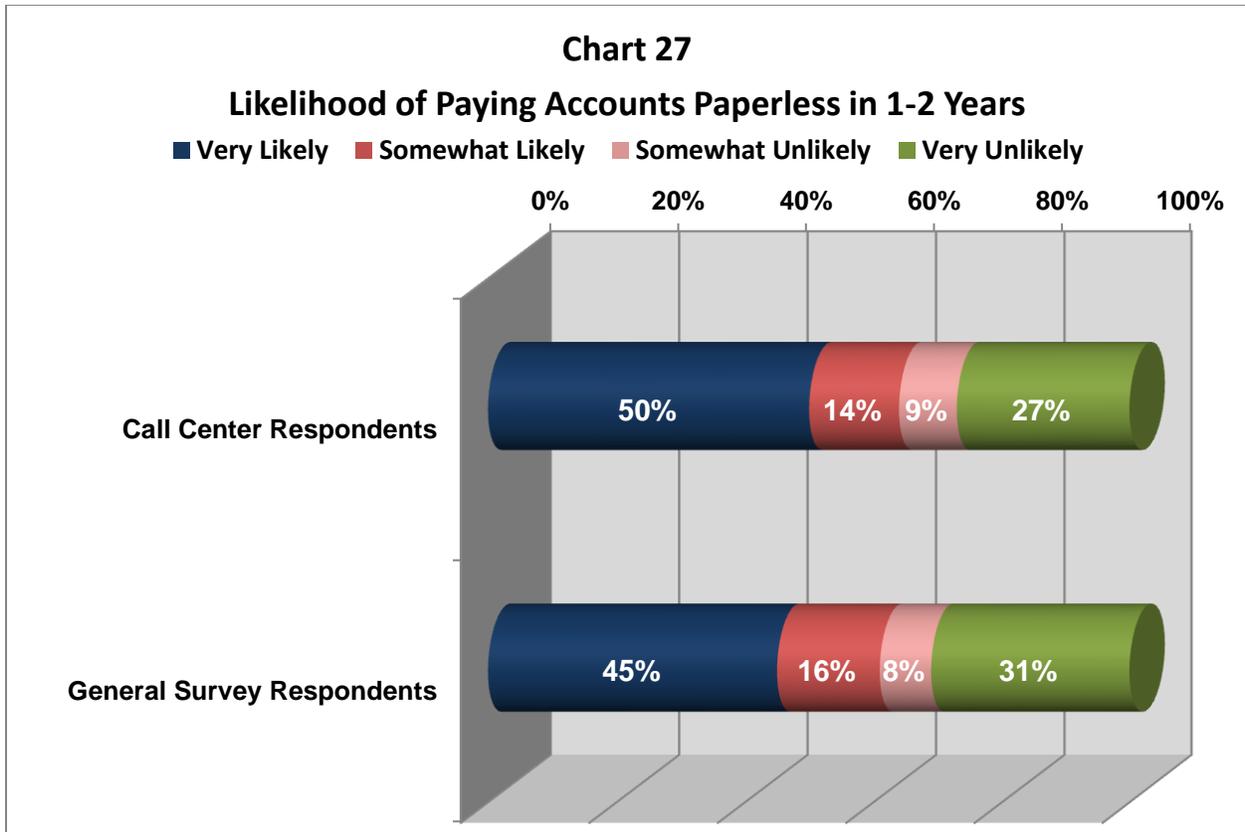


- Customers under the age of 65 (57 percent) tend to be interested in receiving their monthly bill by e-mail instead of through the Postal Service more so than are those who are 65 years old and over (29 percent).

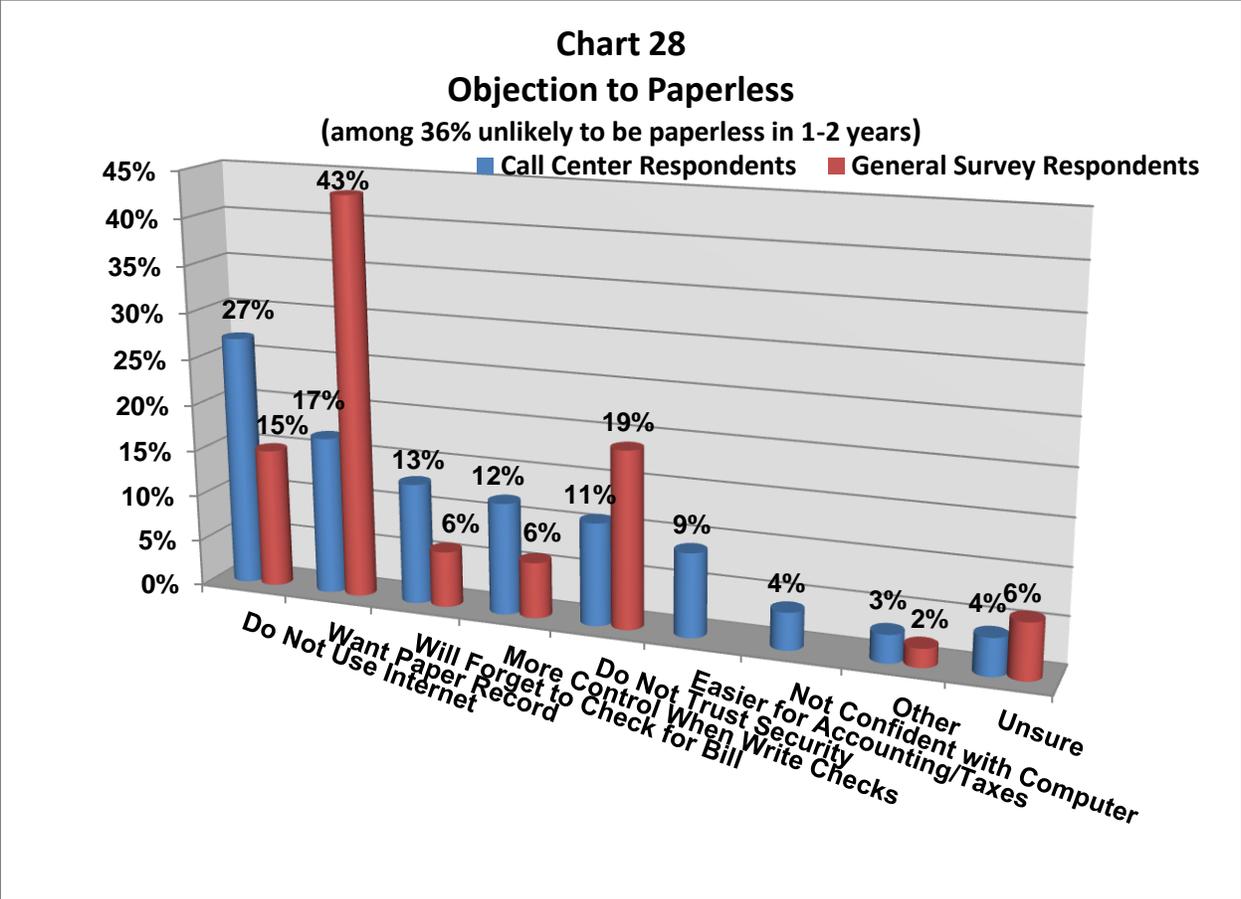
The following subgroups are more likely to go paperless in their bill paying to the District within the next year or two (scale: 1 to 4, where 1 = very likely, 2 = somewhat likely, 3 = somewhat unlikely, and 4 = very unlikely).

- Customers with a higher level of education (bachelor’s degree – mean of 1.85) versus (high school or less – mean of 2.53).

- Younger customers (18-34 – mean of 1.67) as opposed to older customers (65 and over – mean of 3.06).
- More recent customers of the Otay Water District (less than 2 years – mean of 1.80) versus longer term customers (11 years or more – mean of 2.32).



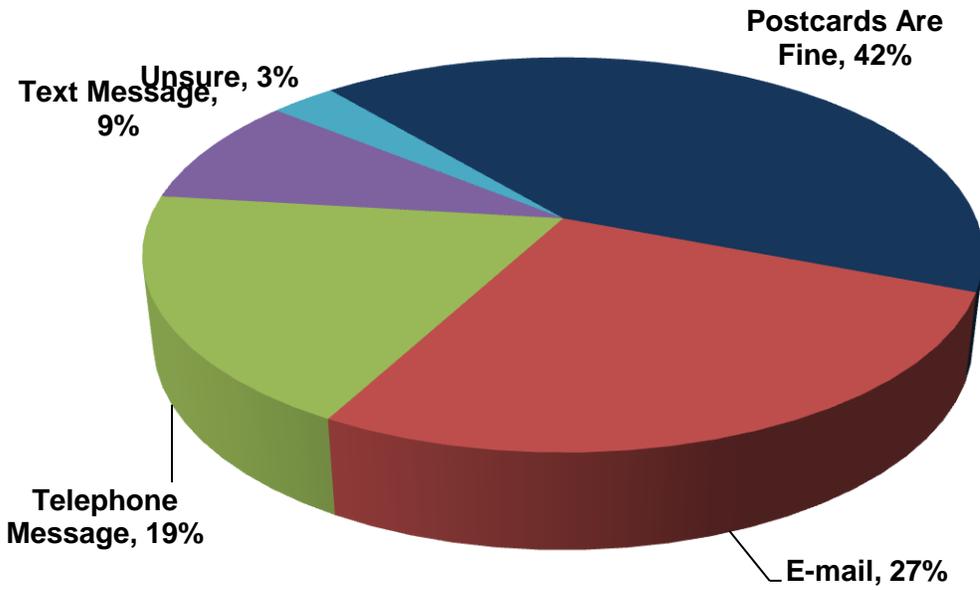
**Chart 28** shows that among those who are unlikely to use paperless bill paying options within the next two years, over one-quarter (27 percent) say they do not use the Internet and 17 percent want a paper record of their transactions. Another 13 percent say they will forget to check on-line for a bill. Others feel they have more control when they write checks (12 percent) and they do not trust the security of on-line transactions (11 percent). There are considerable differences among customers in the 2012 General Survey. Customers in the General Survey object much less to the use of the Internet and the possibility that they will forget to check for a bill on-line and they are less likely to object because they feel they have more control when they write checks. They are more likely to object because they want a paper record of their transactions and they do not trust the security of on-line transactions.



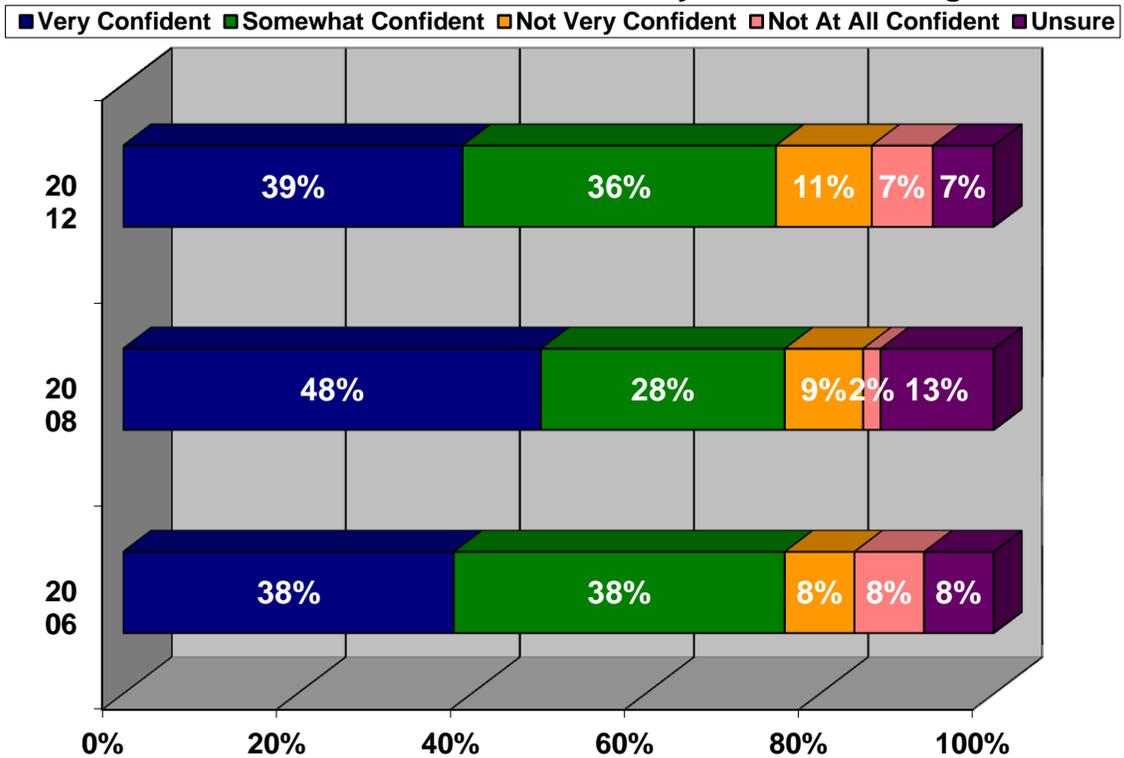
**Chart 29** indicates that over two-fifths (42 percent) feel that the use of postcards are fine as a way to remind customers that their bill has not been paid (This is the current method). Over one-quarter (27 percent) prefer the use of e-mail and another 28 percent prefer either a telephone message (19 percent) or a text message (9 percent) for purposes of reminding customers about late payments.

**Confidence in the Accuracy of the Bill:** **Chart 30** indicates that three-fourths (75 percent) of customer service callers are either very confident (39 percent) or somewhat confident (36 percent) in the accuracy of their monthly meter reading. This overall high level of confidence is consistent with the confidence expressed in the 2006 survey. However, it is noteworthy that the percentage of callers who are “very confident” in 2008 is about 10 percent higher than in both 2012 and 2006.

**Chart 29**  
**How Prefer to be Contacted by District When Payment is Late**



**Chart 30**  
**Confidence in Accuracy of Meter Reading**



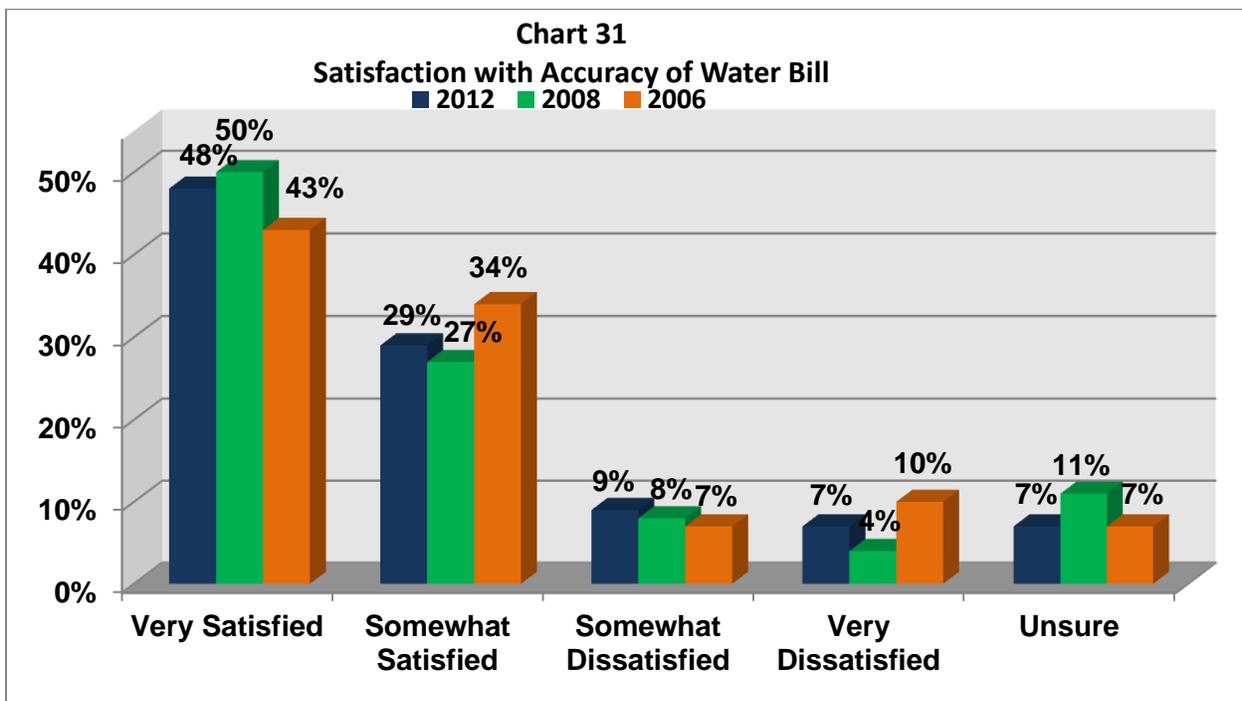
The following subgroups are particularly confident in the accuracy of their meter reading. The rating is based on a scale of 1 to 5, where 1 = very satisfied, 2 = somewhat satisfied, 3 = somewhat dissatisfied and 4 = very dissatisfied:

- Younger customers (18 – 34 -- mean of 1.65 versus older customers (65 and over – mean of 2.10).
- More recent customers of the Otay Water District (2 years or less – mean of 1.46 versus longer term residents (3 or more years --- 2.00).

**Chart 31** shows approximately three-fourths (77 percent) are either very satisfied (48 percent) or somewhat satisfied (29 percent) in the accuracy of their water bill. This level of satisfaction is highly consistent with the Call Center Surveys in 2006 and 2008 where both surveys reported a satisfaction level also of 77 percent.

The following subgroups regard the monthly bill as particularly accurate. The rating is based on a scale of 1 to 5, where 1 = very satisfied, 2 = somewhat satisfied, 3 = somewhat dissatisfied and 4 = very dissatisfied:

- More recent residents of the Otay Water District (2 years or less – mean of 1.45) versus longer term customers (6 – 15 years – mean of 1.91).
- Customers with less education (educational levels of a bachelor’s degree or less – mean of 1.60 as opposed to at least one year of graduate work beyond a bachelor’s degree – mean of 2.14).



## Communication with the Otay Water District (including New Telephone System, Interactive Voice Response System, and Website)

***SUMMARY:*** Among customer callers, 86 percent are unaware of the new telephone system that was implemented by the Otay Water District within the last several months. Of those who are aware, 5 percent feel the new system is better and another 3 percent feel the previous system is better. Those who are aware of the new telephone system rated 4 features of that system quite highly. On a scale of 1 to 5, where 1 = very effective and 5 = not at all effective. Ratings were provided for quality of voice (1.87), clarity of the instructions (2.01), overall effectiveness of message (2.10), and menu of options (2.13).

Well over one-quarter (29 percent) of callers have used the interactive features of the voice response system. Among these 29 percent, 87 percent found it to be useful. The trend is clear – since the 2006 and 2008 Call Center Surveys, there is an increase in the percentage of customers who use the Interactive Response Feature and a greater percentage of those who use this feature find it useful. Of those customers in the current survey who found the system to be useful, 46 percent were able to resolve their problem by using this automated system alone. This represents a decline since the 2008 Call Center Survey where nearly three-fifths (58 percent) achieved resolution of their problem using the automated system alone.

Nearly one-third (30 percent) of the customer callers have used the Otay Water District website to obtain information in the past 6 months. There has been a steady increase in the use of the website since 2006 – 20 percent in 2006 and 23 percent in 2008. Nearly 9 in 10 of these users (88 percent) are either very satisfied (71 percent) or somewhat satisfied (17 percent) with the service provided through the website. This represents an increase in the satisfaction level since 2008 where 82 percent were either very satisfied or somewhat satisfied.

**New Telephone System:** The Otay Water District implemented a new telephone system in June 2011. Nearly 9 in 10 customer callers (86 percent) are unaware of the new system. **Chart 32** shows that among those who are aware, 5 percent feel that the new system is better than the previous one, 3 percent feel that the new system is worse, and 6 percent feel that the new system and the previous one are about the same.

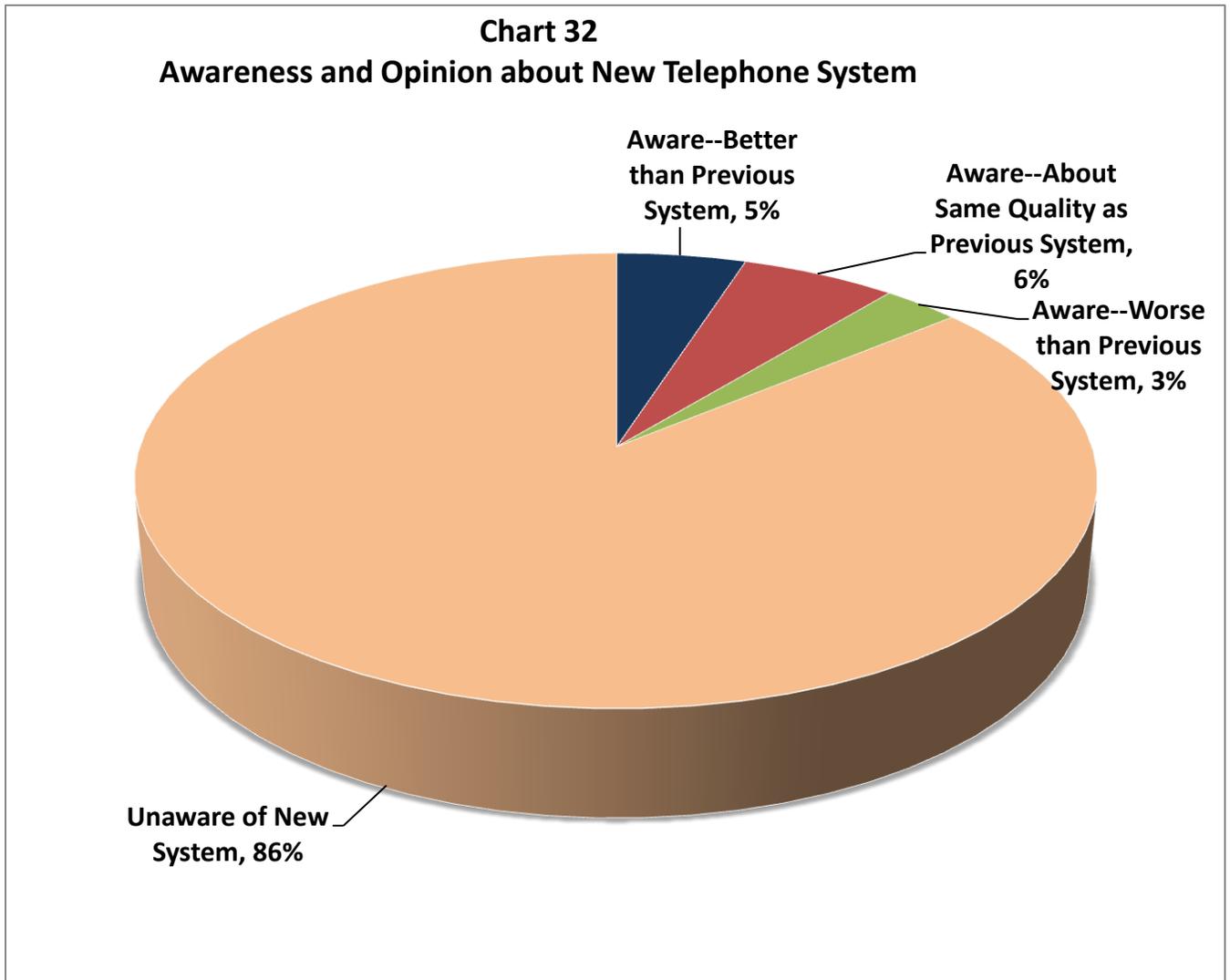
- Females (19 percent) are more aware of the new telephone system than are males (8 percent).
- Customers who are 55 years old and over (26 percent) are more aware of the new telephone system than are customers who are 54 and younger (11 percent).

**Chart 33** shows the effectiveness ratings of various features of the new telephone system on a scale of 1 to 5, where 1 = very effective and 5 = not at all effective. The ratings are high on each feature ranging from 1.87 for quality of voice providing instructions, followed by clarity of instructions (2.01), overall effectiveness of message in guiding one to needed services (2.10), and menu of options (2.13).

- Latinos (mean of 1.58) are more likely to rate the effectiveness of the clarity of instructions higher than are African-Americans (mean of 4.50).
- Latinos (mean of 1.33) tend to rate the effectiveness of the quality of voice providing instructions higher than do African-Americans (mean of 3.50).

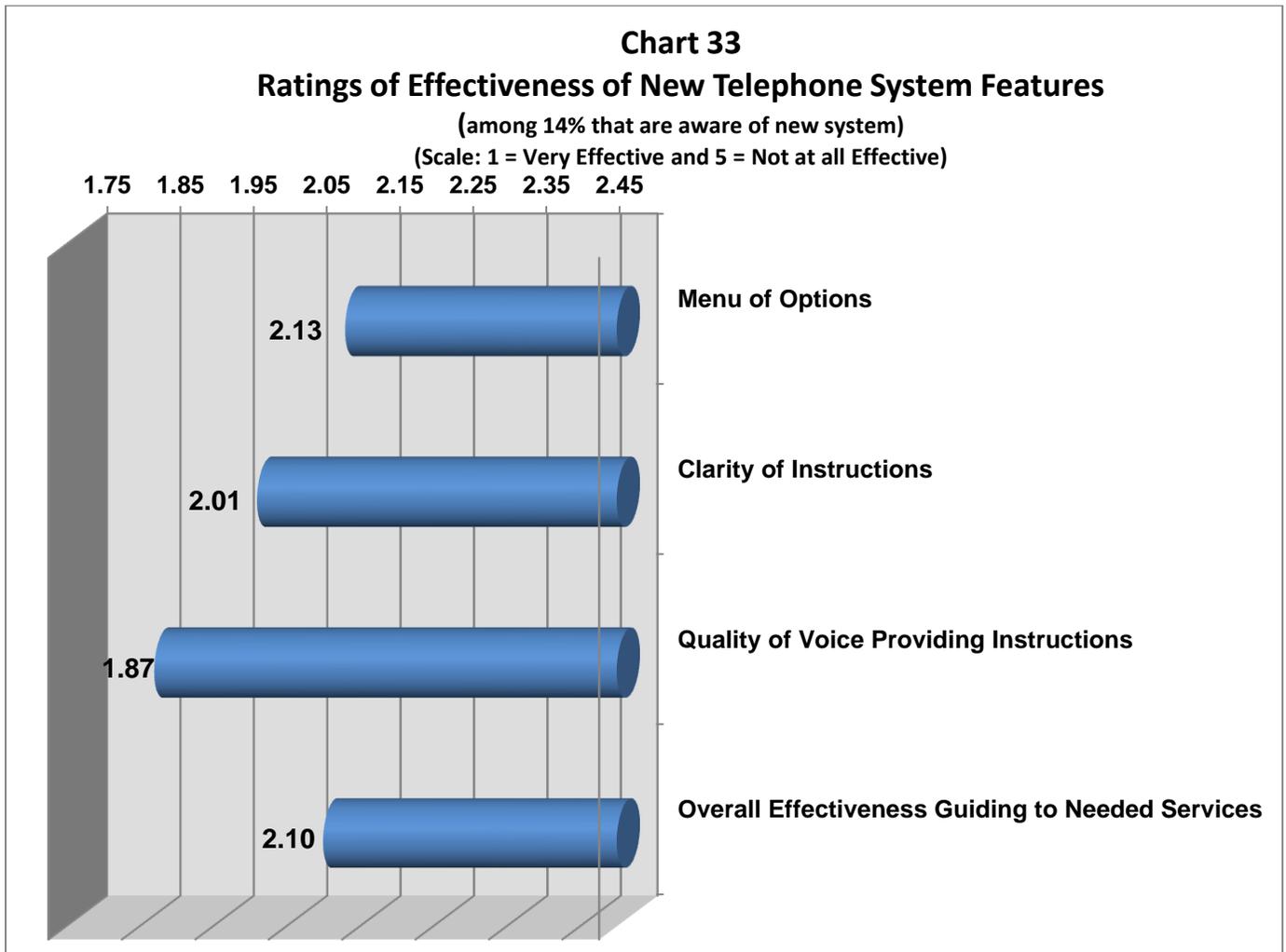
The following subgroups rate the new telephone system as particularly effective in guiding the caller to needed services (scale: 1 to 5, where 1 = very effective and 5 = not at all effective).

- Latinos (mean of 1.58) versus African-Americans (mean of 4.00).
- Middle age customers (35-54 – mean of 1.78) versus older customers (65 and over -- mean of 3.33).
- Longer term customers of the Otay Water District (3 – 10 years -- mean of 1.62) versus the most recent customers – (2 years or less -- mean of 3.40).



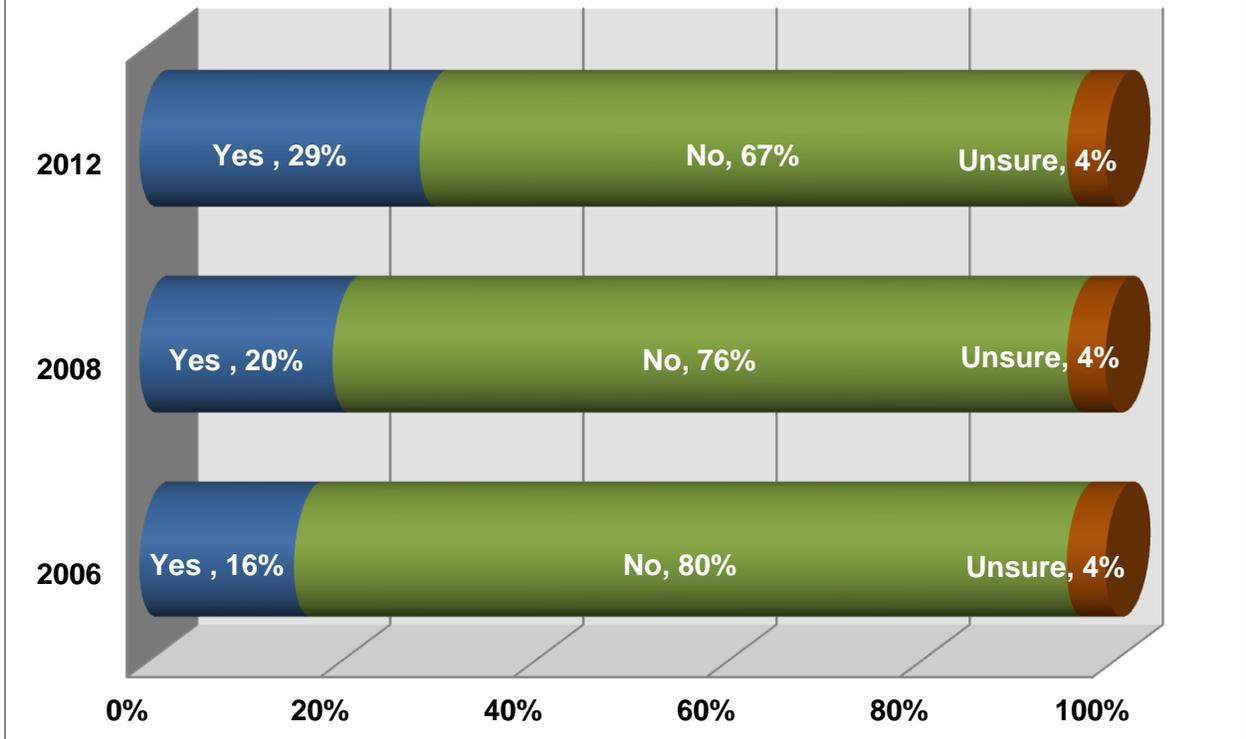
The following subgroups rate the menu of options as particularly effective:

- Younger customers (18 – 34 – mean of 1.50) as opposed to older customers (65 and older – mean of 4.00).
- Customers with higher income levels (\$50,000 or more – mean of 1.63) versus customers with lesser income levels (\$25,000 and under \$50,000 – mean of 3.17).

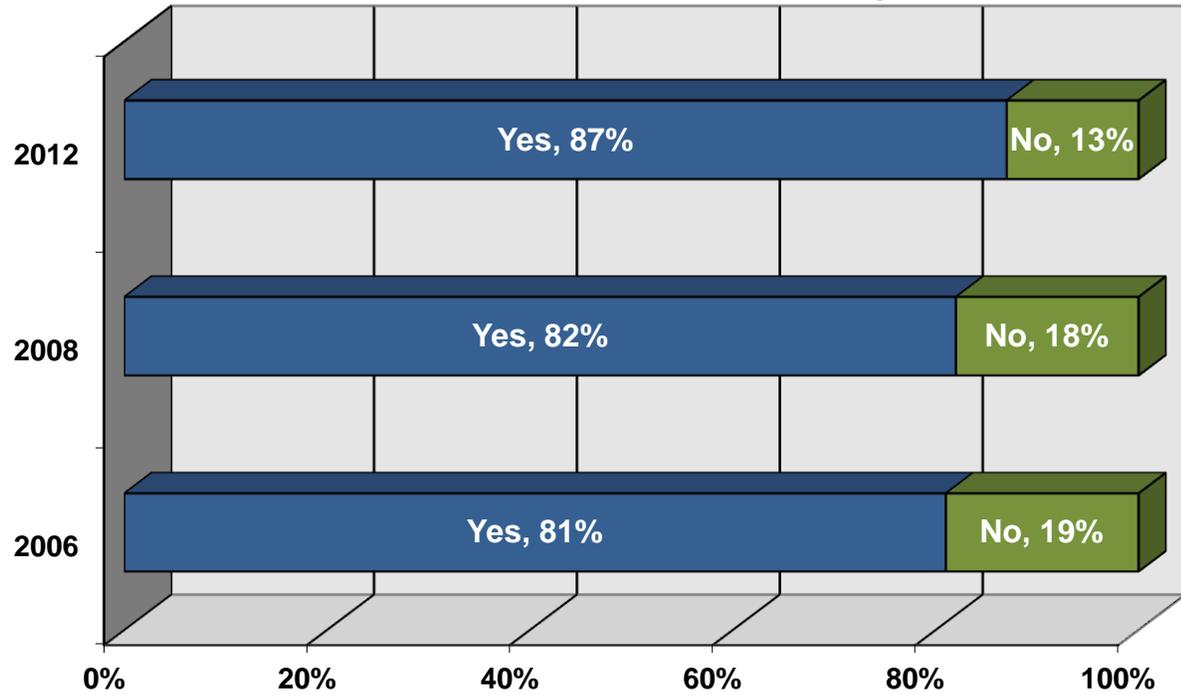


**Interactive Voice Response Features:** In **Chart 34**, it is indicated that well over one-quarter (29 percent) of callers have used the interactive features of the voice response system. Among these 29 percent, 87 percent found it to be useful (**Chart 35**). The trend is clear – since the 2006 and 2008 Call Center Surveys, there is an increase in the percentage of customers who use the Interactive Response Feature and a greater percentage of those who use this feature find it useful.

**Chart 34**  
**Used Interactive Voice Response Feature?**

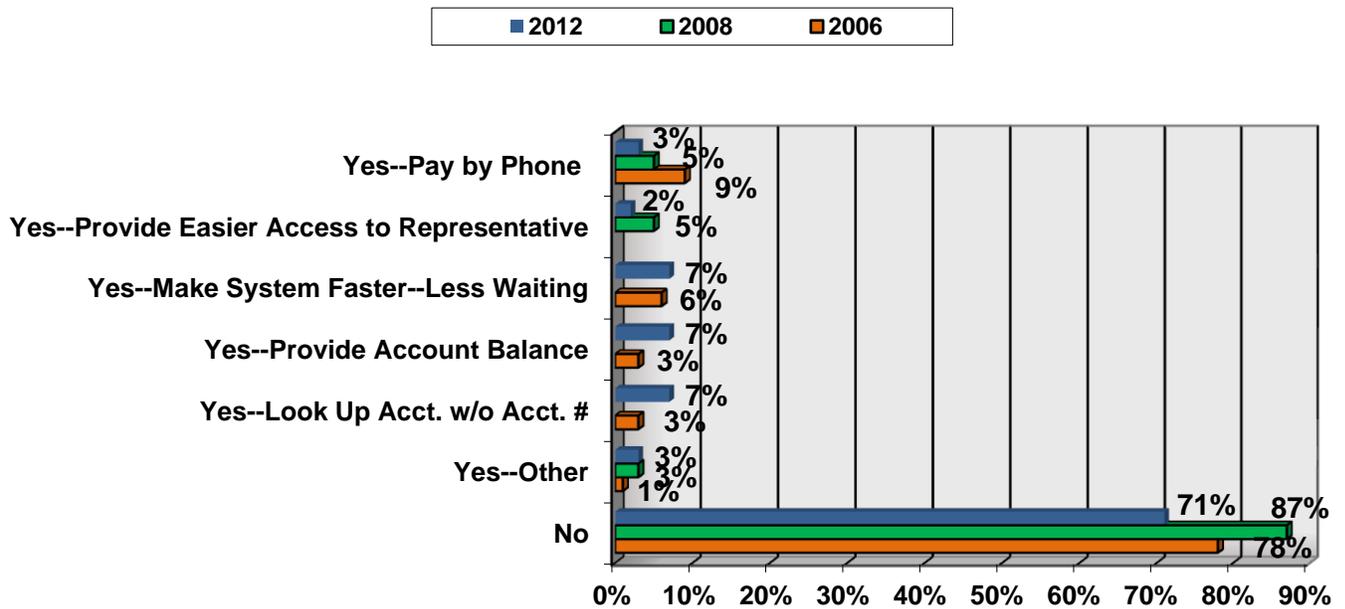


**Chart 35**  
**Usefulness Interactive Voice Response**



Improvements in the automated system were suggested by a few customers who use the system and find it to be useful. These customers suggest making the system faster with less waiting, providing an account balance, and looking up an account without the account number – each 7 percent. Paying by phone through the automated system was suggested by a higher percentage of customers in 2008 than in the current survey (**Chart 36**). Of those customers in the current survey who found the system to be useful, 46 percent were able to resolve their problem by using this automated system alone (**Chart 37**). This represents a decline since the 2008 Call Center Survey where nearly three-fifths (58 percent) achieved resolution of their problem using the automated system alone.

**Chart 36**  
**Suggest Improvements to Interactive Voice Response System**

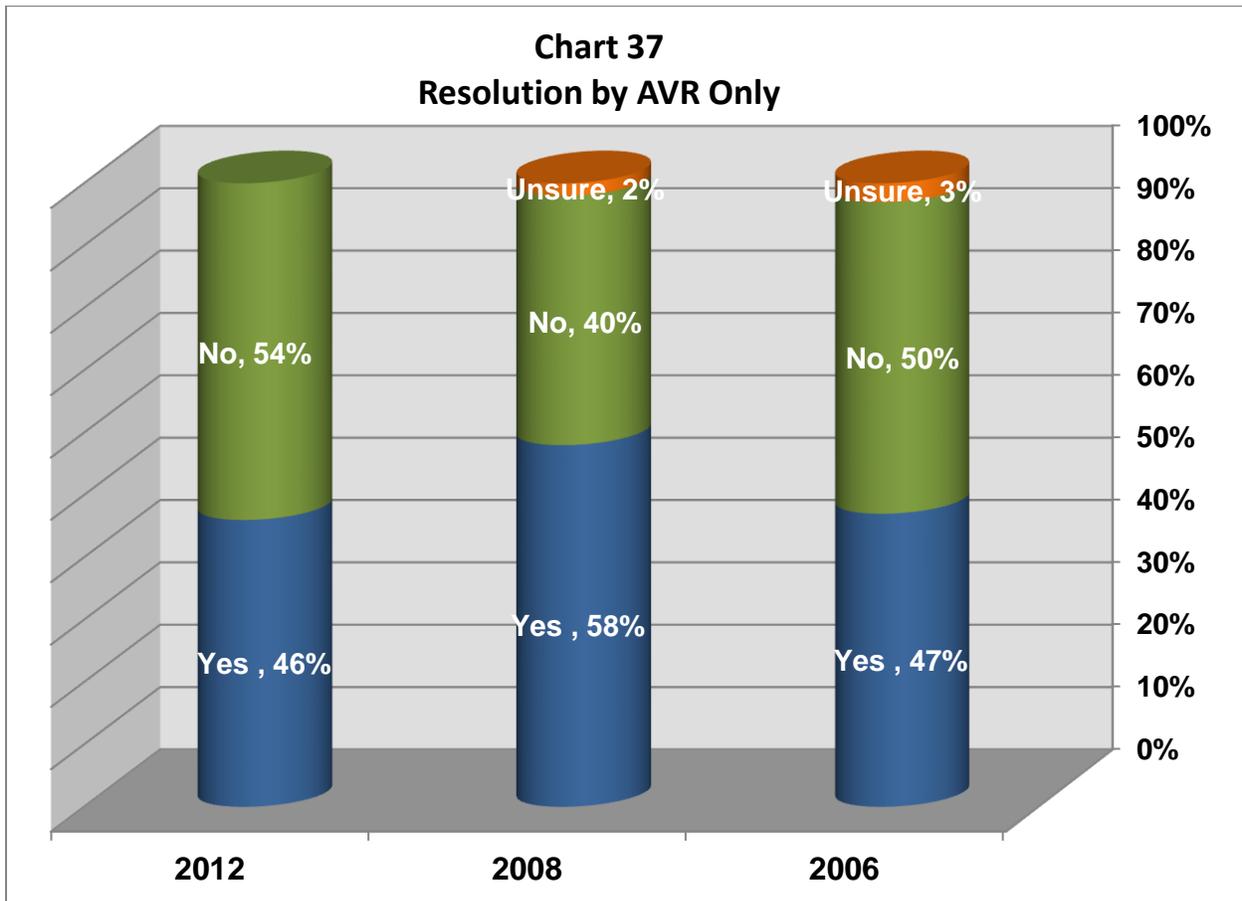


The following relationships associated with the use of the Interactive Voice Response Feature are significant;

- Renters (39 percent) tend to use the Interactive Voice Response Feature more so than do homeowners (26 percent).
- Larger households of 3 persons or more (33 percent) are more likely to use the Interactive Voice Response Feature than are smaller households of 1 or 2 persons (15 percent).

With regard to the achievement of problem resolution by using the automated system alone, the following relationship is significant:

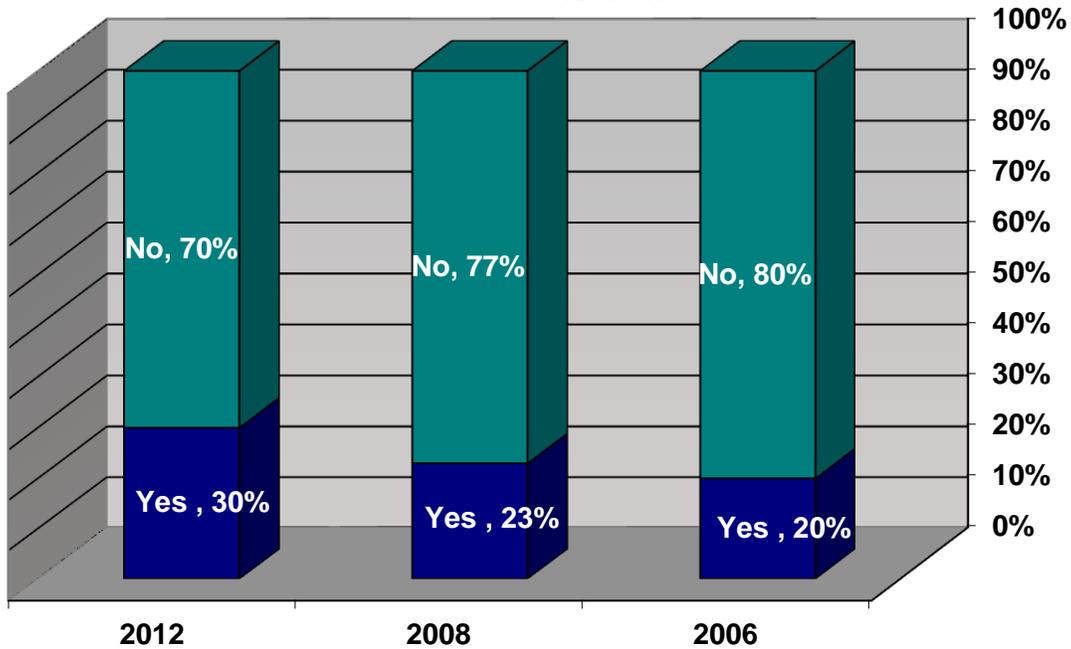
- Customers who prefer to speak Spanish (100 percent) tend to achieve problem resolution by using the automated system alone more so than do those who prefer to speak English (43 percent).



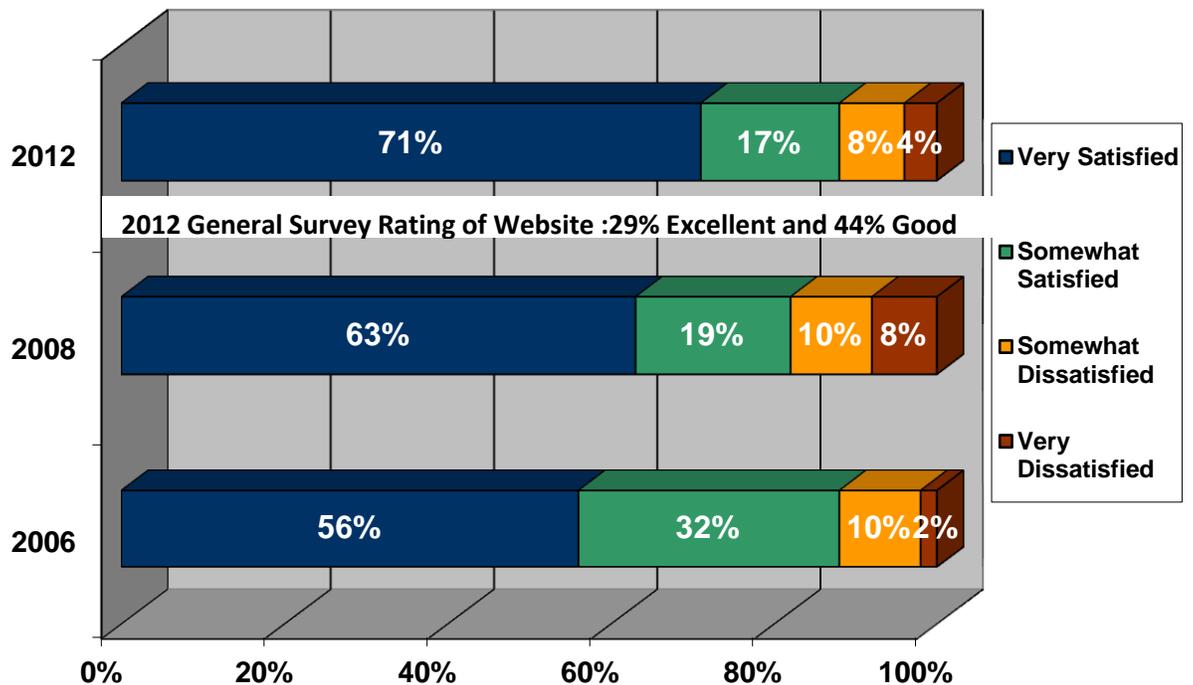
**Website:** **Chart 38** indicates that 30 percent of the customer callers have used the Otay Water District website to obtain information in the past 6 months. There has been a steady increase in the use of the website since 2006 – 20 percent in 2006 and 23 percent in 2008). **Chart 39** shows that 88 percent of these users are either very satisfied (71 percent) or somewhat satisfied (17 percent) with the service provided through the website. This represents an increase in the satisfaction level since 2008 where 82 percent were either very satisfied or somewhat satisfied. The satisfaction level in the 2012 Call Center Survey also represents a return to 2006 levels where the satisfaction rating was also 88 percent. It is noted that the rating of the Otay Water District website in the 2012 General Survey is 73 percent – 15 percent less than the rating in the 2012 Call Center Survey.

- Customers with a bachelor's degree or more education (40 percent) are more likely to use the Otay District website to obtain information than are those who have some college or less (26 percent).

**Chart 38**  
**Use of Website**



**Chart 39**  
**Satisfaction with Web Service**  
(among 30% who have used website)



## **Conclusions**

It is clear that customers of the Otay Water District who have made customer service calls to the District are largely satisfied with the customer service they have received. Customers are generally more satisfied with the Call Center services than ever and are increasingly accepting of efforts to move toward more automated and paperless communications. There is considerable support for the efforts made by the Otay Water District to address customer issues in a timely fashion and to resolve problems to the customers' satisfaction.

## **APPENDIX**

Questionnaire

Frequencies

Open-Ended Responses

**Otay Water District Survey**  
**Call Center Customer Service--2012**

INT. Hello, my name is \_\_\_\_\_. I'm calling on behalf of the Otay Water District. We are conducting a study about some issues having to do with the service you have received from the District. We are interested in your opinions. **[IF NEEDED:]** Are you at least 18 years of age or older? **[IF 18+ HOUSEHOLDER NOT AVAILABLE NOW, ASK FOR FIRST NAME AND MAKE CB ARRANGEMENTS]**

VER. **[VERSION OF INTERVIEW:]**      1 - VERSION A      2 - VERSION B\*

\* = RESPONSE OPTIONS REVERSED ON VERSION B FOR ALL QUESTIONS INDICATED

IC. Let me assure you that no names or addresses are associated with the telephone numbers, and all of your responses are completely anonymous. The questions take about ten minutes. To ensure that my work is done honestly and correctly, this call may be monitored. Do you have a few minutes right now?

**[IF ASKED ABOUT MONITORING:]** My supervisor randomly listens to interviews to make sure we're reading the questions exactly as written and not influencing answers in any way.

TOP. **[ONLY IF ASKED FOR MORE INFORMATION ABOUT TOPIC OR WHO'S SPONSORING IT?:]** This project is sponsored by the Otay Water District, and it's about some issues related to improving customer service. **[IF SPONSOR INFORMATION GIVEN TO RESPONDENT, "TOPIC"=1]**

SEX. **[RECORD GENDER OF RESPONDENT:]**

1 - MALE

2 - FEMALE

LP. **[IF INDICATED BY ACCENT:]** Would you prefer that we speak in...

1 - English or

2 - Spanish?

Q1. Have you or anyone in your household or business called the Otay Water District for service or other help during the past 6 months **[EMPHASIZE 6 MONTHS]**?

1 - YES

2 - NO **-THANK AND TERMINATE INTERVIEW**

9 - DK/REF **-THANK AND TERMINATE INTERVIEW**

Q1a—Please indicate the type of customer you are

1—Residential

2—Business

3—Irrigation

4—Other, SPECIFY \_\_\_\_\_

Q1b. **[IF YES:]** Was the main purpose of your last call...

1 - a repair issue,

2 - a billing issue, or -----> **GO TO Q2**

3 - another issue? ---> **GO TO Q2**

**9 - DK/REF—DO NOT READ -----> GO TO Q3**

Q1c. **[IF REPAIR ISSUE:]** What type of repair did you call about? Was it...

1 - a pipeline break,

2 - a problem with supply to your home,

3—a suspected leak

4 - another problem? [SPECIFY:]\_\_\_\_\_

**9 - DK/REF—DO NOT READ**

Q1d. Did you make any other calls to customer service in the past 6 months that were not repair related?

1—YES

2—NO—**GO TO Q3**

**9 - DK/REF—DO NOT READ –GO TO Q3**

**Q2. What was the reason for your last non-repair related customer service call?**

1—Did not understand bill—[IF Q1b = 1--GO TO Q3—IF Q1b=2 or 3, GO TO Q2a]

2 – Need Assistance with online account ——[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]

3—Thought I was charged too much for the amount of water I used——[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]

4—Thought I used less water than bill indicated/Meter misread——[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]

5---Why different amount from same month last year——[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]

6—Question about message box on bill——[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]

7—Address change——[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]

8---Start service——[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]

9---Stop Service——[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]

10—Reconnect Service after shutoff——[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]

15—Other? SPECIFY \_\_\_\_\_ —[IF Q1b = 1--GO TO Q3— IF Q1b=2 or 3, GO TO Q2a]

**20—DK/REF—DO NOT READ [Go to Q3]**

**Q2a. [IF Q2 = 1-15] Beyond the customer service call you just mentioned, did you make any other calls to customer service in the past 6 months?**

1—YES

2—NO—GO TO Q3

**9 - DK/REF—DO NOT READ –GO TO Q3**

**Q2b. What was the reason for **this other** customer service call? [DO NOT VOLUNTEER]**

1—Did not understand bill

2—Thought I was charged too much for the amount of water I used

3—Thought I used less water than bill indicated/Meter misread

4---Why different amount from same month last year

5—Question about message box on bill

- 6—Address change
- 7---Start service
- 8---Stop Service
- 9—Reconnect Service after shutoff
- 10-- a pipeline break,
- 11 - a problem with supply to your home
- 15—Other? SPECIFY \_\_\_\_\_

**20—DK/REF—DO NOT READ**

Q3. How satisfied or dissatisfied were you with the service you received as far as....

a. your ability to reach a service representative? Were you...\*

- 1 - very satisfied,
- 2 - somewhat satisfied,
- 3 - somewhat dissatisfied, or
- 4 - very dissatisfied?

**9 - DK/REF—DO NOT READ**

b. the courtesy of the service representative? Were you...\*

- 1 - very satisfied,
- 2 - somewhat satisfied,
- 3 - somewhat dissatisfied, or
- 4 - very dissatisfied?

**9 - DK/REF—DO NOT READ**

c. the knowledge and expertise of your service representative? Were you...\*

- 1 - very satisfied,
- 2 - somewhat satisfied,
- 3 - somewhat dissatisfied, or
- 4 - very dissatisfied?

**9 - DK/REF—DO NOT READ**

d. getting your problem resolved? Were you...\*

- 1 - very satisfied,

- 2 - somewhat satisfied,
- 3 - somewhat dissatisfied, or
- 4 - very dissatisfied?

**9 - DK/REF—DO NOT READ**

Q4. Overall, how would you rate the quality of service that you received? Would you say

- 1 - excellent,
- 2 - good,
- 3 - fair
- 4 -poor

**9 - DK/REF—DO NOT READ**

Q5. With regard to the problem or question you called about in the first call you mentioned, how many calls did it take to get your issue resolved?

---

Q5a. **[IF Q5 >1—OTHERWISE, GO TO Q6]** Was your question or problem ultimately resolved to your satisfaction?

- 1-YES
- 2-NO

**9 - DK/REF—DO NOT READ**

Q6. The Otay Water District implemented a new telephone system in June 2011. Have you noticed that the system has changed?

- 1 – Yes
- 2 - No **[GO TO Q7]**
- 9 - DK/REF—**DO NOT READ [GO TO Q7]**

Q6a. Would you say that this new system is ...? **[REVERSE]**

- 1. Better than the previous system?
- 2. About the same as the previous system?
- 3. Worse than the previous system?

Q6b. Please rate the following features of the new phone system on a scale of 1 to 5, where 1 = very effective and 5 = not at all effective.

1 2 3 4 5

Q6b-1. Menu of options

Q6b-2 Clarity of instructions

Q6b-3 Quality of voice providing instructions

Q6b-4 Overall effectiveness of the telephone message  
in guiding you to the services that you needed

**9 - DK/REF—DO NOT READ**

Q7. The Otay Water District-has an Interactive Voice Response feature in their telephone system. This feature provides the customer with account information, total amount due, and last payment received. Have you used this feature?

1—YES

2—NO-----GO TO Q8

**9 - DK/REF—DO NOT READ-----GO TO Q8**

Q7a. [IF Q7= 1] Did you find this feature to be useful?

1—YES

2—NO

**9 - DK/REF—DO NOT READ**

Q7b. When you last called the Otay Water District for customer service, were you able to resolve your question or problem using the automated system only?

1—YES

2—NO

**9 - DK/REF—DO NOT READ**

Q7c. Are there any other features that you would like to have offered by the Interactive Voice Response system?

1—Yes

2—No ---[GO TO Q7e]

**9 - DK/REF—DO NOT READ---[GO TO Q7e]**

Q7d. What is one such additional feature you would like to have offered by the automated system?

---

**99= DK/REF**

Q8. Did your call require a field visit to your property?

1-YES

2-NO -----[GO TO Q14]

**9 - DK/REF—DO NOT READ -----[GO TO Q14]**

Q9. [IF Q8 = 1] What did the field representative do?

---

**[USE THE FOLLOWING CODES BUT DO NOT READ THEM. ENTER ALL OTHER ANSWERS ABOVE—DK/REF = 99]**

<b>1. Checked meter</b>
<b>2. Check/Fix leak</b>
<b>3. Reconnect/turn water on</b>

Q10. How satisfied were you with the field service outcome? Were you\*

1 - very satisfied,

2 - somewhat satisfied,

3 - somewhat dissatisfied, or

4 - very dissatisfied?

9 - DK/REF

Q11. How satisfied were you with the time required to come to your property to provide the field service? Were you\*

1 - very satisfied,

2 - somewhat satisfied,

3 - somewhat dissatisfied, or

4 - very dissatisfied?

**9 - DK/REF—DO NOT READ**

Q12. How satisfied were you with the amount of time the field service representative needed at your property? Were you\*

1 - very satisfied,

2 - somewhat satisfied,

3 - somewhat dissatisfied, or

4 - very dissatisfied?

**9 - DK/REF—DO NOT READ**

Q13. Please rate your overall satisfaction with the field service you received.

1 - excellent,

2 - good,

3 - fair, or

4 - poor?

**9 - DK/REF—DO NOT READ**

Q14. How do you pay your water bill most months?

1—Send check by mail

2—Automatic bank deduction

3—Credit card over the telephone

4—In person at the Otay Water District office

5—In person at payment center

6—On-line (Internet)

**9 - DK/REF—DO NOT READ**

Q15. No matter how you presently pay your bill, how would you prefer to pay your bill most of the time?

- 1—Send check by mail
- 2—Automatic bank deduction
- 3—Credit card over the telephone
- 4—In person at the Otay Water District office
- 5—In person at payment center
- 6—On-line (Internet) -----**GO TO Q16**

**9 - DK/REF—DO NOT READ**

Q15a. [IF Q15 NOT = 6] What can the District do to make paying online or make paperless billing a more appealing option for you?

---

**DK/REF = 99**

**[USE THE FOLLOWING CODES BUT DO NOT READ THEM. ENTER ALL OTHER ANSWERS VERBATIM]**

- 1. THERE IS NOTHING THAT WOULD MAKE ME PAY ONLINE**
- 2. OFFER DISCOUNTS ON THE BILL**

**[IF Q15a = 99, GO TO Q16]**

Q15b. **[IF any answer given to Q15a]** If the District were to do that, how much more likely would you be to pay on-line? Would you say..

- 1. Very likely
- 2. Somewhat likely
- 3. Somewhat unlikely
- 4. Very unlikely
- 9. DK/REF **[DO NOT VOLUNTEER]**

Q16. Would you be interested in receiving your monthly bill from the Otay Water District by e-mail instead of through the Postal Service?

1 - YES

2 - NO

**9 - DK/REF—DO NOT READ**

Q17. How likely are you to choose to go paperless in your bill paying to the District and other regular monthly accounts within the next year or two? That is, you would receive your bill by e-mail and would make your payments in one of several ways (phone, online, automatic deduction) but not by check or cash.

1. Very likely—**GO TO Q18**

2. Somewhat likely—**GO TO Q18**

3. Somewhat unlikely

4. Very unlikely

5. **DK/REF [DO NOT VOLUNTEER]—GO TO Q18**

Q17a. [IF Q17 =3 or 4] What is your major objection to the District going paperless?

1. I do not trust that my banking data is secure

2. I do not use the Internet

3. I feel more in control of my money when I write the checks.

4. Easier for my own accounting/taxes

5. Other, \_\_\_\_\_

**9. DK/REF [DO NOT VOLUNTEER]**

Q18. Regarding your monthly billing, how satisfied are you with the accuracy of your water bill?

1 - very satisfied,

2 - somewhat satisfied,

3 - somewhat dissatisfied, or

4 - very dissatisfied?

**9 - DK/REF—DO NOT READ**

Q19. How confident are you in the accuracy of your monthly meter reading?

1 - very confident,

2 - somewhat confident,

3 – not too confident, or

4 – not at all confident?

**9 - DK/REF—DO NOT READ**

Q20. The Otay Water District has recently implemented a new bill design. It was first mailed to customers in September 2011. How satisfied are you with the ease of understanding this new water bill?

1 - very satisfied,

2 - somewhat satisfied,

3—Neither satisfied nor dissatisfied

4 - somewhat dissatisfied, or

5 - very dissatisfied?

6 – I am not aware of the new bill design **–GO TO Q21**

**9 - DK/REF—DO NOT READ—GO TO Q21**

Q20a. **[IF Q20 NOT = 6 or 9]** Do you think that the previous water bill design is easier to understand than the new bill design?

1 –Yes

2 --No

**9 - DK/REF—DO NOT READ**

Q21. The Otay Water District sends postcards to remind their customers that their water bill has not been paid. How would you prefer to be contacted by the Otay Water District under these circumstances? (select one)

1 – the postcards are fine

2- e-mail

3 - text message

4 – telephone message

8 – other (please specify) \_\_\_\_\_

**9 –DK/REF—DO NOT READ**

Q22. In comparison to other companies that bill you monthly (for example. gas and electric, cable TV, trash collection, among others), how would you rate your overall customer experience with the Otay Water District on a scale of 1-5, where 1 means that the Otay Water District provides the best customer experience in comparison to these other companies and 5 means that the Otay Water District provides the worst experience.

---

Q23. In the past 6 months, have you used the Otay Water District website to obtain information or other services from the Otay Water District?

1—YES

2—NO-----GO TO CUST

**9 - DK/REF—DO NOT READ-----GO TO CUST**

Q23a. **[IF Q23=1]** How satisfied were you with the web service you received? Were you\*

1 - very satisfied,

2 - somewhat satisfied,

3 - somewhat dissatisfied, or

4 - very dissatisfied?

**IN CLOSING, THESE NEXT QUESTIONS ARE FOR COMPARISON PURPOSES ONLY.**

CUST. How long have you been a customer of the Otay Water District?

\_\_\_\_\_YEARS

PPH. How many persons, including yourself, live in your household?

\_\_\_\_\_

99 - DK/REF

TEN. Is your residence owned by someone in your household, or is it rented?

1 - OWN

2 - RENT/OTHER STATUS

**9 - DK/REF—DO NOT READ**

EDU. What is the highest grade or year of school that you have completed and received credit for...

- 1 - high school or less,
- 2 - at least one year of college, trade or vocational school,
- 3 - graduated college with a bachelor's degree, or
- 4 - at least one year of graduate work beyond a bachelor's degree?

**9 - DK/REF—DO NOT READ**

AGE. Please tell me when I mention the category that contains your age...

- 1 - 18 to 24,
- 2 - 25 to 34,
- 3 - 35 to 44,
- 4 - 45 to 54,
- 5 - 55 to 64, or
- 6 - 65 or over?

**9 - DK/REF—DO NOT READ**

ETH. Which of the following best describes your ethnic or racial background...

- 1 - white, not of Hispanic origin;
- 2 - black, not of Hispanic origin;
- 3 - Hispanic or Latino;
- 4 - Asian or Pacific Islander;
- 5 - Native American;
- 6 - Middle Eastern
- 15 - another ethnic group? [SPECIFY:] \_\_\_\_\_

**20 - DK/REF—DO NOT READ**

INC. Now, we don't want to know your exact income, but just roughly, could you tell me if your annual household income before taxes is...

- 1 - under \$25,000,
- 2 - \$25,000 up to but not including \$50,000,
- 3 - \$50,000 up to (but not including) \$75,000,
- 4 - \$75,000 up to (but not including) \$100,000,
- 5 - \$100,000 up to (but not including) \$150,000
6. \$150,000 and over

**9 - DK/REF—DO NOT READ**

LAN. **[LANGUAGE OF INTERVIEW:]**      1 - ENGLISH      2 - SPANISH

## Frequency Tables

### Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	120	39.6	39.6	39.6
	Female	183	60.4	60.4	100.0
	Total	303	100.0	100.0	

**Q1 - Have you or anyone in your household or business called the Otay Water District for service or other help during the past 6 months [EMPHASIZE 6 MONTHS]?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	303	100.0	100.0	100.0

**Q1a - Are you primarily a residential, business, irrigation, or another type water customer?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Residential	301	99.3	99.3	99.3
	Business	2	.7	.7	100.0
	Total	303	100.0	100.0	

**Q1b - Was the main purpose of your last call to Otay Water District...?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	A repair issue	13	4.3	4.3	4.3
	A billing issue	215	71.0	71.7	76.0
	Another issue	72	23.8	24.0	100.0
	Total	300	99.0	100.0	
Missing	DK/REF	3	1.0		
Total		303	100.0		

**Q1c - What type of repair did you call about? Was it...**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	A pipeline break	6	2.0	40.0	40.0
	A problem with supply to your house	2	.7	13.3	53.3
	A suspected leak	5	1.7	33.3	86.7
	Another problem	2	.7	13.3	100.0
	Total	15	5.0	100.0	
Missing	System	288	95.0		
Total		303	100.0		

**Q1d - Did you make any other calls to customer service in the past 6 months that were not repair related?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	8	2.6	53.3	53.3
	No	7	2.3	46.7	100.0
	Total	15	5.0	100.0	
Missing	System	288	95.0		
Total		303	100.0		

**Q2. What was the reason for your last non-repair related customer service call?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Did not understand bill	43	14.2	15.6	15.6
	Need Assistance with online account	26	8.6	9.4	25.0
	Thought I was charged too much for the amount of water I use	37	12.2	13.4	38.4
	Thought I used less water than bill indicated/Meter misread	5	1.7	1.8	40.2
	Why different amount from same month last year	2	.7	.7	40.9
	Question about message box on bill	1	.3	.4	41.3
	Address change	5	1.7	1.8	43.1

	Start service/transfer acct name	52	17.2	18.8	62.0
	Stop service	6	2.0	2.2	64.1
	Reconnect service after shutoff	16	5.3	5.8	69.9
	Other	1	.3	.4	70.3
	Make payment/arrangements	60	19.8	21.7	92.0
	Find out balance	18	5.9	6.5	98.6
	Get rate reduction	4	1.3	1.4	100.0
	Total	276	91.1	100.0	
Missing	DK/REF	5	1.7		
	System	22	7.3		
	Total	27	8.9		
Total		303	100.0		

**Q2a - Beyond the customer service call you just mentioned, did you make any other calls to customer service in the past 6 months?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	45	14.9	16.2	16.2
	No	233	76.9	83.8	100.0
	Total	278	91.7	100.0	
Missing	DK/REF	2	.7		
	System	23	7.6		
	Total	25	8.3		
Total		303	100.0		

**Q2b - What was the reason for this other customer service call?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Did not understand bill	11	3.6	25.0	25.0
	Thought I was charged too much for the amount of water I use	5	1.7	11.4	36.4
	Thought I used less water than bill indicated/Meter misread	2	.7	4.5	40.9
	Address change	1	.3	2.3	43.2
	Start service	5	1.7	11.4	54.5
	Stop service	1	.3	2.3	56.8
	Reconnect service after shutoff	2	.7	4.5	61.4
	Problem with supply to my home	3	1.0	6.8	68.2
	Make payment/arrangements	14	4.6	31.8	100.0
	Total	44	14.5	100.0	
Missing	System	259	85.5		
Total		303	100.0		

**Q3a. your ability to reach a service representative**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	195	64.4	65.9	65.9
	Somewhat satisfied	63	20.8	21.3	87.2
	Somewhat dissatisfied	15	5.0	5.1	92.2
	Very dissatisfied	23	7.6	7.8	100.0
	Total	296	97.7	100.0	
Missing	DK/Refused	7	2.3		
Total		303	100.0		

**Q3b. the courtesy of the service representative**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	209	69.0	71.1	71.1
	Somewhat satisfied	54	17.8	18.4	89.5
	Somewhat dissatisfied	12	4.0	4.1	93.5
	Very dissatisfied	19	6.3	6.5	100.0
	Total	294	97.0	100.0	
Missing	DK/Refused	9	3.0		
Total		303	100.0		

**Q3c. the knowledge and expertise of your service representative**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	198	65.3	67.8	67.8
	Somewhat satisfied	60	19.8	20.5	88.4
	Somewhat dissatisfied	12	4.0	4.1	92.5
	Very dissatisfied	22	7.3	7.5	100.0
	Total	292	96.4	100.0	
Missing	DK/Refused	11	3.6		
Total		303	100.0		

**Q3d. getting your problem resolved**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	197	65.0	66.1	66.1
	Somewhat satisfied	48	15.8	16.1	82.2
	Somewhat dissatisfied	19	6.3	6.4	88.6
	Very dissatisfied	34	11.2	11.4	100.0
	Total	298	98.3	100.0	
Missing	DK/Refused	5	1.7		
Total		303	100.0		

**Q4 - Overall, how would you rate the quality of service that you received?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Excellent	153	50.5	50.7	50.7
	Good	98	32.3	32.5	83.1
	Fair	31	10.2	10.3	93.4
	Poor	20	6.6	6.6	100.0
	Total	302	99.7	100.0	
Missing	DK/REF	1	.3		
Total		303	100.0		

**Q5 - First call: how many calls did it take to get your issue resolved?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	230	75.9	77.2	77.2
	2	37	12.2	12.4	89.6
	3	19	6.3	6.4	96.0
	4	5	1.7	1.7	97.7
	5	7	2.3	2.3	100.0
	Total	298	98.3	100.0	
Missing	DK/REF	5	1.7		
Total		303	100.0		

**Q5a - Was your question or problem ultimately resolved to your satisfaction?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	43	14.2	59.7	59.7
	No	29	9.6	40.3	100.0
	Total	72	23.8	100.0	
Missing	DK/REF	2	.7		
	System	229	75.6		
	Total	231	76.2		
Total		303	100.0		

**Q6 - The Otay Water District implemented a new telephone system in June 2011. Have you noticed that the system has changed?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	39	12.9	14.2	14.2
	No	235	77.6	85.8	100.0
	Total	274	90.4	100.0	
Missing	DK/REF	29	9.6		
Total		303	100.0		

**Q6a. Would you say that this new system is...**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Better than the previous system	15	5.0	38.5	38.5
	About the same as the previous system	17	5.6	43.6	82.1
	Worse than the previous system	7	2.3	17.9	100.0
	Total	39	12.9	100.0	
Missing	System	264	87.1		
Total		303	100.0		

**Q7e1-Rate Menu of options**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very effective	18	5.9	50.0	50.0
	2	5	1.7	13.9	63.9
	3	8	2.6	22.2	86.1
	4	2	.7	5.6	91.7
	Not at all effective	3	1.0	8.3	100.0
	Total	36	11.9	100.0	
Missing	DK/REF	3	1.0		
	System	264	87.1		
Total		267	88.1		

**Q6a. Would you say that this new system is...**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Better than the previous system	15	5.0	38.5	38.5
	About the same as the previous system	17	5.6	43.6	82.1
	Worse than the previous system	7	2.3	17.9	100.0
	Total	39	12.9	100.0	
Missing	System	264	87.1		
Total		303	100.0		

**Q7e2-Rate Clarity of instructions**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very effective	21	6.9	55.3	55.3
	2	5	1.7	13.2	68.4
	3	6	2.0	15.8	84.2
	4	3	1.0	7.9	92.1
	Not at all effective	3	1.0	7.9	100.0
	Total	38	12.5	100.0	
Missing	DK/REF	1	.3		
	System	264	87.1		
	Total	265	87.5		

**Q7e2-Rate Clarity of instructions**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very effective	21	6.9	55.3	55.3
	2	5	1.7	13.2	68.4
	3	6	2.0	15.8	84.2
	4	3	1.0	7.9	92.1
	Not at all effective	3	1.0	7.9	100.0
	Total	38	12.5	100.0	
Missing	DK/REF	1	.3		
	System	264	87.1		
	Total	265	87.5		
Total		303	100.0		

**Q7e3-Rate Quality of voice providing instructions**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very effective	22	7.3	57.9	57.9
	2	8	2.6	21.1	78.9
	3	2	.7	5.3	84.2
	4	3	1.0	7.9	92.1
	Not at all effective	3	1.0	7.9	100.0
	Total	38	12.5	100.0	
Missing	DK/REF	1	.3		
	System	264	87.1		
	Total	265	87.5		
Total		303	100.0		

**Q7e4-Rate Overall effectiveness of the telephone message in guiding you to the services that you needed**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very effective	19	6.3	50.0	50.0
	2	6	2.0	15.8	65.8
	3	6	2.0	15.8	81.6
	4	4	1.3	10.5	92.1
	Not at all effective	3	1.0	7.9	100.0
	Total	38	12.5	100.0	
Missing	DK/REF	1	.3		
	System	264	87.1		
	Total	265	87.5		
Total		303	100.0		

**Q7 - Interactive Voice Response feature: Have you used this feature?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	88	29.0	30.1	30.1
	No	204	67.3	69.9	100.0
	Total	292	96.4	100.0	
Missing	DK/REF	11	3.6		
Total		303	100.0		

**Q7a - Did you find Interactive Voice Response to be useful?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	75	24.8	87.2	87.2
	No	11	3.6	12.8	100.0
	Total	86	28.4	100.0	
Missing	DK/REF	2	.7		
	System	215	71.0		
	Total	217	71.6		
Total		303	100.0		

**Q7b - When you last called the Otay Water District for customer service, were you able to resolve your question or problem using the automated system only?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	39	12.9	45.9	45.9
	No	46	15.2	54.1	100.0
	Total	85	28.1	100.0	
Missing	DK/REF	3	1.0		
	System	215	71.0		
	Total	218	71.9		
Total		303	100.0		

**Q7c - Are there any other features that you would like to have offered by the Interactive Voice Response system?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	24	7.9	29.6	29.6
	No	57	18.8	70.4	100.0
	Total	81	26.7	100.0	
Missing	DK/REF	7	2.3		
	System	215	71.0		
	Total	222	73.3		
Total		303	100.0		

**Q8. Did your call require a field visit to your property?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	41	13.5	13.8	13.8
	No	257	84.8	86.2	100.0
	Total	298	98.3	100.0	
Missing	DK/REF	5	1.7		
Total		303	100.0		

**Q9 - What did the field representative do?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Checked meter	5	1.7	13.2	13.2
	Check/fix leak	6	2.0	15.8	28.9
	Reconnect/turn water on	18	5.9	47.4	76.3
	Other	9	3.0	23.7	100.0
	Total	38	12.5	100.0	
Missing	DK/REF	3	1.0		
	System	262	86.5		
	Total	265	87.5		
Total		303	100.0		

**Q10. How satisfied were you with the field service outcome?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	26	8.6	63.4	63.4
	Somewhat satisfied	6	2.0	14.6	78.0
	Somewhat dissatisfied	1	.3	2.4	80.5
	Very dissatisfied	8	2.6	19.5	100.0
	Total	41	13.5	100.0	
Missing	System	262	86.5		
Total		303	100.0		

**Q11. How satisfied were you with the time required to come to your property to provide the field service?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	24	7.9	60.0	60.0
	Somewhat satisfied	5	1.7	12.5	72.5
	Somewhat dissatisfied	3	1.0	7.5	80.0
	Very dissatisfied	8	2.6	20.0	100.0
	Total	40	13.2	100.0	
Missing	DK/Refused	1	.3		
	System	262	86.5		
	Total	263	86.8		
Total		303	100.0		

**Q12. How satisfied were you with the amount of time the field service representative needed at your property?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	24	7.9	66.7	66.7
	Somewhat satisfied	5	1.7	13.9	80.6
	Somewhat dissatisfied	2	.7	5.6	86.1
	Very dissatisfied	5	1.7	13.9	100.0
	Total	36	11.9	100.0	
Missing	DK/Refused	5	1.7		
	System	262	86.5		
	Total	267	88.1		
Total		303	100.0		

**Q13 - Please rate your overall satisfaction with the field service you received:**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Excellent	22	7.3	53.7	53.7
	Good	9	3.0	22.0	75.6
	Fair	1	.3	2.4	78.0
	Poor	9	3.0	22.0	100.0
	Total	41	13.5	100.0	
Missing	System	262	86.5		

**Q13 - Please rate your overall satisfaction with the field service you received:**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Excellent	22	7.3	53.7	53.7
	Good	9	3.0	22.0	75.6
	Fair	1	.3	2.4	78.0
	Poor	9	3.0	22.0	100.0
	Total	41	13.5	100.0	
Missing	System	262	86.5		
Total		303	100.0		

**Q14 - How do you pay your water bill most months?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Send check by mail	71	23.4	23.6	23.6
	Automatic bank deduction	52	17.2	17.3	40.9
	Credit card over the telephone	49	16.2	16.3	57.1
	In person at the Otay Water District office	12	4.0	4.0	61.1
	In person at payment center	13	4.3	4.3	65.4
	On-line (Internet)	104	34.3	34.6	100.0
	Total	301	99.3	100.0	
Missing	DK/REF	2	.7		

**Q14 - How do you pay your water bill most months?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Send check by mail	71	23.4	23.6	23.6
	Automatic bank deduction	52	17.2	17.3	40.9
	Credit card over the telephone	49	16.2	16.3	57.1
	In person at the Otay Water District office	12	4.0	4.0	61.1
	In person at payment center	13	4.3	4.3	65.4
	On-line (Internet)	104	34.3	34.6	100.0
	Total	301	99.3	100.0	
Missing	DK/REF	2	.7		
Total		303	100.0		

**Q15. No matter how you presently pay your bill, how would you prefer to pay your bill most of the time?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Send check by mail	66	21.8	21.9	21.9
	Automatic bank deduction	56	18.5	18.5	40.4
	Credit card over the telephone	52	17.2	17.2	57.6
	In person at the Otay Water District office	8	2.6	2.6	60.3
	In person at payment center	7	2.3	2.3	62.6
	On-line (Internet)	113	37.3	37.4	100.0
	Total	302	99.7	100.0	
Missing	DK/REF	1	.3		
Total		303	100.0		

**Q15a - What can the District do to make paying online or make paperless billing a more appealing option for you?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	There is nothing that would make me pay online	94	31.0	72.3	72.3
	Offer discounts on the bill	13	4.3	10.0	82.3
	Other	1	.3	.8	83.1
	Like present way of paying	8	2.6	6.2	89.2
	Want paper record/not confident online	4	1.3	3.1	92.3
	Make it easier	7	2.3	5.4	97.7
	Various properties at once/Access multiple banks/mobile app	3	1.0	2.3	100.0
	Total	130	42.9	100.0	
Missing	DK/REF	45	14.9		
	System	128	42.2		
	Total	173	57.1		
Total	303	100.0			

**Q15b - If the District were to do that, how much more likely would you be to pay on-line?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very likely	31	10.2	63.3	63.3
	Somewhat likely	7	2.3	14.3	77.6
	Somewhat unlikely	1	.3	2.0	79.6
	Very unlikely	10	3.3	20.4	100.0
	Total	49	16.2	100.0	
Missing	DK/REF	2	.7		
	System	252	83.2		
	Total	254	83.8		
Total		303	100.0		

**Q16 - Would you be interested in receiving your monthly bill from the Otay Water District by e-mail instead of through the postal service?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	149	49.2	50.7	50.7
	No	145	47.9	49.3	100.0
	Total	294	97.0	100.0	
Missing	DK/REF	9	3.0		
Total		303	100.0		

**Q17. How likely are you to choose to go paperless in your bill paying to the District and other regular monthly accounts within the next year or two?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very likely	149	49.2	49.7	49.7
	Somewhat likely	43	14.2	14.3	64.0
	Somewhat unlikely	28	9.2	9.3	73.3
	Very unlikely	80	26.4	26.7	100.0
	Total	300	99.0	100.0	
Missing	DK/REF	3	1.0		
Total		303	100.0		

**Q17a - What is your major objection to the District going paperless?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	I do not trust that my banking data is secure	12	4.0	11.8	11.8
	I do not use the Internet	28	9.2	27.5	39.2
	I feel more in control of my money when I write the checks	13	4.3	12.7	52.0
	Easier for my own accounting/taxes	10	3.3	9.8	61.8
	Other	1	.3	1.0	62.7
	Want paper confirmation of payment	18	5.9	17.6	80.4
	I will forget to check e-mail	14	4.6	13.7	94.1
	Not confident with computers/e-mail	4	1.3	3.9	98.0
	Renters pay	2	.7	2.0	100.0
	Total	102	33.7	100.0	
Missing	DK/REF	4	1.3		
	System	197	65.0		
	Total	201	66.3		
Total		303	100.0		

**Q18. Regarding your monthly billing, how satisfied are you with the accuracy of your water bill?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	147	48.5	51.9	51.9
	Somewhat satisfied	88	29.0	31.1	83.0
	Somewhat dissatisfied	28	9.2	9.9	92.9
	Very dissatisfied	20	6.6	7.1	100.0
	Total	283	93.4	100.0	
Missing	DK/Refused	20	6.6		
Total		303	100.0		

**Q19. How confident are you in the accuracy of your monthly meter reading?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very confident	117	38.6	41.5	41.5
	Somewhat confident	108	35.6	38.3	79.8
	Not too confident	34	11.2	12.1	91.8
	Not at all confident	23	7.6	8.2	100.0
	Total	282	93.1	100.0	
Missing	DK/REF	21	6.9		
Total		303	100.0		

**Q20 - The Otay Water District has recently implemented a new bill design. It was first mailed to customers in September 2011. How satisfied are you with the ease of understanding this new water bill?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	120	39.6	40.4	40.4
	Somewhat satisfied	69	22.8	23.2	63.6
	Neither satisfied nor dissatisfied	16	5.3	5.4	69.0
	Somewhat dissatisfied	7	2.3	2.4	71.4
	Not aware of the new bill design	71	23.4	23.9	95.3
	DK/REF	14	4.6	4.7	100.0
	Total	297	98.0	100.0	
Missing	Very dissatisfied	6	2.0		
Total		303	100.0		

**Q20a - Do you think that the previous water bill design is easier to understand than the new bill design?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	74	24.4	49.0	49.0
	No	77	25.4	51.0	100.0
	Total	151	49.8	100.0	
Missing	DK/REF	67	22.1		
	System	85	28.1		
	Total	152	50.2		

**Q21 -- How would you prefer to be contacted by the Otay Water District when bill has not been paid?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	The postcards are fine	127	41.9	43.5	43.5
	E-mail	81	26.7	27.7	71.2
	Text message	27	8.9	9.2	80.5
	Telephone message	57	18.8	19.5	100.0
	Total	292	96.4	100.0	
Missing	DK/REF	9	3.0		
	System	2	.7		
	Total	11	3.6		
Total		303	100.0		

**Q22 - In comparison to other companies that bill you monthly, how would you rate your overall customer experience with the Otay Water District?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Best	123	40.6	41.0	41.0
	2	78	25.7	26.0	67.0
	3	69	22.8	23.0	90.0
	4	20	6.6	6.7	96.7
	Worst	10	3.3	3.3	100.0
	Total	300	99.0	100.0	
Missing	DK/REF	3	1.0		

**Q22 - In comparison to other companies that bill you monthly, how would you rate your overall customer experience with the Otay Water District?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Best	123	40.6	41.0	41.0
	2	78	25.7	26.0	67.0
	3	69	22.8	23.0	90.0
	4	20	6.6	6.7	96.7
	Worst	10	3.3	3.3	100.0
	Total	300	99.0	100.0	
Missing	DK/REF	3	1.0		
Total		303	100.0		

**Q23 - In the past 6 months, have you used the Otay Water District website to obtain information or other services from the Otay Water District?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	91	30.0	30.4	30.4
	No	208	68.6	69.6	100.0
	Total	299	98.7	100.0	
Missing	DK/REF	4	1.3		
Total		303	100.0		

**Q23a - How satisfied were you with the web service you received? Were you...**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very satisfied	65	21.5	71.4	71.4
	Somewhat satisfied	15	5.0	16.5	87.9
	Somewhat dissatisfied	7	2.3	7.7	95.6
	Very dissatisfied	4	1.3	4.4	100.0
	Total	91	30.0	100.0	
Missing	System	212	70.0		
Total		303	100.0		

**CUST. How long have you been a customer of the Otay Water District?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	48	15.8	15.9	15.9
	1	11	3.6	3.7	19.6
	2	16	5.3	5.3	24.9
	3	21	6.9	7.0	31.9
	4	8	2.6	2.7	34.6
	5	18	5.9	6.0	40.5
	6	14	4.6	4.7	45.2
	7	9	3.0	3.0	48.2
	8	19	6.3	6.3	54.5
	9	4	1.3	1.3	55.8
	10	24	7.9	8.0	63.8
	11	10	3.3	3.3	67.1
	12	13	4.3	4.3	71.4
	13	6	2.0	2.0	73.4
	14	2	.7	.7	74.1
	15	12	4.0	4.0	78.1
	16	6	2.0	2.0	80.1
	17	2	.7	.7	80.7
	18	1	.3	.3	81.1

19		2	.7	.7	81.7
20		19	6.3	6.3	88.0
21		3	1.0	1.0	89.0
22		1	.3	.3	89.4
23		1	.3	.3	89.7
25		5	1.7	1.7	91.4
26		2	.7	.7	92.0
30		3	1.0	1.0	93.0
31		2	.7	.7	93.7
32		3	1.0	1.0	94.7
33		1	.3	.3	95.0
36		2	.7	.7	95.7
37		2	.7	.7	96.3
40		6	2.0	2.0	98.3
42		1	.3	.3	98.7
43		1	.3	.3	99.0
44		1	.3	.3	99.3
45		1	.3	.3	99.7
53		1	.3	.3	100.0
Total		301	99.3	100.0	
Missing	DK/REF	2	.7		
Total		303	100.0		

**PPH. How many persons, including yourself, live in your household?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	13	4.3	4.3	4.3
	2	65	21.5	21.7	26.1
	3	61	20.1	20.4	46.5
	4	80	26.4	26.8	73.2
	5	47	15.5	15.7	89.0
	6	12	4.0	4.0	93.0
	7	14	4.6	4.7	97.7
	8	6	2.0	2.0	99.7
	12	1	.3	.3	100.0
	Total	299	98.7	100.0	
Missing	DK/REF	4	1.3		
Total		303	100.0		

**TEN. Is your residence owned by someone in your household, or is it rented?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Owned	216	71.3	72.0	72.0
	Rented/Other status	84	27.7	28.0	100.0
	Total	300	99.0	100.0	
Missing	DK/REF	3	1.0		
Total		303	100.0		

**EDU. What is the highest grade or year of school that you have completed and received credit for?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	High school or less	52	17.2	19.0	19.0
	At least one year of college, trade or vocational school	83	27.4	30.3	49.3
	Graduated college with a bachelor's degree	107	35.3	39.1	88.3
	At least one year of graduate work beyond a bachelor's degree	32	10.6	11.7	100.0
	Total	274	90.4	100.0	
Missing	DK/REF	29	9.6		
Total		303	100.0		

**AGE. Please tell me when I mention the category that contains your age...**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 to 34	45	14.9	16.2	16.2
	35 to 44	82	27.1	29.5	45.7
	45 to 54	77	25.4	27.7	73.4
	55 to 64	43	14.2	15.5	88.8
	65 or over	31	10.2	11.2	100.0
	Total	278	91.7	100.0	
Missing	DK/REF	25	8.3		

**AGE. Please tell me when I mention the category that contains your age...**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 to 34	45	14.9	16.2	16.2
	35 to 44	82	27.1	29.5	45.7
	45 to 54	77	25.4	27.7	73.4
	55 to 64	43	14.2	15.5	88.8
	65 or over	31	10.2	11.2	100.0
	Total	278	91.7	100.0	
Missing	DK/REF	25	8.3		
Total		303	100.0		

**ETH. Which of the following best describes your ethnic or racial background..**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	White, not of Hispanic origin	117	38.6	43.3	43.3
	Black, not of Hispanic origin	17	5.6	6.3	49.6
	Hispanic or Latino	110	36.3	40.7	90.4
	Asian or Pacific Islander	20	6.6	7.4	97.8
	Native American	1	.3	.4	98.1
	Middle Eastern	4	1.3	1.5	99.6
	Other	1	.3	.4	100.0
	Total	270	89.1	100.0	
Missing	DK/REF	33	10.9		

**ETH. Which of the following best describes your ethnic or racial background..**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	White, not of Hispanic origin	117	38.6	43.3	43.3
	Black, not of Hispanic origin	17	5.6	6.3	49.6
	Hispanic or Latino	110	36.3	40.7	90.4
	Asian or Pacific Islander	20	6.6	7.4	97.8
	Native American	1	.3	.4	98.1
	Middle Eastern	4	1.3	1.5	99.6
	Other	1	.3	.4	100.0
	Total	270	89.1	100.0	
Missing	DK/REF	33	10.9		
Total		303	100.0		

**Total Household Income**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Under \$25,000	19	6.3	7.7	7.7
	\$25,000 up to (but not including) \$50,000	57	18.8	23.1	30.8
	\$50,000 up to (but not including) \$75,000	52	17.2	21.1	51.8
	\$75,000 up to (but not including) \$100,000	47	15.5	19.0	70.9
	\$100,000 up to (but not including) \$150,000	47	15.5	19.0	89.9
	\$150,000 or more	25	8.3	10.1	100.0
	Total	247	81.5	100.0	
Missing	DK/REF	56	18.5		
Total		303	100.0		

**Language of survey**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	English	296	97.7	97.7	97.7
	Spanish	7	2.3	2.3	100.0
	Total	303	100.0	100.0	

## OPEN-ENDED RESPONSES

### Q2--other reason for non-repair call

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	203	67.0	67.0	67.0
A payment arrangement	1	.3	.3	67.3
A water leak on outside. I didn't make my payment so I called to schedu	1	.3	.3	67.7
About my bill.	1	.3	.3	68.0
Acct balance	1	.3	.3	68.3
Ask about billing cycle	1	.3	.3	68.6
Automatic bill pay didn't transfer after move.	1	.3	.3	69.0
Automatic payment	1	.3	.3	69.3
Balance	2	.7	.7	70.0
Bill arrangement	1	.3	.3	70.3
Bill extension	1	.3	.3	70.6
Billing	1	.3	.3	71.0
Billing seems too high. I am the property manager for this building	1	.3	.3	71.3
Billing and verifying account	1	.3	.3	71.6
Billing arrangement	2	.7	.7	72.3
Billing arrangements.	1	.3	.3	72.6
Bought new washer and wanted a state refund	1	.3	.3	72.9
Call to see if here was a special reduce rate for seniors	1	.3	.3	73.3
Called to find out how much I owed.	1	.3	.3	73.6
Called to notify that I was going to be late with my payment	1	.3	.3	73.9
Change account name.	1	.3	.3	74.3

Change acct info	1	.3	.3	74.6
Check on my bill	1	.3	.3	74.9
Clarify amount due and when.	1	.3	.3	75.2
Credit issue	1	.3	.3	75.6
Current amt due	1	.3	.3	75.9
Discrepancy in the bill.	1	.3	.3	76.2
Moved residences.				
Find a location to pay your bill.	1	.3	.3	76.6
For extension	1	.3	.3	76.9
Forgot 2 pay the bill	1	.3	.3	77.2
Get the account to make a payment.	1	.3	.3	77.6
Got a notice, needed balance	1	.3	.3	77.9
Had to pay bill	1	.3	.3	78.2
Help with paying the bill	1	.3	.3	78.5
How someone could put the water bill in my name	1	.3	.3	78.9
I did not have a bill	1	.3	.3	79.2
I had paid in advance and was not aware it was due again	1	.3	.3	79.5
I had received a sort of collection letter.	1	.3	.3	79.9
I needed to pay the bill.	1	.3	.3	80.2
I wanted to see if they would accept my payment over the phone.	1	.3	.3	80.5
Just to pay bill	1	.3	.3	80.9
Late on bill	1	.3	.3	81.2
Late on my bill so I was making a payment arrangement.	1	.3	.3	81.5
Lifeline benefits	1	.3	.3	81.8
Low water pressure.	1	.3	.3	82.2

Made a payment.	1	.3	.3	82.5
Make a payment	1	.3	.3	82.8
Make a payment arrangement.	1	.3	.3	83.2
Make a payment.	1	.3	.3	83.5
Make payment arrangements	1	.3	.3	83.8
Make sure I was going to pay on time.	1	.3	.3	84.2
Making payment arrangement/extension	1	.3	.3	84.5
Meter is under water	1	.3	.3	84.8
Needed a copy of a bill	1	.3	.3	85.1
Needed a current statement	1	.3	.3	85.5
Needed account number to pay the bill	1	.3	.3	85.8
Needed both spouse names on bill for school	1	.3	.3	86.1
Notice of payment	1	.3	.3	86.5
Online billing	1	.3	.3	86.8
Over charged	1	.3	.3	87.1
Overdue bill.	1	.3	.3	87.5
Pay a bill	1	.3	.3	87.8
Pay bill.	1	.3	.3	88.1
Payment	3	1.0	1.0	89.1
Payment arrangement	1	.3	.3	89.4
Payment arrangements	3	1.0	1.0	90.4
Payment options	1	.3	.3	90.8
Question about service charges	1	.3	.3	91.1
Rental property	1	.3	.3	91.4
Scheduled payment	1	.3	.3	91.7
See when it was going to be disconnected	1	.3	.3	92.1
Sent a fax about a pipe break & invoice-received no call	1	.3	.3	92.4

Sent notice after I paid the bill	1	.3	.3	92.7
Sold property and needed the balance	1	.3	.3	93.1
They turned my water off I was not aware my bill had not been paid.	1	.3	.3	93.4
To arrange payments	1	.3	.3	93.7
To ask for an extension on payment.	1	.3	.3	94.1
To check my balance	1	.3	.3	94.4
To have the exact amount I owed.	1	.3	.3	94.7
To make a payment.	4	1.3	1.3	96.0
To make sure they didn't cut the water off.	1	.3	.3	96.4
To pay bill	1	.3	.3	96.7
To pay bill over the phone.	1	.3	.3	97.0
To pay bill.	1	.3	.3	97.4
To transfer service	1	.3	.3	97.7
To transfer the name of an account.	1	.3	.3	98.0
Wanted to check on balance.	1	.3	.3	98.3
Wanted to find out why I was billed for sewer. Why it has increased.	1	.3	.3	98.7
Wanted to get the total of my bill.	1	.3	.3	99.0
Wanted to know if they could reduce rates as I am now on disability	1	.3	.3	99.3
Wanted to make payment arrangements	1	.3	.3	99.7
Wanted to make sure we received the payment	1	.3	.3	100.0
Total	303	100.0	100.0	

**Q2b--other reason for other call**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	274	90.4	90.4	90.4
Because of them shutting off the water, pump system was destroyed	1	.3	.3	90.8
Bill to high	1	.3	.3	91.1
Billing	3	1.0	1.0	92.1
Billing inquiry	1	.3	.3	92.4
Billing payment	1	.3	.3	92.7
Billing question- current amt	1	.3	.3	93.1
Broken pipe, adjusted water to baseline	1	.3	.3	93.4
Called to pay bill	1	.3	.3	93.7
Change billing name temporarily	1	.3	.3	94.1
Cut off water, to stop leaking into canyon	1	.3	.3	94.4
Had a leaky meter. I don't want the bubbler in my front yard	1	.3	.3	94.7
I needed an extension	1	.3	.3	95.0
I was behind on my water bill and I called to make payment on a date.	1	.3	.3	95.4
Keep putting a wrong \$25.00 lockout charge on my bill 3 times.	1	.3	.3	95.7
Late on my bill so I was making a payment arrangement.	1	.3	.3	96.0
Make a payment	1	.3	.3	96.4
Make payment options because the bill is too high	1	.3	.3	96.7

Pay bill	2	.7	.7	97.4
Pay them.	1	.3	.3	97.7
There was a leak	1	.3	.3	98.0
They accidentally shut off water	1	.3	.3	98.3
To lower my bill	1	.3	.3	98.7
To make my payment	1	.3	.3	99.0
To make sure they didn't cut the water off.	1	.3	.3	99.3
To pay the bill	1	.3	.3	99.7
To pay the bill.	1	.3	.3	100.0
Total	303	100.0	100.0	

**Q7d - What is one such additional feature you would like to have offered by the automated system?**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	286	94.4	94.4	94.4
A quicker operator prompt.	1	.3	.3	94.7
An alternative way to get into account if you don't have your account #.	1	.3	.3	95.0
An early prompt to transfer to customer service rep	1	.3	.3	95.4
An option to connect to customer service directly	1	.3	.3	95.7
I need to know the amount due for the last statement.	1	.3	.3	96.0
I want to be able to pay my water bill over the phone with something other than my account number like using the last 4 of my SSI or my phone number.	1	.3	.3	96.4
I would like access to annual report.	1	.3	.3	96.7
I would like the Interactive Voice Response to be available also on weekends, not only during week days.	1	.3	.3	97.0
Look up bill by name or address	1	.3	.3	97.4
Option which states what cycle, balance of previous bill and current balance.	1	.3	.3	97.7
Pay by card and not use your routing number.	1	.3	.3	98.0
Pay with a card.	1	.3	.3	98.3
They should talk to customer	1	.3	.3	98.7

Total bal due & what needs to be paid before disconnect	1	.3	.3	99.0
Use address, or phone#, ss#, pin #	1	.3	.3	99.3
Voice or touch tone option	1	.3	.3	99.7
Yes, pay by phone.	1	.3	.3	100.0
Total	303	100.0	100.0	

**Q9-other function performed by field rep**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	294	97.0	97.0	97.0
Checked on property lines, was on house side	1	.3	.3	97.4
Checked to see if the water was off.	1	.3	.3	97.7
He checked the meter and installed a bubbler	1	.3	.3	98.0
He did a sewer mark out.	1	.3	.3	98.3
No one showed up, they refused to come out.	1	.3	.3	98.7
They cut off the water	1	.3	.3	99.0
They did not come out.	1	.3	.3	99.3
They said I had to get a plumber	1	.3	.3	99.7
They said they showed but never spoke to anyone	1	.3	.3	100.0
Total	303	100.0	100.0	

**Q15a--other incentive to pay online**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	276	91.1	91.1	91.1
Can all my roommates pay their own portion of the bill by their own checking account?	1	.3	.3	91.4
Connect to his local banks 1 place	1	.3	.3	91.7
Difficulty finding the login.	1	.3	.3	92.1
Give me a senior discount	1	.3	.3	92.4
Hubby likes working w/ wife	1	.3	.3	92.7
I do like to get the paper statement	1	.3	.3	93.1
I want paper for a record	1	.3	.3	93.4
I'm not very good at the internet	1	.3	.3	93.7
It bothers me that I pay more for the water than the sewer	1	.3	.3	94.1
It's easier to make payment on the phone	1	.3	.3	94.4
Like automatic deduction	1	.3	.3	94.7
Lower the water rates and I would have the money on time	1	.3	.3	95.0
Make it cheaper.	1	.3	.3	95.4
Make it easier to navigate the system	1	.3	.3	95.7
More payment centers.	1	.3	.3	96.0
Need hard copies	1	.3	.3	96.4
Never charge to press a button	1	.3	.3	96.7
Never tried it but would like to do that. It would be easier.	1	.3	.3	97.0
Not confident in paperless	1	.3	.3	97.4

Not too friendly, two screens to go through. Make it simple	1	.3	.3	97.7
Rather pay on the phone	1	.3	.3	98.0
Satisfied the way it presently is.	1	.3	.3	98.3
Some kind of mobile app.	1	.3	.3	98.7
Telephone payment is better	1	.3	.3	99.0
Time wise sometimes is not good	1	.3	.3	99.3
We don't trust the internet that well.	1	.3	.3	99.7
Would like it to be broken down for each address.	1	.3	.3	100.0
Total	303	100.0	100.0	

**Q17a-other objection to paperless**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	260	85.8	85.8	85.8
Because you can miss the bill on the email.	1	.3	.3	86.1
Don't get too much email.	1	.3	.3	86.5
Don't like using the pc	1	.3	.3	86.8
Filing	1	.3	.3	87.1
Forget when bill is due	1	.3	.3	87.5
Getting monthly bill is a reminder	1	.3	.3	87.8
Hard copy	1	.3	.3	88.1
I am used to getting paper bill.	1	.3	.3	88.4
I don't check my email enough to be compatible with my lifestyle.	1	.3	.3	88.8
I forget to pay otherwise.	1	.3	.3	89.1
I like having a record	1	.3	.3	89.4
I like the record on file	1	.3	.3	89.8
I like the written documents	1	.3	.3	90.1
I might forget to check on that.	1	.3	.3	90.4
I might forgot	1	.3	.3	90.8
I need a record. I like to see the paper	1	.3	.3	91.1
I pay cash	1	.3	.3	91.4
I prefer to have you bill on hand	1	.3	.3	91.7
I want paper bill for documentation	1	.3	.3	92.1
I want proof that I paid	1	.3	.3	92.4
I want to see my bill, not look it up on the internet.	1	.3	.3	92.7

I will forget to look at my email	1	.3	.3	93.1
I would like to keep a paper record	1	.3	.3	93.4
I'm totally against it I think mail is better.	1	.3	.3	93.7
Lack of responsibility	1	.3	.3	94.1
Like to get paper confirmation in mail. Don't like ads just basic bill	1	.3	.3	94.4
Need the paper record	1	.3	.3	94.7
Need the paper reminder	1	.3	.3	95.0
Not always paid from the same account	1	.3	.3	95.4
Not confident in paperless	1	.3	.3	95.7
Not too good on computer	1	.3	.3	96.0
Paper file record	1	.3	.3	96.4
Physical reminder.	1	.3	.3	96.7
Possibly forget if online.	1	.3	.3	97.0
Prefer having physical bill	1	.3	.3	97.4
Problems with other companies in the past.	1	.3	.3	97.7
Renters are now paying bill	1	.3	.3	98.0
Tangible in your hand reminder of the amount you owe and the date you o	1	.3	.3	98.3
The current tenants have been paying the bill	1	.3	.3	98.7
The paper bill is a good reminder	1	.3	.3	99.0
Two people do it, and we have a record	1	.3	.3	99.3
We have a house of five children we keep track of our expenses.	1	.3	.3	99.7

When you think about the email is just more advertising	1	.3	.3	100.0
Total	303	100.0	100.0	

**Q21--other method to contact when bill not paid**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	301	99.3	99.3	99.3
Email or text before the bill is due	1	.3	.3	99.7
Regular mail	1	.3	.3	100.0
Total	303	100.0	100.0	

**ETH-other: other ethnicity**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	300	99.0	99.0	99.0
Italian and Swedish	1	.3	.3	99.3
Mixed	1	.3	.3	99.7
Spanish & Jewish	1	.3	.3	100.0
Total	303	100.0	100.0	



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	July 11, 2012
SUBMITTED BY:	Rita Bell, Finance Manager	PROJECT:	DIV. NO. All
APPROVED BY:	<input checked="" type="checkbox"/> Joseph R. Beachem, Chief Financial Officer <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Follow-up to Fiscal Year 2013 Budget Workshop		

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

This is an informational item only.

### **COMMITTEE ACTION:**

See Attachment A.

### **PURPOSE:**

To provide responses to the Board's requests for additional information related to the Fiscal Year 2013 Budget Workshop held on May 15, 2012.

### **BACKGROUND:**

The Budget Workshop was held on May 15, 2012 to request approval of the Fiscal Year 2013 Operating and Capital Budget. The Board approved the budget along with the rate increases and transfers. During the workshop, the following questions were asked:

1. How does the District fare in fixed versus variable water charges compared to other agencies?
2. How does the District compare to other agencies in regard to labor cost?

3. How does the District compare to other agencies in staffing full-time equivalent (FTE) employees per customer?
4. What is the payroll savings due to reductions in FTE's taking into account additional outsourcing costs and reductions in other employee related costs?
5. What is the District's Operating Ratio?
6. How do the anticipated OPEB savings at the time of implementation compare to the projected OPEB savings in FY 2013?

## **ANALYSIS:**

### **Fixed vs. Variable Comparison**

The District is in compliance with Best Management Practice (BMP) 1.4 which states that fixed revenues shall not exceed 30% of total revenues. This is one of the criteria the District follows in setting its water rates.

As noted on page 4 of Attachment B, the District is the 8<sup>th</sup> lowest (out of 23 agencies) for combined fixed and variable charges on a 14 unit water consumption basis. The chart on page 5 shows how the District compares looking at only the fixed charges. The District is the 17<sup>th</sup> of 23 agencies. Looking at page 6, the chart shows that the District is the 3<sup>rd</sup> lowest as it relates to the variable portion of revenues.

Balancing revenue stability with rate equity is a complicated process. The District periodically performs rate studies to ensure that rates are equitable to all classes of customers.

### **Labor Cost Comparison**

Staff conducted a survey of special districts providing water and sewer services. Using the FY 2012 budget data of these agencies, the chart on page 7 of Attachment B shows the labor and benefits cost of each agency, divided by the number of customers served. This chart also shows that Otay Water District is the second lowest employee cost per customer at \$337 per customer. This reflects the efficiency of service provided at the District.

### **Staffing per Customer Comparison**

Another way to evaluate efficiency is to compare the number of employees per customer at each agency. Using the same agencies as the labor cost comparison above, Otay is the 4<sup>th</sup> most efficient out of 10 agencies when comparing employee count to customer count.

**Payroll Savings Due to FTE Reductions after Factoring in Outsourcing Costs and Reductions in Other Employee Related Costs**

A chart depicting the net payroll savings due to reductions in FTEs is on page 9 of Attachment B. The workshop focused on the \$10,237,971 total budgeted salary and benefit savings created by the District's reduction of 26.75 FTEs, going from a high of 174.75 FTEs in FY 2007 to the current FY 2013 FTE count of 148. This chart, at the Board's request, also considers the outsourcing costs and related reductions in other employee equipment costs.

Total salary and benefit savings are \$10,237,971. Additional savings of \$137,550 were also realized in related staff equipment savings for items such as trucks, computer work stations, and cell phones. Significant savings were gained through business process reengineering and efficiency improvements focusing on core competency. Through our continuous business process review, the District identified opportunities to outsource non-core functions. As a result, the total savings is reduced by the outsourcing costs required to meet the District's operational goals. The outsourcing costs total \$3,630,680 during that same five-year period. The overall net savings from FY 2007 through FY 2013 is \$6,744,841.

**Operating Ratio**

Each year, the District calculates the debt coverage ratio to ensure compliance with the bond covenants of existing debt. The budget and rate model process also use this important financial measure in rate setting. Staff was asked to calculate the District's Operating Ratio, which is another way to measure financial strength.

The definition of an Operating Ratio is the cost of goods sold plus operating expenses to net sales. The significance is that it shows the productivity of the business. An operating ratio between 75% and 80% is considered standard for manufacturing concerns. The lower the operating ratio the higher the profits. Since the District is a non-profit organization, the higher ratios shown in the attached chart are expected. The difference between the 100% and the lesser value, generally funds reserve requirements (in accordance with the District's Reserve Policy) and coincides with the bond covenant requirements.

**Other Post Employee Benefits (OPEB)**

This informational item is to provide an update on the projected

FY 2013 net savings that is anticipated due to the Board's approval of the increased employee contribution to CalPERS and the enhanced Other Post Employment Benefits (OPEB).

The actuarial firm of Bartel Associates, LLC completed a study of the "June 30, 2011 GASB 45 Actuarial Valuation CalPERS Savings Versus OPEB ARC Increase" on September 30, 2011. In this study, the actuaries evaluated both the additional cost of the OPEB enhancement and the savings that is expected from the employees picking up additional percentages of the CalPERS pension cost. This study projected that the net savings to the District would be \$140,000 in Fiscal Year 2013.

The various employee groups and the unrepresented employees proposed that in place of taking the already agreed upon cost of living as take home pay, that they would redirect this increase into paying for an OPEB enhancement. This would be done by paying greater percentages of the CalPERS cost.

These results were presented to the Board at the October 5, 2011 Board Meeting. In this same report, a peer review of the Bartel Associates, LLC's 2011 actuarial study was presented. This peer review was performed by Milliman, Inc. who found that the valuation did conform to requirements. This review added additional credibility that, in fact, the Board's decision to accept the employee's proposal would result in net savings to the District.

Staff is projecting that the net savings will exceed the projection of the actuaries. The savings is projected to be \$158,000 (CalPERS savings of \$950,000 less OPEB costs of \$792,000). The original savings presented at the May 15<sup>th</sup> Budget Workshop was \$82,000. This has been updated as it did not take into account the CalPERS contribution paid for time while on vacation, sick leave, or holidays. The total savings amount, as noted in the budget book, will be updated to reflect the entire savings for the final print of the budget book.

### **Conclusion**

This information has been provided in an effort to respond to the Board of Directors' questions from the FY 2013 Budget Workshop.





## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Follow-up to Fiscal Year 2013 Budget Workshop
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### **COMMITTEE ACTION:**

The Finance, Administration and Communications Committee discussed this item at a meeting held on June 21, 2012 and the following comments were made:

- Staff indicated that this report is a follow up to the board's request for additional information related to the Budget Workshop held on May 15, 2012.
- It was noted that the District complies with Best Management Practice (BMP) 1.4 which requires that an agency's fixed revenues shall not exceed 30% of its total revenues. The BMP is intended to encourage water conservation. By agencies collecting more of their revenues through variable charges, it encourages conservation.
- The board inquired at the budget workshop how the District compares with the other local water agencies in fixed versus variable charges. In comparing the District's monthly water rate for combined fixed and variable charges for 14 units of water with the other 23 local water agencies, the District is the 8<sup>th</sup> lowest cost water service provider of the 23 local agencies. If only fixed rates are compared, the District would be 17<sup>th</sup> lowest of the 23 local agencies and if only variable rates are compared the District would be the 3<sup>rd</sup> lowest cost provider.
- Staff compared the labor costs of special districts who provide water services. Utilizing the 2012 budget, the District is the 2<sup>nd</sup> lowest employee cost per customer at \$337. The two most comparable agencies to Otay in size and service are Olivenhain MWD and Helix WD, but there are differences between the agencies. Olivenhain, who is the lowest cost at \$237 per customer, has little growth and is smaller in size and Helix, as the 4<sup>th</sup> lowest cost at \$399, has no growth and is slightly larger. It was noted that growth related costs are difficult to quantify. Staff did exclude the Engineering front counter in the calculation as it is paid for by growth.

- In comparing the number of customers served per fulltime equivalent (FTE) employee, the District is above average, or 4<sup>th</sup> most efficient, serving 396 customers per employee. Helix WD is 2<sup>nd</sup> most efficient, serving 415 customers per FTE and is most comparable to Otay. Helix serves a larger customer base, however, it does not provide sewer services and does not have growth. Otay is always adding customers and is expected to equal Helix in size in several years.
- The District has reduced the number of employees from a high of 174.75 FTEs in FY 2007 to 148 FTEs in FY 2013. Each year the District continuously reviews its business processes to improve efficiency and also identifies opportunities to outsource non-core functions. Due to the reduction in FTEs from FY 2007 through 2013, the District has realized a cumulative net savings of \$6,744,841 (represents labor cost savings less the cost to outsource non-core functions and equipment savings). It was noted that the District has been able to reduced its employee count without laying off staff.
- The ratio of cost of goods sold plus operating expenses to net sales represents the organizations *Operating Ratio*. A low operating ratio represents higher profit. As the District is non-profit, it expects that its *Operating Ratio* will be high. Otay does need a small income as required by the District's Bond Covenant which requires that the District have at least \$2 million in revenue over expenses. The District's *Operating Ratio* is 96.6%. The maximum ratio, in order for the District to meet its bond covenant, is 97.3%. It was noted that the District tracks its *Debt Coverage Ratio*, rather than its *Operating Ratio*, which is set at a target of 125% (net revenues must be 125% of debt payments) as it is the ratio utilized by rating agencies.
- It was discussed that Bartel & Associates, LLC (Bartel) had performed an actuarial study to calculate the net savings should employees pay an extra 7% or 7¾% toward PERS in exchange for receiving an additional OPEB benefit. Bartel determined that the District would save \$140,000 in FY 2013. Based on the District's FY 2013 budget, the savings is projected to be \$158,000. It is expected that the District will continue to realize savings annually.
- It was discussed that Milliman had performed a peer review of Bartel's actuary study and had supported Bartel's methods used in its actuary report.

Following the discussion, the Committee recommended presentation to the full board as an informational item.



# FY 2013 BUDGET WORKSHOP FOLLOW-UP

July 11, 2012

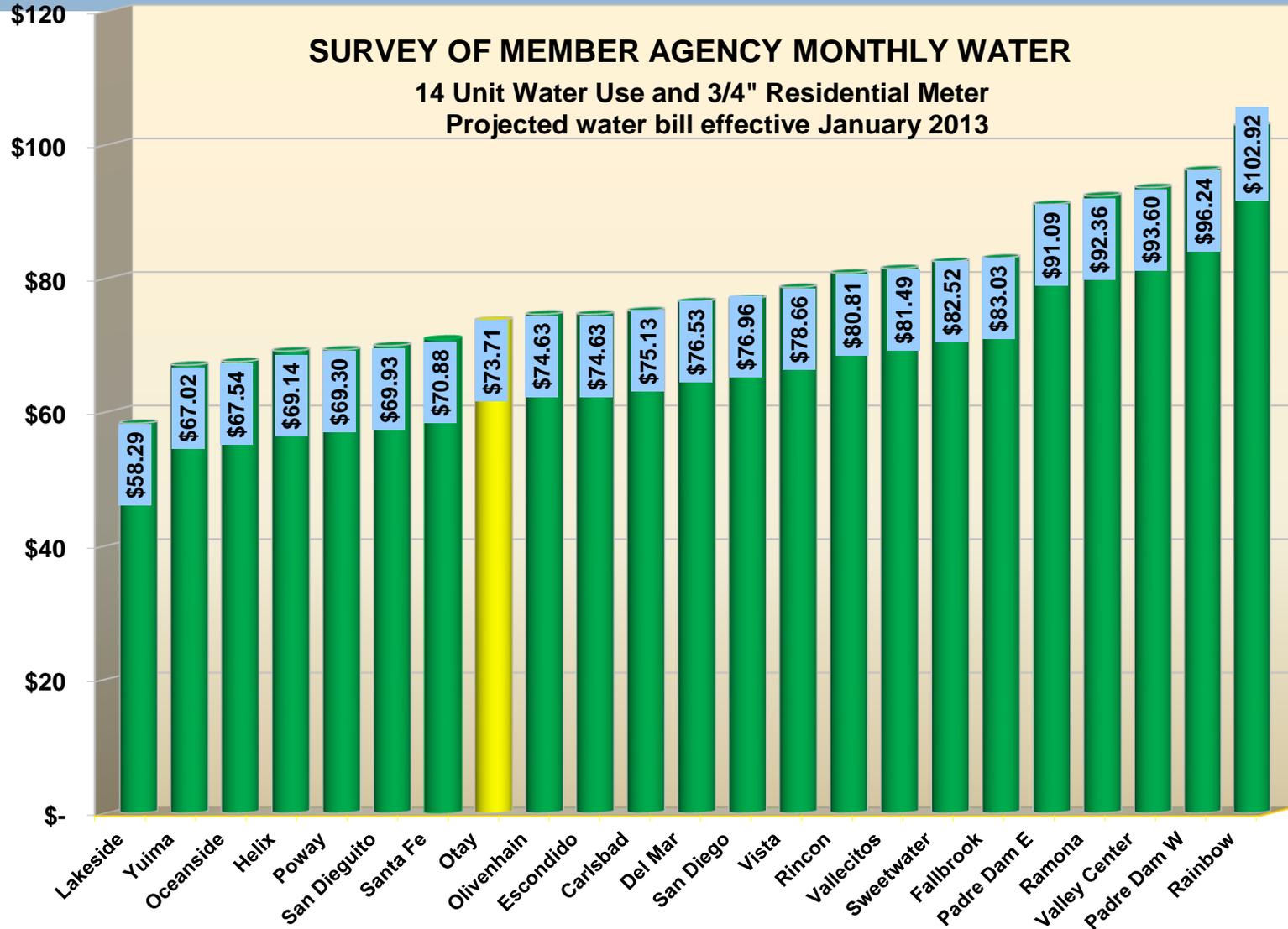
# Budget Workshop

- The Budget Workshop was held on May 15, 2012 to request approval of the Fiscal Year 2013 Operating and Capital Budget.

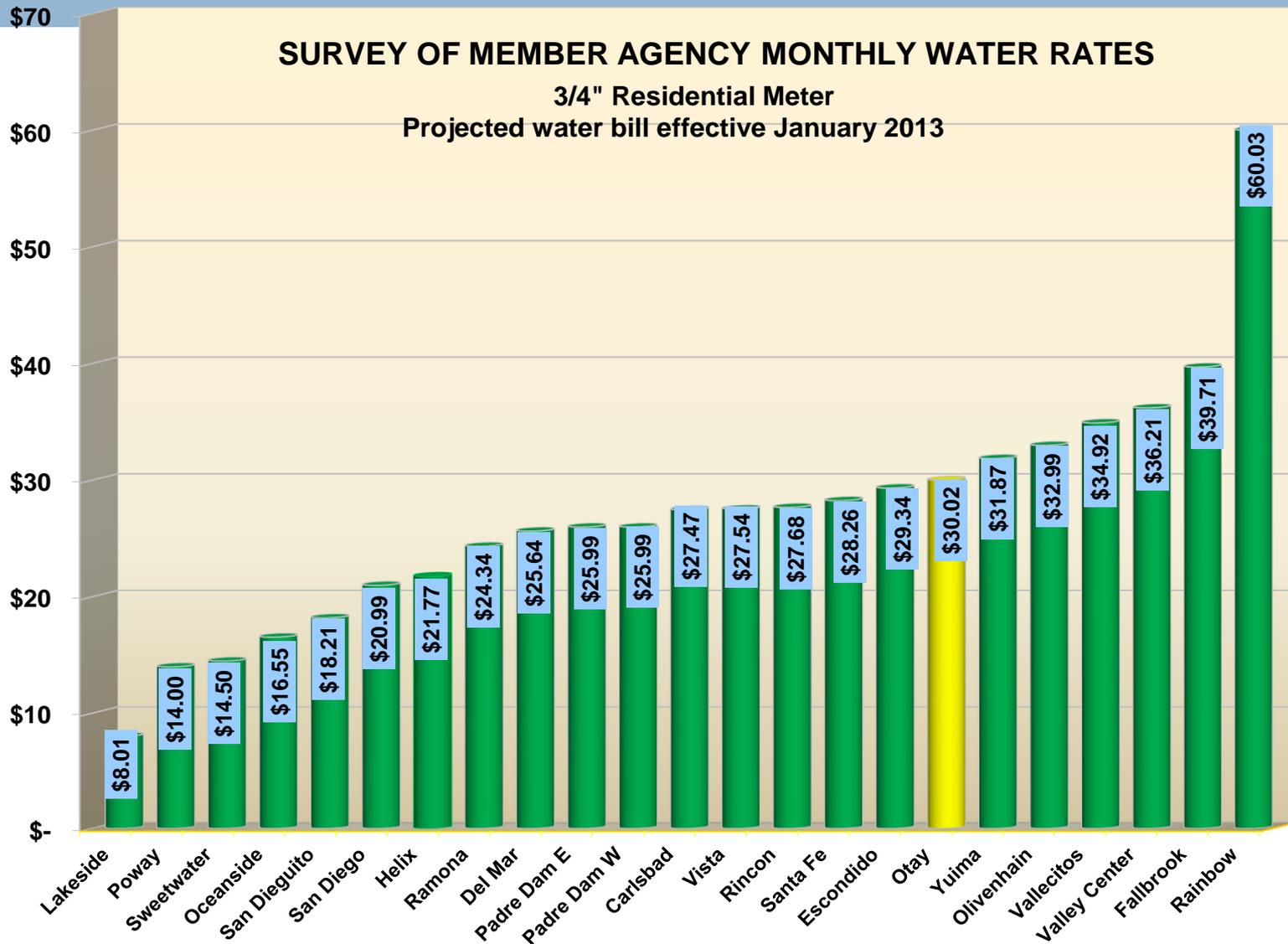
# Follow-up Requests

- Fixed Charges vs. Variable Charges Comparison
- Labor Cost Comparison
- Full-Time Equivalent (FTE) per Customer Comparison
- Payroll Savings Due to FTE Reductions
  - ▣ Outsourcing Costs
  - ▣ Other Employee Related Costs
- Operating Ratio
- Projected OPEB Savings vs. FY 2013 Budgeted

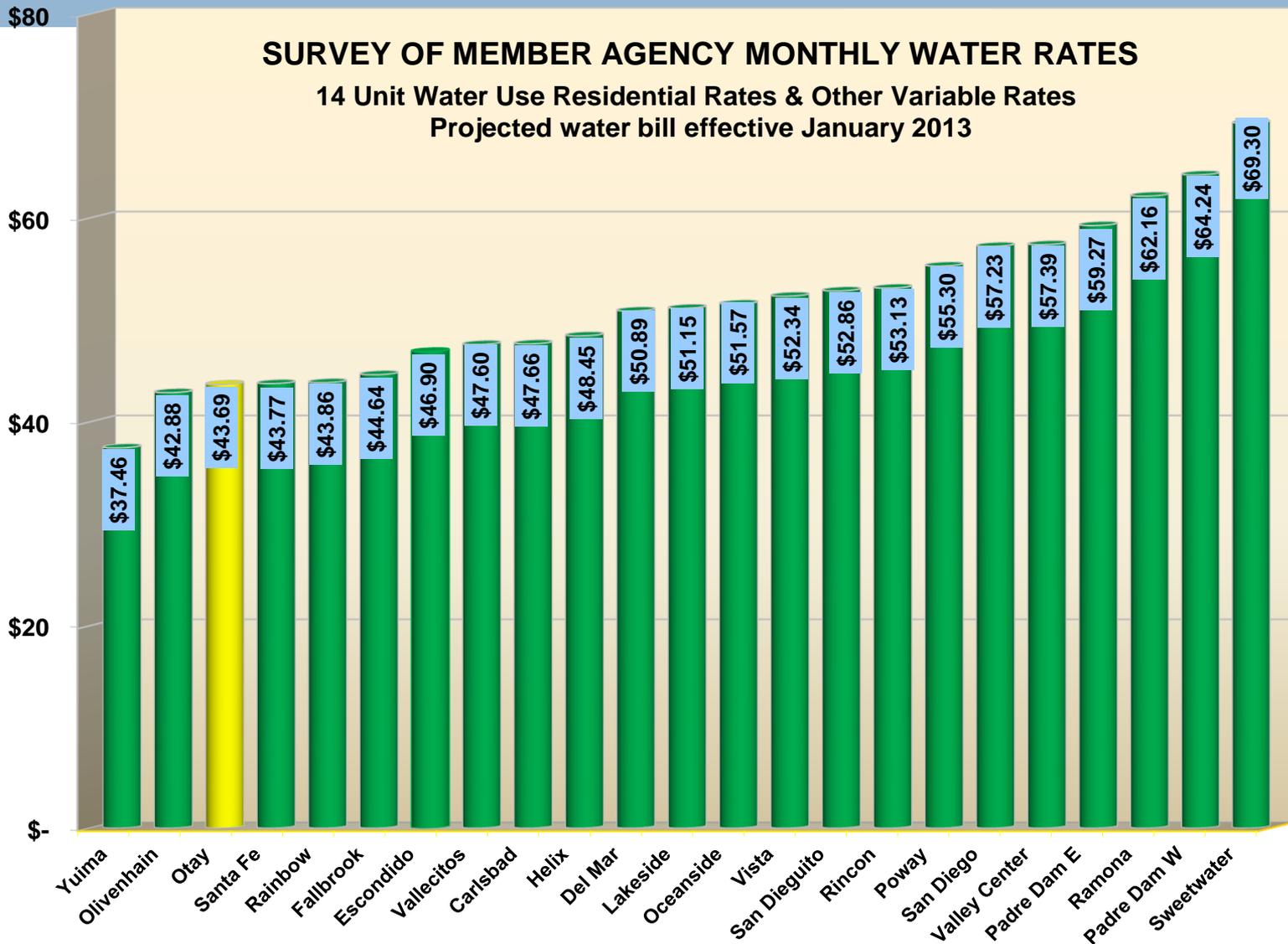
# Total Fixed and Variable Charges



# Fixed Charges



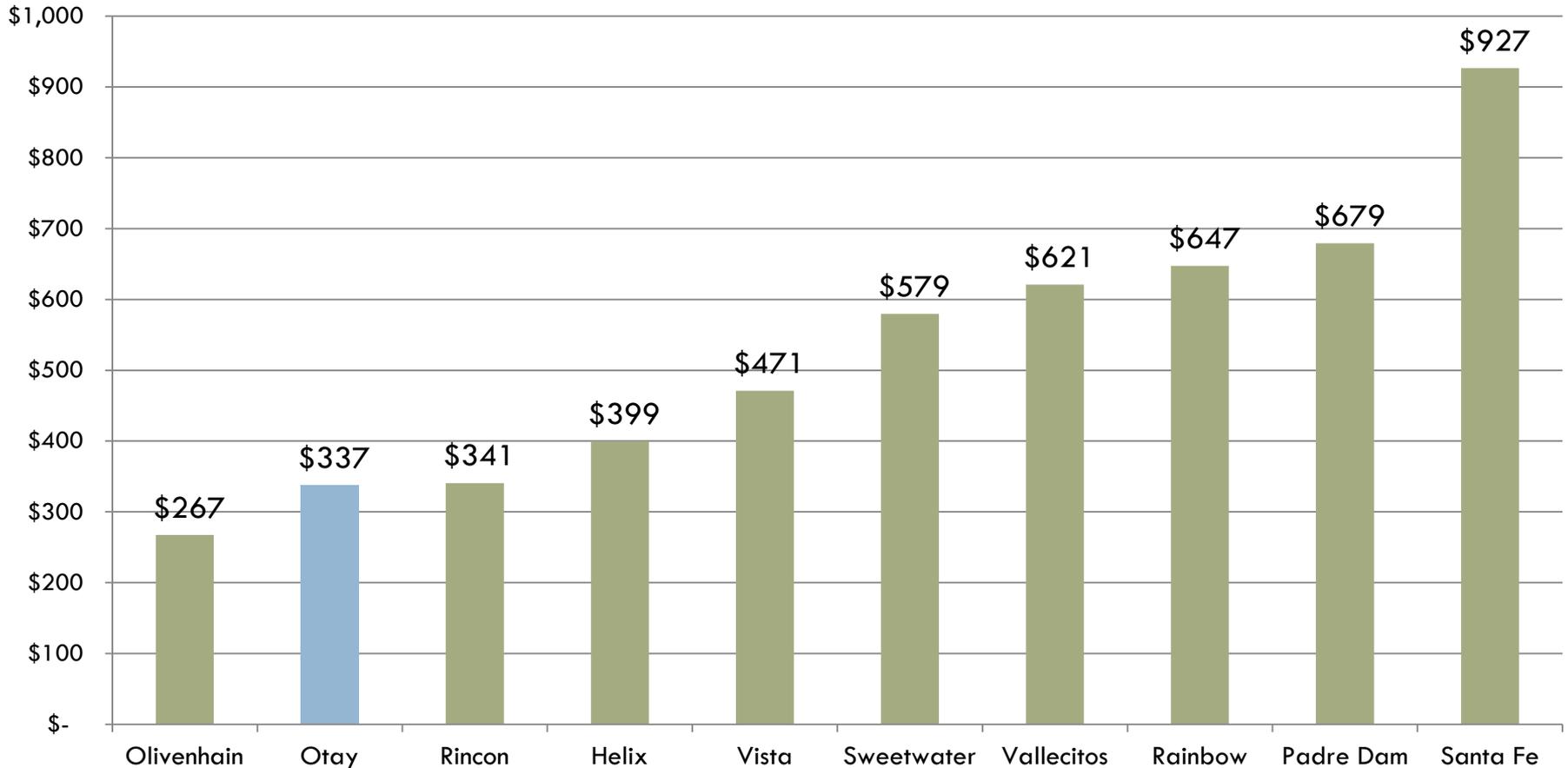
# Variable Charges



# Labor Cost Comparison

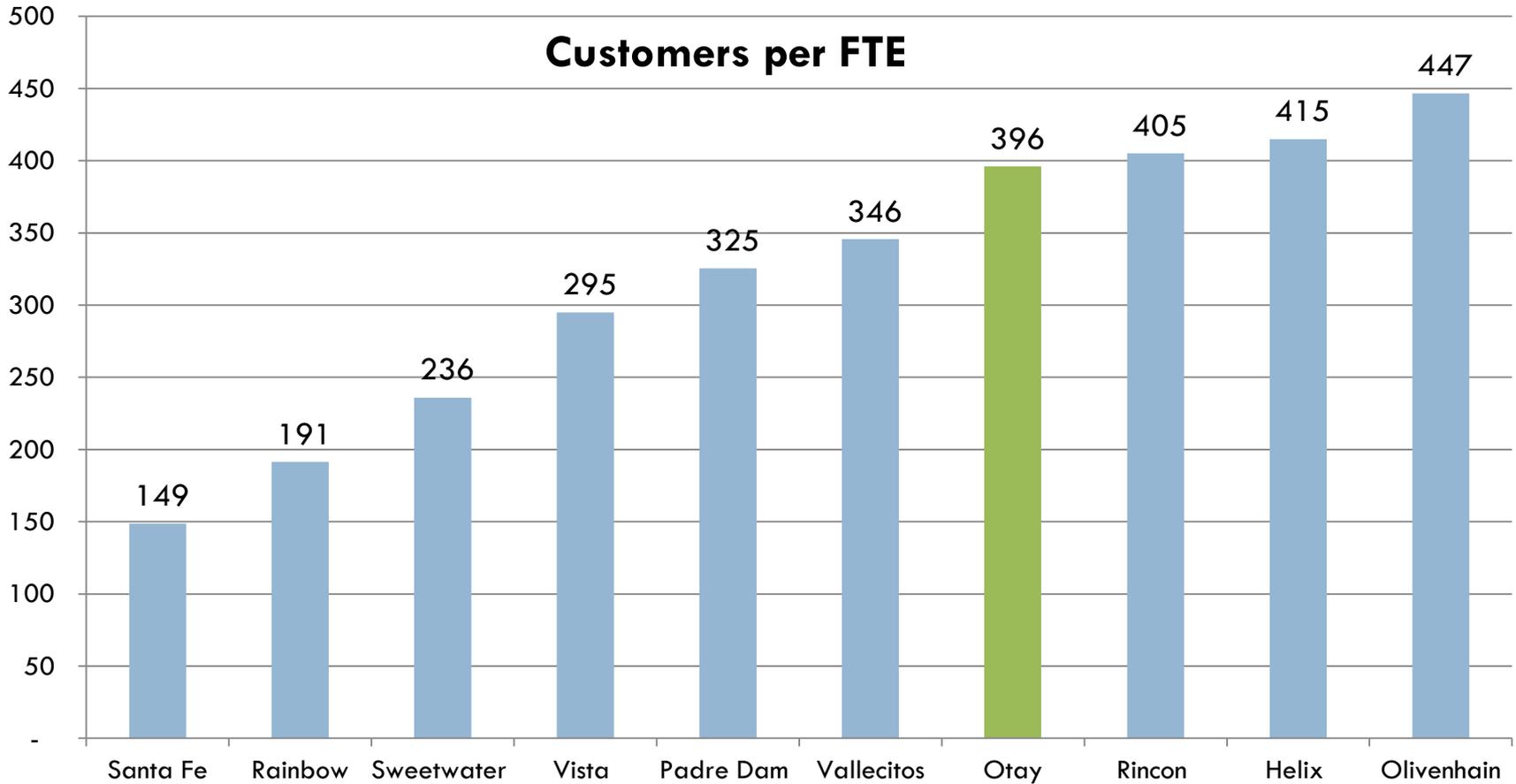
## Annual Salaries & Benefits per Customer

for Special Districts Providing Water & Sewer Services



Note: Excludes municipalities because special districts do not receive support services from other funds. Gathering this data was a difficult process as each district's accounting and budgeting may vary. The comparison was also difficult because each district is unique in size, customer makeup, and terrain.

# FTE per Customer Comparison



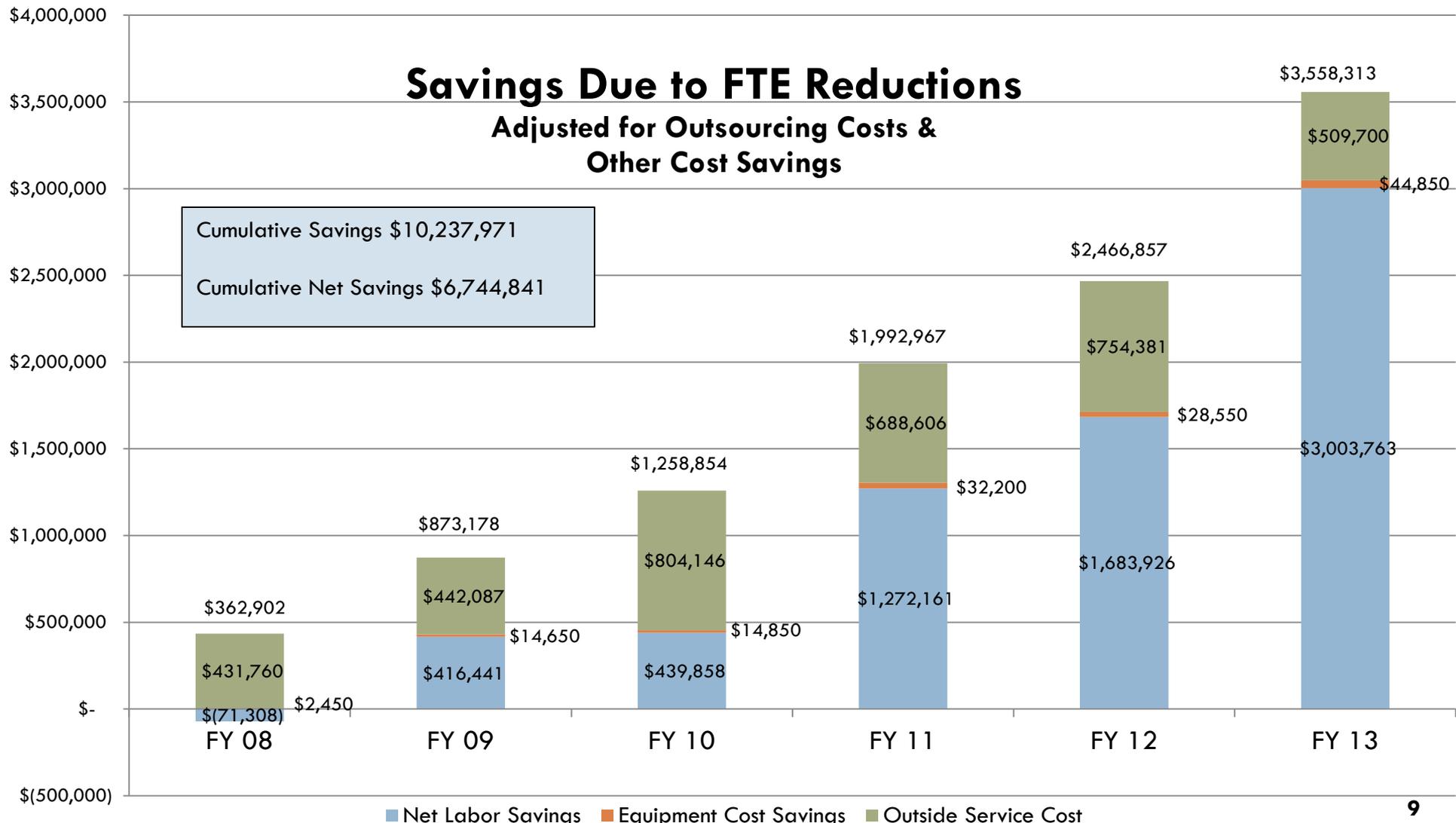
Note: Excludes Otay's growth related FTEs

# Payroll Savings Due to FTE Reductions



## Savings Due to FTE Reductions Adjusted for Outsourcing Costs & Other Cost Savings

Cumulative Savings \$10,237,971  
Cumulative Net Savings \$6,744,841



# Operating Ratio

- Definition: The ratio of cost of goods sold plus operating expenses to net sales.
- Significance: Shows the operational efficiency of the business. An operating ratio between 75% and 80% is considered standard for manufacturing concerns. A lower operating ratio shows higher profit.
- Application: Since the District is a non-profit organization, a higher ratio is to be expected.

# Operating Ratio

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Operating Expenses	<u>\$68.8</u>	<u>\$2.7</u>	<u>\$71.5</u>
Operating Revenues	\$71.3	\$2.7	\$74.0
Operating Ratio	96.5%	100%	96.6%

Note: The difference between the 100% and the lesser value generally funds reserve requirements (in accordance with the District's Reserve Policy) and coincides with the bond covenant requiring that revenues exceed expenses.

# OPEB Savings - Projected vs. Budget

- Bartel & Associates, LLC performed actuarial study
  - ▣ Increase in OPEB benefits paid for with employee PERS contributions.
  - ▣ Projected net savings \$140,000 in FY 2013.
- FY 2013 Budget
  - ▣ Savings projected to be \$158,000.
    - CalPERS savings of \$950,000 less OPEB costs of \$792,000.
  - ▣ Original savings presented at Budget Workshop was \$82,000.
    - Did not take into account the CalPERS contribution paid for time while on vacation, sick leave, or holidays.
  - ▣ Total savings amount will be updated to reflect the entire savings for the final budget.

# Questions?





## STAFF REPORT

TYPE	MEETING
MEETING: Regular Board	DATE: July 11, 2012
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	

### ADMINISTRATIVE SERVICES:

#### Water Conservation and School Education:

- Cash for Water-Smart Plants Program - At the close of fiscal year 2012, the District funded the replacement of over 109,000 square feet of irrigated turfgrass, the District's all-time record. Over the eight years that the District has run this program, the incentive has been \$1 per square-foot and the District has replaced a total of 370,000 square feet (8.5 acres) of irrigated turfgrass with water-smart plants. In FY 2012, the Metropolitan Water District reimbursed the District for the replacement of 72,000 square-feet of turfgrass at \$.70 per square foot.
- Rebate Programs - Beginning this month, District customers will have a chance to receive \$1.50 per square-foot to replace irrigated turfgrass (primarily front yards) with water-smart plants. This program will not be retroactive and interested customers should contact the District's Water Conservation Section for program details.

This fiscal year, rebates are available for a number of water efficient devices including:

- o \$120 rebate for high efficiency clothes washers ( $\leq$  4.0 water factor)
- o Up to \$140 for a residential weather based irrigation controller (less than 1 irrigated acre)
- o \$25 per irrigation station for residential and commercial sites with 1 or more acres of irrigated landscape
- o \$4 per rotating sprinkler nozzle

- o \$75 rebate for high efficiency toilets (*only for multi-family complexes with 4 or more units*) - limited funding available
  - o To see a full list of rebates available, visit the District's website and click on "For Your Home", "For Your Landscape" or "For Your Business"
- Residential Surveys - This fiscal year, the District conducted nearly 260 residential water surveys and two large landscape audits (involving over 23 irrigated acres).
  - School Poster Contest - The District submitted its top four posters to the Metropolitan Water District in early June for possible inclusion in their "2013 Water is Life" calendar.

### **Human Resources:**

- Recognition Luncheon - The District's Recognition Luncheon and BBQ will be held on Wednesday, July 18<sup>th</sup>, at 12:00 p.m., at the Operations Center.
- Otay Activities Committee Event - The Otay Activities Committee is hosting a day at the Del Mar Races on Saturday, July 28<sup>th</sup>.
- Employee Picnic - The Employee Picnic has been scheduled for September 22<sup>nd</sup> at Santee Lakes.
- Performance Evaluations - Management is working to complete annual performance evaluations on most District employees. June 30<sup>th</sup> marks the end of the rating period and meetings will occur with employees in July.
- Benefit Consultant Transition - HR is wrapping up outstanding items with the District's current benefit consultant to include a review and finalize the Dental Plan Document and Summary Plan Description. The District's contract with its new benefit consultant, Alliant, will begin in FY13.
- Recruitments - HR is currently recruiting for IT Manager, Safety and Security Administrator, Finance Manager, Reclamation Plant Operator, Utility Worker, Senior Utility Worker, Utility Crew Leader, and additional placement of District employees on the District's Hazardous Waste Operations and Emergency Response Confined Space Rescue Team.
- New Hires - The District hired three employees during the month of June: Engineering Manager, Senior Civil Engineer and Utility Services Manager.
- "Day 2" New Hire Orientation - The orientation was held for four employees that have been hired within the last few months. This orientation provides a comprehensive review of the District's history and policies.

### **Purchasing and Facilities:**

- Purchase Orders - There were 101 purchase orders processed in June 2012 for a total of \$339,770.22.

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

- Status Update on Strategic Plan Process Evaluation - Staff is in the process of finalizing the Strategic Plan application user-guide. A training session was held on June 6<sup>th</sup> for all departmental secretaries. This quarter we will be holding a trial run of the "to-be" process.
- Online Forms - IT staff implemented the Petty Cash, Check Request and Staff Expense Claim forms in electronic format accessible by all staff on SharePoint. These online forms will help streamline the disbursement process automating the approval workflow and eliminating the need to submit hard copies. Staff is able to attach their documentation directly to the form for their Manager to review. Managers are notified by email when the form is submitted, which includes a hyperlink to the online form and the approval workflow. Finance is then notified once the Manager has taken action.
- ESRI International Conference - The CIO and GIS Manager will be presenting a paper titled "The GIS Centric Enterprise - A Case Study" at the ESRI International User Conference on July 24<sup>th</sup> at the San Diego Convention Center. The conference is the biggest GIS event and will attract more than 13,000 people.
- New GIS Web Viewer - GIS has been working on a new web viewer in conjunction with ESRI's ArcGIS server technology. The new "Otay Water District Operations Dashboard" embraces the latest Flex Viewer template, which is a standard water utility viewer from ESRI. GIS staff has customized the existing template to fit the District's needs. The performance and functions are much improved compared with the current viewer. The deployment of the Flex Viewer will also save the District \$9,000 in annual maintenance fees. GIS staff will start to train the end users in the next month.

### **FINANCE:**

- Meter Read Staff - Staff is preparing to transition another Meter Reader to a position in the Operations Department this month. This transition will mark the second Meter Reader to move to Operations in less than six months. After this

transition, the Meter Read Department will consist of three full-time meter readers and one temporary part-time meter reader.

- Paperless Billing - In early March, staff transitioned approximately 8,000 customers to paperless statements. Since that time, staff has seen a savings of over \$4,000 per month in printing and mailing costs. The District currently has over 19,000 accounts signed up for paperless billing. The overall percentage of customers who use the paperless option is approximately 35%.
- Reserve Policy - The Reserve Policy will be updated to reflect new definitions of fees and to eliminate the Sewer State Loan as this debt has been paid. The Reserve Policy is updated on an as needed basis to reflect changes in fees, debt, and current practices.
- Meter Fees and Costs - Meter fees and meter installation costs will be updated to reflect today's costs and meter technology. These fees have not been updated recently and therefore need to be reviewed and updated. It is recommended that they be adjusted quarterly, using the ENR index, to maintain reasonable levels between fee reviews.
- Investment Policy - The Investment Policy is being reviewed and the delegation of authority to manage investments will be renewed. This is required to be done annually in order to update the Investment Policy and renew the CFO's authority to manage investments.
- Financial Reporting:
  - o For the eleven months ended May 31, 2012, there are total revenues of \$68,638,452 and total expenses of \$69,218,662. The expenses exceeded revenues by \$580,210 as potable water sales are 4.6% and recycled water sales are 7.6% below budgeted levels due to the cooler and wetter than anticipated past fall season. Some of this loss in sales was offset by lower water purchases, as well as savings in payroll and related costs of \$737,755, Material and Maintenance costs of \$451,636, and Administrative costs of \$153,729. Because of the tiered rate structure, when we lose water sales budgeted in the higher tiers, we lose more sales dollars versus budget than units.
  - o The market value shown in the Portfolio Summary and in the Investment Portfolio Details as of May 31, 2012 total \$87,565,353.46 with an average yield to maturity of 0.503%. The total earnings year-to-date are \$535,251.11.

## ENGINEERING AND WATER OPERATIONS:

### *Engineering:*

- **Rancho del Rey Groundwater Well Development:** District staff, the California Department of Public Health (CDPH), and the value engineering and constructability consultant (Arcadis) are currently reviewing Tetra Tech, Inc.'s 90% design submittal to prepare for review meetings scheduled on June 27<sup>th</sup>. Staff held a conference call with the City of Chula Vista to discuss the draft sewer agreement on June 7<sup>th</sup>. A meeting was held on June 6<sup>th</sup> with Sweetwater Authority staff to discuss the option for Sweetwater Authority to operate the facility. Additional activities are underway to secure an Industrial User Discharge Permit from the City of San Diego, a Hazardous Materials Business Plan from the County, a power supply from SDG&E, and a storm drain connection for discharges into the storm drain system. Staff is preparing a request for a grant from the United States Bureau of Reclamation (USBR). Potentially 25% of the cost of the project could be offset if the funds are granted. (P2434)
- **Otay Interconnect Pipeline:** 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. The project currently has two preferred alignments (Proctor Valley Road and Corral Canyon Road). Staff submitted a study to demonstrate "good cause" to the San Diego County Water Authority (SDCWA) for the parallel encroachment along the Proctor Valley Road on May 29<sup>th</sup>. A letter from County Supervisor Greg Cox, in support of the Proctor Valley Road alignment, was reportedly provided during a regular meeting with Supervisor Cox and Maureen Stapleton, General Manager of the SDCWA, on May 22<sup>nd</sup>. Staff made a couple of presentations, one to the Bonita Highlands Homeowner's Association on May 8<sup>th</sup> and one to the Sweetwater Community Planning Group on June 5<sup>th</sup>. (P2511)
- **La Presa System Improvements:** This project consists of demolishing the facilities at the La Presa Pump Station Site, constructing an 850/657 Pressure Reducing Station, demolishing the Dorchester Reservoir site, and installing several interconnections in the 640 Zone. The contractor, TC construction, completed the demolition of the Dorchester Reservoir. The site requires material to be hauled off and final clean up. The project is on budget and anticipated to be completed in July 2012. (P2370)
- **944-1R Recycled Water Pump Station Upgrades & Enhancements:** This project consists of upgrading the 944-1R Pump Station with

one (1) new pump, new pipe configurations, and electrical upgrades to keep up with current and future recycled water demands. The contractor, Sepulveda Construction, Inc., continues to install the instrumentation, pump station piping, and construction of three (3) pressure reducing stations. Project is on budget and anticipated to be completed in July 2012. (R2091)

- **Ralph W. Chapman Water Reclamation Facility Upgrade:** This project consists of an upgrade to the treatment plant to reduce the nitrogen levels in the plant effluent. The upgrade includes modifications to the aeration basins, the addition of energy-efficient turbo blowers and replacement of corroded air piping, a new cover for the filter backwash storage tank, a new filter air scour system, and automation enhancements. The treatment plant was shut down on January 14, 2012. The treatment plant received seed sludge on May 24<sup>th</sup>. The treatment plant is in the startup and commissioning phase and is expected to begin treating sewage by the end of June. NEWest has completed all major components of construction, and will provide support and troubleshooting efforts during the startup of the plant. Project is on budget and construction is anticipated to be completed in June 2012. (R2096)
- **30-Inch, 980 Zone, Hunte Parkway – Proctor Valley/Use Area:** This project consists of the installation of approximately 2,399 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. Care will be exercised to not interfere with the Salt Creek Golf Course business access. The pipeline will increase total water delivery to reduce pressure losses experienced during periods of high demand. The Contractor, Sepulveda Construction Inc., continues with potholing the alignment for conflicts and pipe fabrication submittals. Mobilization for pipe construction is expected in late July or early August due to the long lead time for valve and pipe delivery. Project is on budget and construction is anticipated to be completed in November 2012. (P2514)
- **Avocado, Louisa, Calavo, Challenge, Hidden Mesa Sanitary Sewer Replacement:** This project consists of replacing approximately 4,500 feet of sewer pipeline in Avocado Blvd. and neighboring residential streets. The contractor, Garcia Juarez, completed the sewer replacement on Calavo Dr. and Challenge Blvd. Garcia Juarez is on Louisa Drive and expected to move to Avocado Blvd. at the end of June. Project is on budget and construction is anticipated to be completed in May 2013. (S2019, S2020, S2022, S2026)

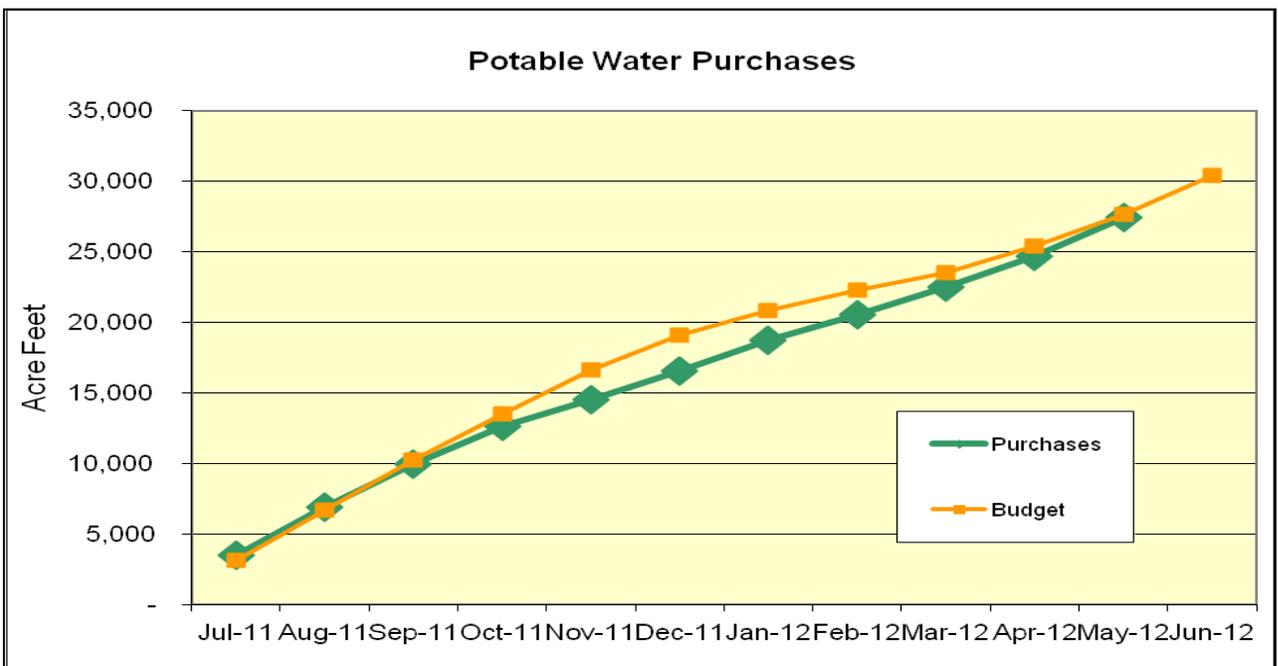
- **850-3 Reservoir Exterior Coating & Upgrades:** This project consists of replacing the exterior coating of the 3.0 MG 850-3 Reservoir, along with providing structural upgrades to ensure the tank complies with both State and Federal OSHA standards, as well as American Water Works Association and County Health Department standards. The contractor, Advanced Industrial Services, Inc., is finalizing the structural modifications to the tank, and will begin work on the coating replacement. Project is anticipated to be completed in July 2012. (P2491)
- For the month of May 2012, the District sold 25 meters (32 EDUs) generating \$297,082 in revenue. Projection for this period was 23 meters (36.7 EDUs) with budgeted revenue of \$281,350. Projected revenue from July 1, 2011 through June 30, 2012 is \$3,716,596 against a budget of \$3,847,160.
- The following table summarizes Engineering's project purchases and Change Orders issued during the period of May 22, 2012 through June 12, 2012 that were within staff signatory authority:

Date	Action	Amount	Contractor/ Consultant	Project
6/12/12	P.O.	\$5,000	RBF Consulting	Calavo Drive and Louisa Drive Sewer Main Replacement and Rehabilitation Improvements (S2033)

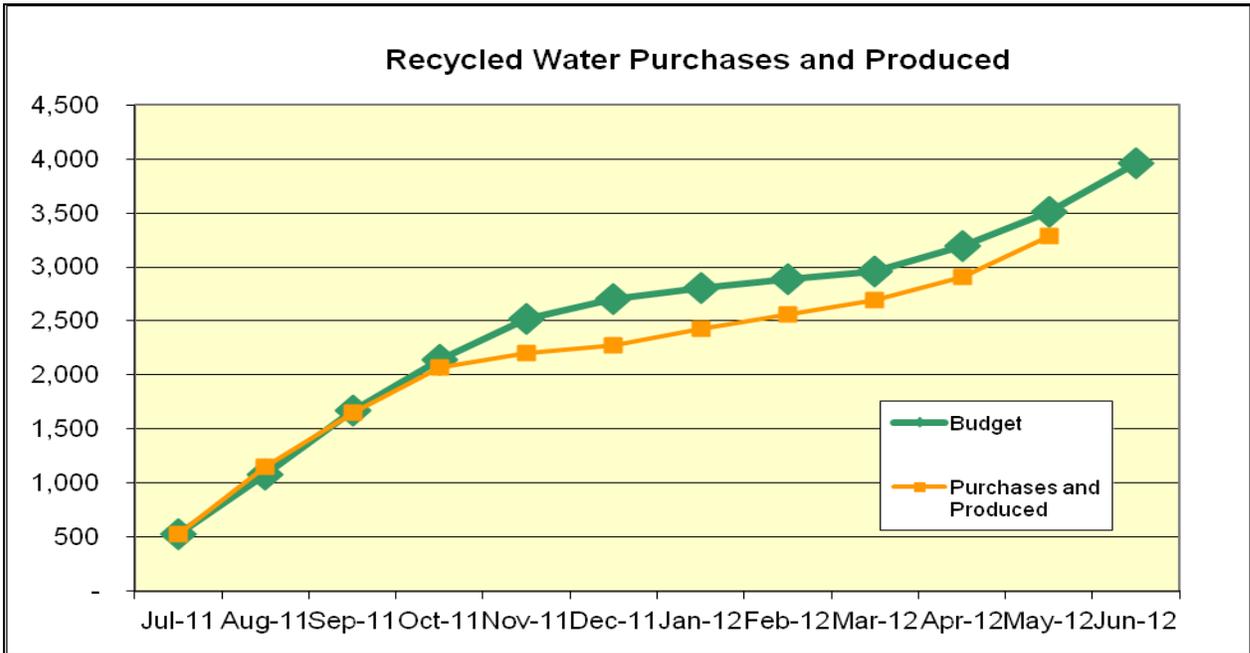
**Water Operations:**

- The Treatment Plant has been offline for facility upgrades since January 14, 2012 with a tentative restart of early June, 2012.
- On May 24, the secondary system of the reclamation plant was started up at 300 gpm using seed sludge from Padre Dam's plant. Overall, the equipment is working well, with a few punch-list items still being done.
- The CDPH approved the language and water quality data in the draft 2012 Consumer Confidence Report. This was the first year that CDPH has reviewed the draft report, which they did for all the agencies in the region.

- On May 16, Operations and Administration staff participated in the regional 2012 Golden Guardian exercise regarding a 5.9 - 6.5 scale earthquake hitting San Diego. Our exercise focused on concurrent main breaks on the 36" and 20" pipelines near the old La Presa pump station site, which resulted in loss of pressure and a public boil water notice.
- Beginning May 29, nitrite levels on County Water Authority's Pipeline 4 are elevated beyond .02 PPM. CWA has increased its flushing of their surge relief facility just downstream of Otay 13 from 3 to 10 CFS. Otay operators are taking all flows to the South District through Otay 12 and chloraminating to ratios in the 5.2 to 5.4:1 range to mitigate these higher nitrite levels
- Total number of potable water meters is 48,746.
- The May potable water purchases were 2,789.2 acre feet which is 25.2% above the budget of 2,228.4 acre feet. The cumulative purchases through May is 27,455.8 acre feet which is 0.7% below the cumulative budget of 27,642.4 acre feet.



- The May recycled water purchases and production was 379.2 acre feet which is 18.7% above the budget of 319.3 acre feet. The cumulative production and purchases through March is 3,290.9 acre feet which is 6.3% below the cumulative budget of 3,510.9 acre feet.



- Recycled water consumption for the month of May is as follows:  
 Total consumption was 264.8 acre-feet or 86,262,352 gallons and the average daily consumption was 2,782,657 gallons per day.  
 Total number of recycled water meters is 701.  
 Total recycled water consumption as of May for FY 2012 is 3,303.8 acre-feet.
  
  - Wastewater flows for the month of May were as follows:
    - Total basin flow, gallons per day: 1,746,110.
    - Spring Valley Sanitation District Flow to Metro, gallons per day: 578,340.
    - Total Otay flow, gallons per day: 1,167,041.
    - Flow Processed at the Ralph W. Chapman Water Recycling Facility, gallons per day: 0.
    - Flow to Metro from Otay Water District, gallons per day: 1,167,770.
- By the end of May there were 6,082 wastewater connections/EDUs.

**OTAY WATER DISTRICT  
COMPARATIVE BUDGET SUMMARY  
FOR ELEVEN MONTHS ENDED MAY 31, 2012**

	Annual Budget	YTD Actual	YTD Budget	YTD Variance	Var %
<b>REVENUES:</b>					
Water Sales	\$ 36,598,100	\$ 31,495,927	\$ 33,028,400	\$ (1,532,473)	(4.6%)
Energy Charges	1,874,000	1,685,826	1,699,700	(13,874)	(0.8%)
System Charges	9,542,100	8,785,271	8,746,000	39,271	0.4%
MWD & CWA Fixed Charges	8,981,500	8,172,624	8,152,800	19,824	0.2%
Penalties	913,100	637,831	812,500	(174,669)	(21.5%)
Total Water Sales	<u>57,908,800</u>	<u>50,777,479</u>	<u>52,439,400</u>	<u>(1,661,921)</u>	<u>(3.2%)</u>
Reclamation Sales	7,395,500	5,978,228	6,473,300	(495,072)	(7.6%)
Sewer Charges	2,336,000	2,232,157	2,138,900	93,257	4.4%
Meter Fees	82,000	122,219	75,200	47,019	62.5%
Capacity Fee Revenues	1,044,000	1,075,750	967,000	108,750	11.2%
Betterment Fees for Maintenance	628,600	591,172	576,200	14,972	2.6%
Non-Operating Revenues	2,021,600	1,847,670	1,813,800	33,870	1.9%
Tax Revenues	3,839,600	3,513,269	3,712,700	(199,431)	(5.4%)
Interest	158,300	73,409	145,100	(71,691)	(49.4%)
Transfer from OPEB	1,380,000	1,265,000	1,265,000	-	0.0%
Transfer from Betterment Reserve	30,000	27,500	27,500	-	0.0%
Transfer from Replacement	120,000	110,000	110,000	-	0.0%
General Fund Draw Down	522,800	479,200	479,200	-	0.0%
Transfer from General Fund	595,000	545,400	545,400	-	0.0%
Total Revenues	<u>\$ 78,062,200</u>	<u>\$ 68,638,452</u>	<u>\$ 70,768,700</u>	<u>\$ (2,130,248)</u>	<u>(3.0%)</u>
<b>EXPENSES:</b>					
Potable Water Purchases	\$ 27,793,100	\$ 24,968,189	\$ 25,118,000	\$ 149,811	0.6%
Recycled Water Purchases	1,452,800	1,503,641	1,322,450	(181,191)	(13.7%)
CWA-Infrastructure Access Charge	1,756,900	1,606,943	1,607,100	157	0.0%
CWA-Customer Service Charge	1,562,600	1,416,010	1,423,300	7,290	0.5%
CWA-Emergency Storage Charge	3,585,800	3,186,942	3,253,700	66,758	2.1%
MWD-Capacity Res Charge	603,900	553,889	558,600	4,711	0.8%
MWD-Readiness to Serve Charge	1,488,600	1,357,777	1,364,500	6,723	0.5%
Subtotal Water Purchases	<u>38,243,700</u>	<u>34,593,391</u>	<u>34,647,650</u>	<u>54,259</u>	<u>0.2%</u>
Power Charges	2,440,900	1,982,274	2,177,900	195,626	9.0%
Payroll & Related Costs	18,119,600	15,956,290	16,694,045	737,755	4.4%
Material & Maintenance	4,300,000	3,358,029	3,809,666	451,636	11.9%
Administrative Expenses	4,180,700	3,436,319	3,590,048	153,729	4.3%
Legal Fees	380,000	361,459	348,333	(13,125)	(3.8%)
Expansion Reserve	555,000	508,800	508,800	-	0.0%
Replacement Reserve	3,330,000	3,052,500	3,052,500	-	0.0%
Transfer to Sewer Fund Reserve	786,800	721,200	721,200	-	0.0%
Transfer to General Fund Reserve	2,420,500	2,218,800	2,218,800	-	0.0%
Transfer to Sewer Replacement	1,720,000	1,576,700	1,576,700	-	0.0%
Transfer to New Supply Reserve	1,585,000	1,452,900	1,452,900	-	0.0%
Total Expenses	<u>\$ 78,062,200</u>	<u>\$ 69,218,662</u>	<u>\$ 70,798,542</u>	<u>\$ 1,579,880</u>	<u>2.2%</u>
<b>EXCESS REVENUES(EXPENSE)</b>	<u>\$ -</u>	<u>\$ (580,210)</u>	<u>\$ (29,842)</u>	<u>\$ (550,368)</u>	

**OTAY WATER DISTRICT  
INVESTMENT PORTFOLIO REVIEW  
MAY 31, 2012**

**INVESTMENT OVERVIEW & MARKET STATUS:**

The federal funds rate has remained constant now for over 41-months. 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 June 20, 2012. They went on to say: “*The Committee currently anticipates that economic conditions--including low rates of resource utilization and a subdued outlook for inflation over the medium run--are likely to warrant exceptionally low levels for the federal funds rate at least through late-2014.*”

Despite the large drop in available interest rates, the District’s overall effective rate of return at May 31st was 0.49%, which was a decrease of 3 basis points (0.03%) from the prior month. At the same time the LAIF return on deposits has fluctuated slightly over the last several months, reaching an average effective yield of 0.36% for the month of May 2012. 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 are being considered at this time.

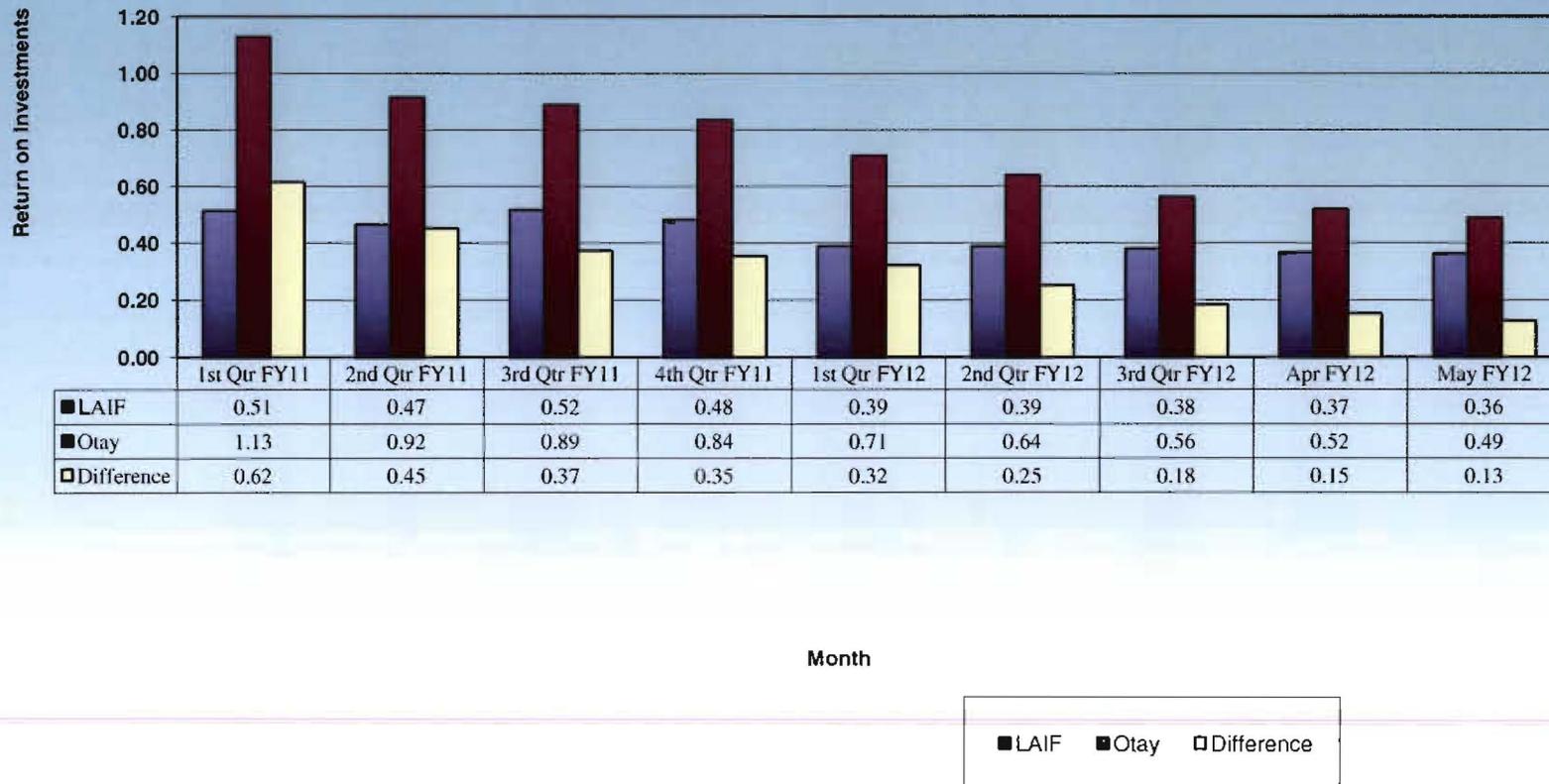
In accordance with the District’s Investment Policy, all District funds continue to be managed based on the objectives, in priority order, of safety, liquidity, and return on investment.

**PORTFOLIO COMPLIANCE: May 31, 2012**

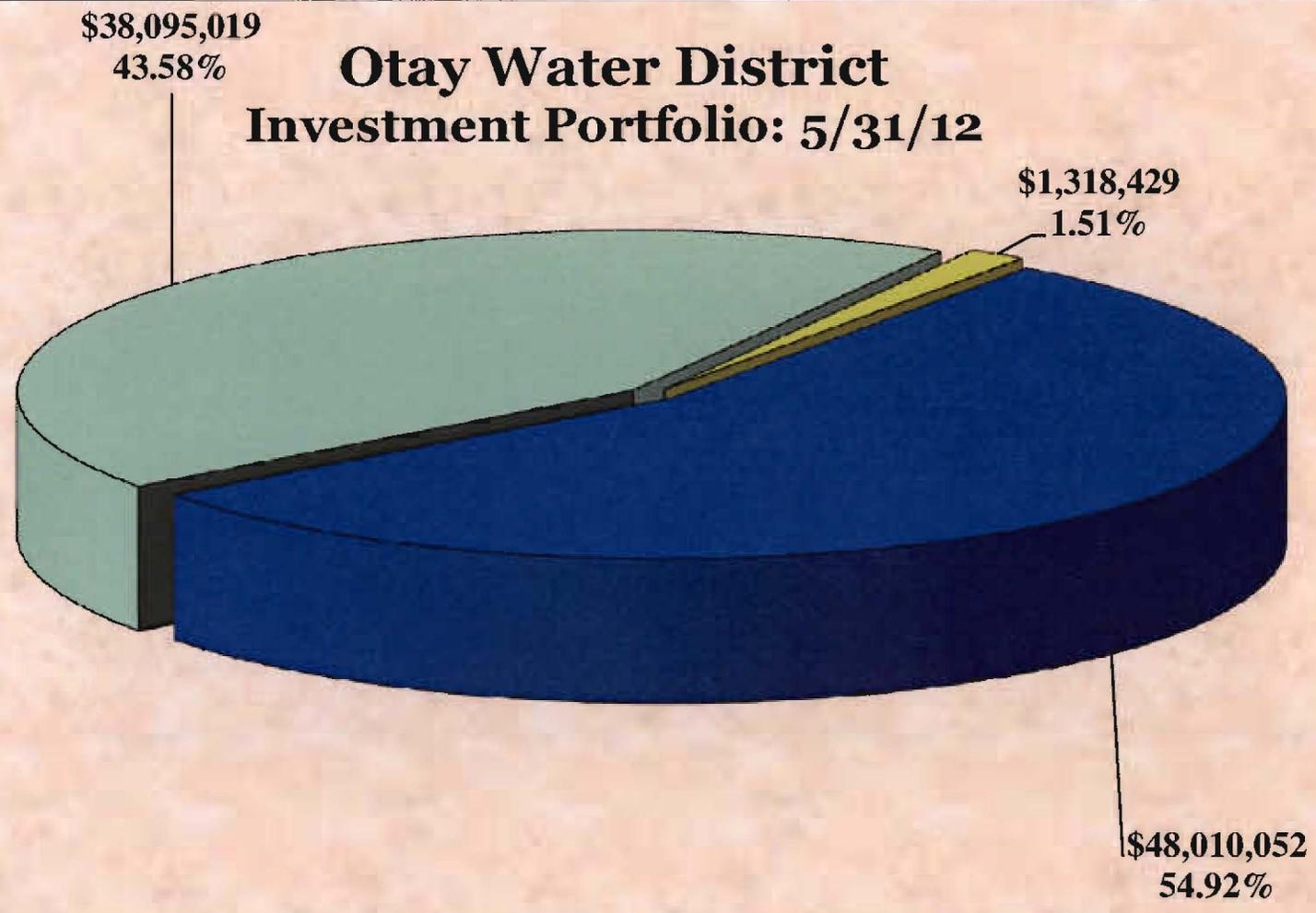
	<u>Investment</u>	<u>State Limit</u>	<u>Otay Limit</u>	<u>Otay Actual</u>
8.01:	Treasury Securities	100%	100%	0
8.02:	Local Agency Investment Fund (Operations)	\$50 Million	\$50 Million	\$21.83 Million
8.02:	Local Agency Investment Fund (Bonds)	100%	100%	4.65%
8.03:	Federal Agency Issues	100%	100%	43.58%
8.04:	Certificates of Deposit	30%	15%	0.09%
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%	25.29%
12.0:	Maximum Single Financial Institution	100%	50%	1.42%

## Performance Measure F-12 Return on Investment

**Target: Meet or Exceed 100% of LAIF**



# Otay Water District Investment Portfolio: 5/31/12



■ Banks (Passbook/Checking/CD)

■ Pools (LAIF & County)

■ Agencies & Corporate Notes

**OTAY  
Portfolio Management  
Portfolio Summary  
May 31, 2012**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Federal Agency Issues- Callable	38,097,000.00	38,108,723.45	38,095,018.95	44.20	870	682	0.633	0.642
Certificates of Deposit - Bank	81,326.80	81,326.80	81,326.80	0.09	731	600	0.280	0.284
Local Agency Investment Fund (LAIF)	25,900,832.35	25,932,201.18	25,900,832.35	30.05	1	1	0.358	0.363
San Diego County Pool	22,109,219.22	22,206,000.00	22,109,219.22	25.65	1	1	0.450	0.456
<b>Investments</b>	<b>86,188,378.37</b>	<b>86,328,251.43</b>	<b>86,186,397.32</b>	<b>100.00%</b>	<b>386</b>	<b>303</b>	<b>0.503</b>	<b>0.510</b>
<b>Cash</b>								
Passbook/Checking (not included in yield calculations)	1,237,102.03	1,237,102.03	1,237,102.03		1	1	0.222	0.225
<b>Total Cash and Investments</b>	<b>87,425,480.40</b>	<b>87,565,353.46</b>	<b>87,423,499.35</b>		<b>386</b>	<b>303</b>	<b>0.503</b>	<b>0.510</b>

Total Earnings	May 31 Month Ending	Fiscal Year To Date
Current Year	38,173.74	535,251.11
Average Daily Balance	90,895,413.79	96,497,284.09
Effective Rate of Return	0.49%	0.60%

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.

  
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 Joseph Beachem, Chief Financial Officer

6-20-12

**OTAY**  
**Portfolio Management**  
**Interest Earnings Summary**  
**May 31, 2012**

	May 31 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	21,566.67	403,959.58
Plus Accrued Interest at End of Period	65,052.64	64,754.17
Less Accrued Interest at Beginning of Period	( 66,193.62)	( 123,435.54)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	20,425.69	345,278.21
Adjusted by Premiums and Discounts	114.75	744.64
Adjusted by Capital Gains or Losses	0.00	400.00
Earnings during Periods	20,540.44	346,422.85
<b>Pass Through Securities:</b>		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
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
<b>Cash/Checking Accounts:</b>		
Interest Collected	416.06	210,664.58
Plus Accrued Interest at End of Period	451,597.74	451,598.19
Less Accrued Interest at Beginning of Period	( 434,380.50)	( 473,434.51)
Interest Earned during Period	17,633.30	188,828.26
<b>Total Interest Earned during Period</b>	<b>38,058.99</b>	<b>534,106.47</b>
<b>Total Adjustments from Premiums and Discounts</b>	<b>114.75</b>	<b>744.64</b>
<b>Total Capital Gains or Losses</b>	<b>0.00</b>	<b>400.00</b>
<b>Total Earnings during Period</b>	<b>38,173.74</b>	<b>535,251.11</b>

**OTAY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**May 31, 2012**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity	Maturity Date
<b>Federal Agency Issues- Callable</b>												
31331KZF0	2219	Federal Farm Credit Bank		09/23/2011	3,000,000.00	2,999,550.00	2,999,479.63	0.481	AA	0.486	570	12/23/2013
3133EAE9	2241	Federal Farm Credit Bank		05/09/2012	1,360,000.00	1,359,564.80	1,360,000.00	0.550		0.542	1,001	02/27/2015
313378KU4	2233	Federal Home Loan Bank		03/12/2012	3,000,000.00	3,002,040.00	3,000,000.00	0.500		0.493	833	09/12/2014
3133794G1	2239	Federal Home Loan Bank		05/15/2012	3,000,000.00	3,000,120.00	3,000,000.00	0.500		0.493	713	05/15/2014
3137EACK3	2146	Federal Home Loan Mortgage		05/28/2010	2,000,000.00	2,002,900.00	1,999,930.99	1.125	AAA	1.154	56	07/27/2012
3137EACK3A	2148	Federal Home Loan Mortgage		05/28/2010	1,030,000.00	1,031,493.50	1,030,000.00	1.125	AAA	1.108	56	07/27/2012
3137EACK3B	2149	Federal Home Loan Mortgage		05/28/2010	2,707,000.00	2,710,925.15	2,707,000.00	1.125	AAA	1.109	56	07/27/2012
3134G3AC4	2226	Federal Home Loan Mortgage		12/06/2011	3,000,000.00	3,001,710.00	3,000,000.00	0.600		0.592	553	12/06/2013
3134G3AQ3	2227	Federal Home Loan Mortgage		11/30/2011	2,000,000.00	2,002,740.00	2,000,000.00	0.710	AA	0.700	728	05/30/2014
3134G3BN9	2228	Federal Home Loan Mortgage		12/05/2011	2,000,000.00	2,004,040.00	2,000,000.00	0.770	AA	0.759	734	06/05/2014
3134G3SS0	2232	Federal Home Loan Mortgage		03/22/2012	3,000,000.00	3,004,680.00	3,000,000.00	0.540		0.533	843	09/22/2014
3135G0JG9	2234	Federal National Mortgage Assoc		03/26/2012	3,000,000.00	3,003,840.00	2,998,608.33	0.520		0.533	847	09/26/2014
3135G0KL6	2238	Federal National Mortgage Assoc		04/30/2012	3,000,000.00	2,992,110.00	3,000,000.00	0.500		0.493	881	10/30/2014
3135G0KS1	2240	Federal National Mortgage Assoc		05/10/2012	3,000,000.00	2,995,350.00	3,000,000.00	0.560		0.552	984	02/10/2015
3135G0LF8	2242	Federal National Mortgage Assoc		05/24/2012	3,000,000.00	2,997,660.00	3,000,000.00	0.500		0.493	906	11/24/2014
<b>Subtotal and Average</b>			<b>38,131,094.31</b>		<b>38,097,000.00</b>	<b>38,108,723.45</b>	<b>38,095,018.95</b>			<b>0.633</b>	<b>682</b>	
<b>Certificates of Deposit - Bank</b>												
2050003183-5	2229	California Bank & Trust		01/22/2012	81,326.80	81,328.80	81,326.80	0.280		0.280	600	01/22/2014
<b>Subtotal and Average</b>			<b>81,326.80</b>		<b>81,326.80</b>	<b>81,326.80</b>	<b>81,326.80</b>			<b>0.280</b>	<b>600</b>	
<b>Local Agency Investment Fund (LAIF)</b>												
LAIF	9001	STATE OF CALIFORNIA		07/01/2004	21,833,255.74	21,859,698.28	21,833,255.74	0.363		0.358	1	
LAIF BABS 2010	9012	STATE OF CALIFORNIA		04/21/2010	4,067,576.61	4,072,502.90	4,067,576.61	0.363		0.358	1	
<b>Subtotal and Average</b>			<b>28,043,574.29</b>		<b>25,900,832.35</b>	<b>25,932,201.18</b>	<b>25,900,832.35</b>			<b>0.358</b>	<b>1</b>	
<b>San Diego County Pool</b>												
SD COUNTY POOL	9007	San Diego County		07/01/2004	22,109,219.22	22,206,000.00	22,109,219.22	0.456		0.450	1	
<b>Subtotal and Average</b>			<b>22,109,219.22</b>		<b>22,109,219.22</b>	<b>22,206,000.00</b>	<b>22,109,219.22</b>			<b>0.450</b>	<b>1</b>	

**OTAY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**May 31, 2012**

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	90,895,413.79		86,188,378.37	86,328,251.43	86,186,397.32			0.503	303

**OTAY**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**May 31, 2012**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity
<b>Union Bank</b>											
UNION MONEY	9002	STATE OF CALIFORNIA		07/01/2004	10,003.89	10,003.89	10,003.89	0.010		0.010	1
PETTY CASH	9003	STATE OF CALIFORNIA		07/01/2004	2,950.00	2,950.00	2,950.00			0.000	1
UNION OPERATING	9004	STATE OF CALIFORNIA		07/01/2004	1,074,169.06	1,074,169.06	1,074,169.06	0.250		0.247	1
PAYROLL	9005	STATE OF CALIFORNIA		07/01/2004	25,791.00	25,791.00	25,791.00			0.000	1
RESERVE-10 COPS	9010	STATE OF CALIFORNIA		04/20/2010	688.02	688.02	688.02			0.000	1
RESERVE-10 BABS	9011	STATE OF CALIFORNIA		04/20/2010	417.23	417.23	417.23	0.001		0.001	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	53,067.78	53,067.78	53,067.78			0.000	1
		<b>Average Balance</b>	<b>0.00</b>								<b>1</b>
<b>Total Cash and Investments</b>			<b>90,895,413.79</b>		<b>87,425,480.40</b>	<b>87,565,353.46</b>	<b>87,423,499.35</b>			<b>0.503</b>	<b>303</b>

**OTAY  
Activity Report  
Sorted By Issuer  
July 1, 2011 - May 31, 2012**

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
<b>Issuer: STATE OF CALIFORNIA</b>									
<b>Union Bank</b>									
UNION MONEY	9002	STATE OF CALIFORNIA			0.010		150,018,423.58	150,018,476.18	
UNION OPERATING	9004	STATE OF CALIFORNIA			0.250		8,799,486.01	8,611,958.65	
PAYROLL	9005	STATE OF CALIFORNIA					1,004,043.26	1,002,036.97	
RESERVE-10 COPS	9010	STATE OF CALIFORNIA					5,793.75	13,489.32	
RESERVE-10 BABS	9011	STATE OF CALIFORNIA			0.001		15,228.09	35,453.80	
UBNA-2010 BOND	9013	STATE OF CALIFORNIA			0.147		69,983.16	0.00	
UBNA-FLEX ACCT	9014	STATE OF CALIFORNIA					150,215.38	108,890.36	
<b>Subtotal and Balance</b>				<b>964,254.08</b>			<b>160,063,153.23</b>	<b>159,790,305.28</b>	<b>1,237,102.03</b>
<b>Local Agency Investment Fund (LAIF)</b>									
LAIF	9001	STATE OF CALIFORNIA			0.363		72,164,942.35	82,100,672.73	
LAIF BABS 2010	9012	STATE OF CALIFORNIA			0.363		16,500.97	88.59	
<b>Subtotal and Balance</b>				<b>35,820,150.35</b>			<b>72,181,443.32</b>	<b>82,100,761.32</b>	<b>25,900,832.35</b>
<b>Issuer Subtotal</b>			<b>31.041%</b>	<b>36,784,404.43</b>			<b>232,244,596.55</b>	<b>241,891,066.60</b>	<b>27,137,934.38</b>
<b>Issuer: California Bank &amp; Trust</b>									
<b>Certificates of Deposit - Bank</b>									
2050003183-4	2121	California Bank & Trust			1.380	01/22/2012	0.00	79,108.00	
2050003183-5	2229	California Bank & Trust			0.280	01/22/2012	81,326.80	0.00	
<b>Subtotal and Balance</b>				<b>79,108.00</b>			<b>81,326.80</b>	<b>79,108.00</b>	<b>81,326.80</b>
<b>Issuer Subtotal</b>			<b>0.093%</b>	<b>79,108.00</b>			<b>81,326.80</b>	<b>79,108.00</b>	<b>81,326.80</b>
<b>Issuer: Federal Farm Credit Bank</b>									
<b>Federal Agency Issues- Callable</b>									
31331KZF0	2219	Federal Farm Credit Bank			0.481	09/23/2011	3,000,000.00	0.00	
31331KG79	2222	Federal Farm Credit Bank			0.625	10/24/2011	2,000,000.00	0.00	
31331KG79	2222	Federal Farm Credit Bank				02/02/2012	0.00	2,000,000.00	

OTAY  
Activity Report  
July 1, 2011 - May 31, 2012

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Purchases or Deposits	Par Value	
				Beginning Balance	Current Rate			Redemptions or Withdrawals	Ending Balance
<b>Issuer: Federal Farm Credit Bank</b>									
<b>Federal Agency Issues- Callable</b>									
3133EAEG9	2241	Federal Farm Credit Bank			0.550	05/09/2012	1,360,000.00	0.00	
<b>Subtotal and Balance</b>				<b>0.00</b>			<b>6,360,000.00</b>	<b>2,000,000.00</b>	<b>4,360,000.00</b>
<b>Issuer Subtotal</b>			<b>4.987%</b>	<b>0.00</b>			<b>6,360,000.00</b>	<b>2,000,000.00</b>	<b>4,360,000.00</b>

**Issuer: Federal Home Loan Bank**

<b>Federal Agency Issues- Callable</b>									
313371MR4	2174	Federal Home Loan Bank			0.700	08/22/2011	0.00	2,000,000.00	
313373CW0	2193	Federal Home Loan Bank			1.375	07/25/2011	0.00	2,000,000.00	
313373K27	2194	Federal Home Loan Bank			1.200	08/12/2011	0.00	2,000,000.00	
313373MC3	2195	Federal Home Loan Bank			1.200	08/12/2011	0.00	1,775,000.00	
313373QJ4	2196	Federal Home Loan Bank			1.125	11/25/2011	0.00	2,000,000.00	
313373UD2	2197	Federal Home Loan Bank			1.050	12/12/2011	0.00	2,000,000.00	
313373V25	2198	Federal Home Loan Bank			0.875	09/06/2011	0.00	2,000,000.00	
313373VV0	2199	Federal Home Loan Bank			1.100	07/06/2011	0.00	2,000,000.00	
313374EL0	2201	Federal Home Loan Bank			0.875	03/30/2012	0.00	2,000,000.00	
3133747H7	2202	Federal Home Loan Bank			0.875	09/27/2011	0.00	2,000,000.00	
313374G46	2203	Federal Home Loan Bank			1.000	07/08/2011	2,000,000.00	0.00	
313374G46	2203	Federal Home Loan Bank				08/08/2011	0.00	2,000,000.00	
313374T83	2208	Federal Home Loan Bank			0.900	07/28/2011	2,000,000.00	0.00	
313374T83	2208	Federal Home Loan Bank				10/28/2011	0.00	2,000,000.00	
313374ZW3	2209	Federal Home Loan Bank			0.650	08/08/2011	2,000,000.00	0.00	
313374ZW3	2209	Federal Home Loan Bank				01/30/2012	0.00	2,000,000.00	
3133755W3	2210	Federal Home Loan Bank			0.700	08/23/2011	2,000,000.00	0.00	
3133755W3	2210	Federal Home Loan Bank				02/23/2012	0.00	2,000,000.00	
313375E29	2212	Federal Home Loan Bank			0.625	09/07/2011	2,000,000.00	0.00	
313375E29	2212	Federal Home Loan Bank				02/14/2012	0.00	2,000,000.00	
313375H59	2213	Federal Home Loan Bank			0.550	09/16/2011	2,000,000.00	0.00	
313375H59	2213	Federal Home Loan Bank				02/13/2012	0.00	2,000,000.00	
313375HZ3	2216	Federal Home Loan Bank			0.650	09/19/2011	2,000,000.00	0.00	
313375HZ3	2216	Federal Home Loan Bank				02/14/2012	0.00	2,000,000.00	
313375ZS9	2224	Federal Home Loan Bank			0.625	11/07/2011	2,000,000.00	0.00	
313375ZS9	2224	Federal Home Loan Bank				02/07/2012	0.00	2,000,000.00	
313378BR1	2230	Federal Home Loan Bank			0.500	02/28/2012	3,000,000.00	0.00	

OTAY  
Activity Report  
July 1, 2011 - May 31, 2012

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Purchases or Deposits	Par Value	
				Beginning Balance	Current Rate			Redemptions or Withdrawals	Ending Balance
<b>Issuer: Federal Home Loan Bank</b>									
<b>Federal Agency Issues- Callable</b>									
313378BR1	2230	Federal Home Loan Bank				04/30/2012	0.00	3,000,000.00	
313378DB4	2231	Federal Home Loan Bank			0.500	03/12/2012	3,000,000.00	0.00	
313378DB4	2231	Federal Home Loan Bank				04/12/2012	0.00	3,000,000.00	
313378KU4	2233	Federal Home Loan Bank			0.500	03/12/2012	3,000,000.00	0.00	
313378R45	2235	Federal Home Loan Bank			0.550	04/04/2012	3,000,000.00	0.00	
313378R45	2235	Federal Home Loan Bank				05/04/2012	0.00	3,000,000.00	
313378VT5	2236	Federal Home Loan Bank			0.600	04/23/2012	3,000,000.00	0.00	
313378VT5	2236	Federal Home Loan Bank				05/23/2012	0.00	3,000,000.00	
313378YG0	2237	Federal Home Loan Bank			0.500	04/24/2012	3,000,000.00	0.00	
313378YG0	2237	Federal Home Loan Bank				05/24/2012	0.00	3,000,000.00	
3133794G1	2239	Federal Home Loan Bank			0.500	05/15/2012	3,000,000.00	0.00	
<b>Subtotal and Balance</b>					<b>19,775,000.00</b>		<b>37,000,000.00</b>	<b>50,775,000.00</b>	<b>6,000,000.00</b>
<b>Issuer Subtotal</b>			<b>6.863%</b>		<b>19,775,000.00</b>		<b>37,000,000.00</b>	<b>50,775,000.00</b>	<b>6,000,000.00</b>

<b>Issuer: Federal Home Loan Mortgage</b>									
<b>Federal Agency Issues- Callable</b>									
3134G1MD3	2153	Federal Home Loan Mortgage			1.100	07/22/2011	0.00	2,000,000.00	
3134G1PK4	2158	Federal Home Loan Mortgage			1.000	08/11/2011	0.00	2,000,000.00	
3134G1Y40	2183	Federal Home Loan Mortgage			1.100	02/15/2012	0.00	2,000,000.00	
3134G13K8	2185	Federal Home Loan Mortgage			1.000	08/24/2011	0.00	2,000,000.00	
3134G12U7	2186	Federal Home Loan Mortgage			0.750	08/23/2011	0.00	2,000,000.00	
3134G14B7	2187	Federal Home Loan Mortgage			1.350	08/23/2011	0.00	2,000,000.00	
3134G15C4	2188	Federal Home Loan Mortgage			1.250	09/07/2011	0.00	2,000,000.00	
3134G17L2	2190	Federal Home Loan Mortgage			1.350	09/23/2011	0.00	2,000,000.00	
3134G2MC3	2200	Federal Home Loan Mortgage			0.800	09/27/2011	0.00	2,000,000.00	
3134G2PE6	2204	Federal Home Loan Mortgage			1.000	07/08/2011	2,000,000.00	0.00	
3134G2PE6	2204	Federal Home Loan Mortgage				09/08/2011	0.00	2,000,000.00	
3134G2QP0	2205	Federal Home Loan Mortgage			1.000	07/27/2011	2,000,000.00	0.00	
3134G2QP0	2205	Federal Home Loan Mortgage				01/27/2012	0.00	2,000,000.00	
3134G2RK0	2206	Federal Home Loan Mortgage			1.000	07/28/2011	2,000,000.00	0.00	
3134G2RK0	2206	Federal Home Loan Mortgage				10/28/2011	0.00	2,000,000.00	
3134G2NR9	2207	Federal Home Loan Mortgage			0.750	07/13/2011	2,000,000.00	0.00	
3134G2NR9	2207	Federal Home Loan Mortgage				09/06/2011	0.00	2,000,000.00	

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July 1, 2011 - May 31, 2012

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Purchases or Deposits	Par Value	
				Beginning Balance	Current Rate			Redemptions or Withdrawals	Ending Balance
<b>Issuer: Federal Home Loan Mortgage</b>									
<b>Federal Agency Issues- Callable</b>									
3134G2VD1	2211	Federal Home Loan Mortgage			0.750	08/24/2011	2,000,000.00		0.00
3134G2VD1	2211	Federal Home Loan Mortgage				02/24/2012	0.00	2,000,000.00	
3134G2B92	2217	Federal Home Loan Mortgage			0.500	09/13/2011	2,000,000.00		0.00
3134G2B92	2217	Federal Home Loan Mortgage				03/13/2012	0.00	2,000,000.00	
3134G22H4	2223	Federal Home Loan Mortgage			0.700	11/04/2011	2,000,000.00		0.00
3134G22H4	2223	Federal Home Loan Mortgage				05/04/2012	0.00	2,000,000.00	
3134G23NO	2225	Federal Home Loan Mortgage			0.700	11/02/2011	3,000,000.00		0.00
3134G23NO	2225	Federal Home Loan Mortgage				05/01/2012	0.00	3,000,000.00	
3134G3AC4	2226	Federal Home Loan Mortgage			0.600	12/06/2011	3,000,000.00		0.00
3134G3AQ3	2227	Federal Home Loan Mortgage			0.710	11/30/2011	2,000,000.00		0.00
3134G3BN9	2228	Federal Home Loan Mortgage			0.770	12/05/2011	2,000,000.00		0.00
3134G3SS0	2232	Federal Home Loan Mortgage			0.540	03/22/2012	3,000,000.00		0.00
<b>Subtotal and Balance</b>				<b>23,737,000.00</b>			<b>27,000,000.00</b>	<b>35,000,000.00</b>	<b>15,737,000.00</b>
<b>Issuer Subtotal</b>			<b>18.000%</b>	<b>23,737,000.00</b>			<b>27,000,000.00</b>	<b>35,000,000.00</b>	<b>15,737,000.00</b>

<b>Issuer: Federal National Mortgage Assoc</b>									
<b>Federal Agency Issues- Callable</b>									
3136FPQG5	2171	Federal National Mortgage Assoc			0.850	10/26/2011	0.00	635,000.00	
3136FPSK4	2172	Federal National Mortgage Assoc			0.675	07/29/2011	0.00	2,000,000.00	
3136FP5X1	2182	Federal National Mortgage Assoc			0.860	07/28/2011	0.00	2,000,000.00	
3136FRFMO	2192	Federal National Mortgage Assoc			2.000	10/27/2011	0.00	1,000,000.00	
3135GOCW1	2214	Federal National Mortgage Assoc			0.500	09/06/2011	2,000,000.00		0.00
3135GOCW1	2214	Federal National Mortgage Assoc				03/06/2012	0.00	2,000,000.00	
3135GODB6	2215	Federal National Mortgage Assoc			0.600	09/12/2011	2,000,000.00		0.00
3135GODB6	2215	Federal National Mortgage Assoc				03/12/2012	0.00	2,000,000.00	
3135GODK6	2218	Federal National Mortgage Assoc			0.600	09/27/2011	2,000,000.00		0.00
3135GODK6	2218	Federal National Mortgage Assoc				03/27/2012	0.00	2,000,000.00	
3135GODN0	2220	Federal National Mortgage Assoc			0.500	09/26/2011	3,000,000.00		0.00
3135GODN0	2220	Federal National Mortgage Assoc				03/26/2012	0.00	3,000,000.00	
3135GODR1	2221	Federal National Mortgage Assoc			0.500	10/03/2011	3,000,000.00		0.00
3135GODR1	2221	Federal National Mortgage Assoc				04/03/2012	0.00	3,000,000.00	
3135G0JG9	2234	Federal National Mortgage Assoc			0.520	03/26/2012	3,000,000.00		0.00
3135G0KL6	2238	Federal National Mortgage Assoc			0.500	04/30/2012	3,000,000.00		0.00

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Activity Report  
July 1, 2011 - May 31, 2012

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Purchases or Deposits	Par Value	
				Beginning Balance	Current Rate			Redemptions or Withdrawals	Ending Balance
<b>Issuer: Federal National Mortgage Assoc</b>									
<b>Federal Agency Issues- Callable</b>									
3135G0KS1	2240	Federal National Mortgage Assoc			0.560	05/10/2012	3,000,000.00		0.00
3135G0LF8	2242	Federal National Mortgage Assoc			0.500	05/24/2012	3,000,000.00		0.00
3135G0DV2	2275	Federal National Mortgage Assoc			0.550	10/18/2011	3,000,000.00		0.00
3135G0DV2	2275	Federal National Mortgage Assoc				04/18/2012	0.00	3,000,000.00	
		<b>Subtotal and Balance</b>					<b>27,000,000.00</b>	<b>20,635,000.00</b>	<b>12,000,000.00</b>
		<b>Issuer Subtotal</b>	<b>13.726%</b>				<b>27,000,000.00</b>	<b>20,635,000.00</b>	<b>12,000,000.00</b>
<b>Issuer: San Diego County</b>									
<b>San Diego County Pool</b>									
SD COUNTY POOL	9007	San Diego County			0.456		5,101,330.48	5,282.83	
		<b>Subtotal and Balance</b>					<b>5,101,330.48</b>	<b>5,282.83</b>	<b>22,109,219.22</b>
		<b>Issuer Subtotal</b>	<b>25.289%</b>				<b>5,101,330.48</b>	<b>5,282.83</b>	<b>22,109,219.22</b>
		<b>Total</b>	<b>100.000%</b>				<b>334,787,253.83</b>	<b>350,385,457.43</b>	<b>87,425,480.40</b>

**OTAY**  
**GASB 31 Compliance Detail**  
**Sorted by Fund - Fund**  
**July 1, 2011 - May 31, 2012**

CUSIP	Investment #	Fund	Investment Class	Maturity Date	Beginning Invested Value	Purchase of Principal	Addition to Principal	Redemption of Principal	Adjustment in Value		Ending Invested Value
									Amortization Adjustment	Change in Market Value	
<b>Fund: Treasury Fund</b>											
LAIF	9001	99	Fair Value		31,819,068.97	0.00	72,164,942.35	82,100,672.73	0.00	-23,640.31	21,859,698.28
UNION MONEY	9002	99	Amortized		10,056.49	0.00	150,018,423.58	150,018,476.18	0.00	0.00	10,003.89
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		886,641.70	0.00	8,799,486.01	8,611,958.65	0.00	0.00	1,074,169.06
PAYROLL	9005	99	Amortized		23,784.71	0.00	1,004,043.26	1,002,036.97	0.00	0.00	25,791.00
SD COUNTY POOL	9007	99	Fair Value		16,992,478.65	0.00	5,101,330.48	5,282.83	0.00	117,473.70	22,206,000.00
2050003183-4	2121	99	Amortized	01/22/2012	79,108.00	0.00	0.00	79,108.00	0.00	0.00	0.00
RESERVE-10 COPS	9010	99	Amortized		8,383.59	0.00	5,793.75	13,489.32	0.00	0.00	688.02
RESERVE-10 BABS	9011	99	Amortized		20,642.94	0.00	15,228.09	35,453.80	0.00	0.00	417.23
LAIF BABS 2010	9012	99	Fair Value		4,057,550.77	0.00	16,500.97	88.59	0.00	-1,460.24	4,072,502.90
UBNA-2010 BOND	9013	99	Amortized		51.89	0.00	69,963.16	0.00	0.00	0.00	70,015.05
3137EACK3	2146	99	Fair Value	07/27/2012	2,015,920.00	0.00	0.00	0.00	0.00	-13,020.00	2,002,900.00
3137EACK3A	2148	99	Fair Value	07/27/2012	1,038,198.80	0.00	0.00	0.00	0.00	-6,705.30	1,031,493.50
3137EACK3B	2149	99	Fair Value	07/27/2012	2,728,547.72	0.00	0.00	0.00	0.00	-17,622.57	2,710,925.15
3134G1MD3	2153	99	Fair Value	01/22/2013	2,000,960.00	0.00	0.00	2,000,000.00	0.00	-960.00	0.00
3134G1PK4	2158	99	Fair Value	02/11/2013	2,001,820.00	0.00	0.00	2,000,000.00	0.00	-1,820.00	0.00
3138FPQG5	2171	99	Fair Value	07/26/2013	636,270.00	0.00	0.00	635,000.00	0.00	-1,270.00	0.00
3138FPSK4	2172	99	Fair Value	04/29/2013	2,000,780.00	0.00	0.00	2,000,000.00	0.00	-780.00	0.00
313371MR4	2174	99	Fair Value	05/22/2013	1,998,980.00	0.00	0.00	2,000,000.00	0.00	1,020.00	0.00
3136FP5X1	2182	99	Fair Value	01/28/2013	2,000,760.00	0.00	0.00	2,000,000.00	0.00	-760.00	0.00
3134G1Y40	2183	99	Fair Value	08/15/2013	2,009,100.00	0.00	0.00	2,000,000.00	0.00	-9,100.00	0.00
3134G13K8	2185	99	Fair Value	05/24/2013	2,002,200.00	0.00	0.00	2,000,000.00	0.00	-2,200.00	0.00
3134G12U7	2186	99	Fair Value	11/23/2012	2,001,040.00	0.00	0.00	2,000,000.00	0.00	-1,040.00	0.00
3134G14B7	2187	99	Fair Value	08/23/2013	2,002,820.00	0.00	0.00	2,000,000.00	0.00	-2,820.00	0.00
3134G15C4	2188	99	Fair Value	06/07/2013	2,003,600.00	0.00	0.00	2,000,000.00	0.00	-3,600.00	0.00
UBNA-FLEX ACCT	9014	99	Amortized		11,742.76	0.00	150,215.38	108,890.36	0.00	0.00	53,067.78
3134G17L2	2190	99	Fair Value	09/23/2013	2,004,420.00	0.00	0.00	2,000,000.00	0.00	-4,420.00	0.00
3138FRFMO	2192	99	Fair Value	04/27/2016	1,006,570.00	0.00	0.00	1,000,000.00	0.00	-6,570.00	0.00
313373CW0	2193	99	Fair Value	10/25/2013	2,001,520.00	0.00	0.00	2,000,000.00	0.00	-1,520.00	0.00
313373K27	2194	99	Fair Value	08/12/2013	2,001,920.00	0.00	0.00	2,000,000.00	0.00	-1,920.00	0.00

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 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	
<b>Fund: Treasury Fund</b>											
313373MC3	2195	99	Fair Value	11/12/2013	1,776,810.50	0.00	0.00	1,775,000.00	0.00	-1,810.50	0.00
313373QJ4	2196	99	Fair Value	11/25/2013	2,006,360.00	0.00	0.00	2,000,000.00	0.00	-6,360.00	0.00
313373UD2	2197	99	Fair Value	12/09/2013	2,005,440.00	0.00	0.00	2,000,000.00	0.00	-5,440.00	0.00
313373V25	2198	99	Fair Value	09/06/2013	2,002,080.00	0.00	0.00	2,000,000.00	0.00	-2,080.00	0.00
313373WV0	2199	99	Fair Value	12/06/2013	2,000,220.00	0.00	0.00	2,000,000.00	0.00	-220.00	0.00
3134G2MC3	2200	99	Fair Value	09/27/2013	1,996,780.00	0.00	0.00	2,000,000.00	0.00	3,220.00	0.00
313374EL0	2201	99	Fair Value	12/30/2013	1,993,300.00	0.00	0.00	2,000,000.00	0.00	8,700.00	0.00
313374G46	2203	99	Fair Value	01/08/2014	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3134G2PE6	2204	99	Fair Value	01/08/2014	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3134G2QP0	2205	99	Fair Value	01/27/2014	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3134G2RK0	2206	99	Fair Value	01/27/2014	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
313374T83	2208	99	Fair Value	01/28/2014	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
313374ZW3	2209	99	Fair Value	08/08/2013	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3133755W3	2210	99	Fair Value	08/23/2013	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3134G2VD1	2211	99	Fair Value	02/24/2014	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
313375E29	2212	99	Fair Value	03/07/2014	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
313375H59	2213	99	Fair Value	09/16/2013	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3135GOCW1	2214	99	Fair Value	09/06/2013	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3135GODB6	2215	99	Fair Value	09/12/2013	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
313375HZ3	2216	99	Fair Value	03/19/2014	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3134G2B92	2217	99	Fair Value	03/13/2013	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3135GODK6	2218	99	Fair Value	09/27/2013	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
31331KZFO	2219	99	Fair Value	12/23/2013	0.00	2,999,250.00	0.00	0.00	0.00	300.00	2,999,550.00
3135GODN0	2220	99	Fair Value	09/26/2013	0.00	3,000,000.00	0.00	3,000,000.00	0.00	0.00	0.00
3135GODR1	2221	99	Fair Value	10/03/2013	0.00	3,000,000.00	0.00	3,000,000.00	0.00	0.00	0.00
3135GODV2	2275	99	Fair Value	10/18/2013	0.00	3,000,000.00	0.00	3,000,000.00	0.00	0.00	0.00
31331KG79	2222	99	Fair Value	01/24/2014	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3134G22H4	2223	99	Fair Value	11/04/2013	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
313375ZS9	2224	99	Fair Value	11/07/2013	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3133747H7	2202	99	Fair Value	12/27/2013	2,000,000.00	0.00	0.00	2,000,000.00	0.00	0.00	0.00
3134G2NR9	2207	99	Fair Value	07/05/2013	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3134G23NO	2225	99	Fair Value	05/01/2014	0.00	3,000,000.00	0.00	3,000,000.00	0.00	0.00	0.00
3134G3AC4	2226	99	Fair Value	12/06/2013	0.00	3,000,000.00	0.00	0.00	0.00	1,710.00	3,001,710.00
3134G3AQ3	2227	99	Fair Value	05/30/2014	0.00	2,000,000.00	0.00	0.00	0.00	2,740.00	2,002,740.00
3134G3BN9	2228	99	Fair Value	06/05/2014	0.00	2,000,000.00	0.00	0.00	0.00	4,040.00	2,004,040.00
2050003183-5	2229	99	Amortized	01/22/2014	0.00	81,326.80	0.00	0.00	0.00	0.00	81,326.80

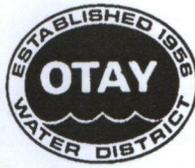
OTAY  
 GASB 31 Compliance Detail  
 Sorted by Fund - Fund

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	
<b>Fund: Treasury Fund</b>											
313378BR1	2230	99	Fair Value	08/28/2014	0.00	3,000,000.00	0.00	3,000,000.00	0.00	0.00	0.00
313378DB4	2231	99	Fair Value	03/12/2014	0.00	3,000,000.00	0.00	3,000,000.00	0.00	0.00	0.00
3134G3SS0	2232	99	Fair Value	09/22/2014	0.00	3,000,000.00	0.00	0.00	0.00	4,680.00	3,004,680.00
313378KU4	2233	99	Fair Value	09/12/2014	0.00	3,000,000.00	0.00	0.00	0.00	2,040.00	3,002,040.00
3135G0JG9	2234	99	Fair Value	09/26/2014	0.00	2,998,500.00	0.00	0.00	0.00	5,340.00	3,003,840.00
313378R45	2235	99	Fair Value	04/04/2014	0.00	3,000,000.00	0.00	3,000,000.00	0.00	0.00	0.00
313378VT5	2236	99	Fair Value	01/23/2015	0.00	3,000,000.00	0.00	3,000,000.00	0.00	0.00	0.00
313378YG0	2237	99	Fair Value	04/24/2014	0.00	3,000,000.00	0.00	3,000,000.00	0.00	0.00	0.00
3135G0KL6	2238	99	Fair Value	10/30/2014	0.00	3,000,000.00	0.00	0.00	0.00	-7,890.00	2,992,110.00
3133794G1	2239	99	Fair Value	05/15/2014	0.00	3,000,000.00	0.00	0.00	0.00	120.00	3,000,120.00
3135G0KS1	2240	99	Fair Value	02/10/2015	0.00	3,000,000.00	0.00	0.00	0.00	-4,650.00	2,995,350.00
3133EAEG9	2241	99	Fair Value	02/27/2015	0.00	1,360,000.00	0.00	0.00	0.00	-435.20	1,359,564.80
3135G0LF8	2242	99	Fair Value	11/24/2014	0.00	3,000,000.00	0.00	0.00	0.00	-2,340.00	2,997,660.00
<b>Subtotal</b>					<b>103,148,877.49</b>	<b>97,439,076.80</b>	<b>237,345,927.03</b>	<b>350,385,457.43</b>	<b>0.00</b>	<b>16,929.58</b>	<b>87,565,353.46</b>
<b>Total</b>					<b>103,148,877.49</b>	<b>97,439,076.80</b>	<b>237,345,927.03</b>	<b>350,385,457.43</b>	<b>0.00</b>	<b>16,929.58</b>	<b>87,565,353.46</b>

**OTAY**  
**Duration Report**  
**Sorted by Investment Type - Investment Type**  
**Through 05/31/2012**

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 360	Current Yield	Maturity/ Call Date	Modified Duration
3137EACK3A	2148	99	Federal Home Loan Mortgage	Fair	1,030,000.00	1,030,000.00	1,031,493.50	1.125000	1.108	0.834	07/27/2012	0.153
3134G3SS0	2232	99	Federal Home Loan Mortgage	Fair	3,000,000.00	3,000,000.00	3,004,680.00	.5400000	0.533	0.472	09/22/2014	2.289
3134G3AQ3	2227	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,002,740.00	.7100000	0.700	0.641	05/30/2014	1.980
3134G3BN9	2228	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,004,040.00	.7700000	0.759	0.669	06/05/2014	1.985
3134G3AC4	2226	99	Federal Home Loan Mortgage	Fair	3,000,000.00	3,000,000.00	3,001,710.00	.6000000	0.592	0.562	12/06/2013	1.500
3137EACK3	2146	99	Federal Home Loan Mortgage	Fair	1,999,930.99	2,000,000.00	2,002,900.00	1.125000	1.154	0.834	07/27/2012	0.153
3137EACK3B	2149	99	Federal Home Loan Mortgage	Fair	2,707,000.00	2,707,000.00	2,710,925.15	1.125000	1.109	0.834	07/27/2012	0.153
3135G0KS1	2240	99	Federal National Mortgage Assoc	Fair	3,000,000.00	3,000,000.00	2,995,350.00	.5600000	0.552	0.618	02/10/2015	2.666
3135G0JG9	2234	99	Federal National Mortgage Assoc	Fair	2,998,608.33	3,000,000.00	3,003,840.00	.5200000	0.533	0.464	09/26/2014	2.301
3135G0KL6	2238	99	Federal National Mortgage Assoc	Fair	3,000,000.00	3,000,000.00	2,992,110.00	.5000000	0.493	0.610	10/30/2014	2.394
3135G0LF8	2242	99	Federal National Mortgage Assoc	Fair	3,000,000.00	3,000,000.00	2,997,660.00	.5000000	0.493	0.532	11/24/2014	2.461
313378KU4	2233	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,002,040.00	.5000000	0.493	0.470	09/12/2014	2.263
3133794G1	2239	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,000,120.00	.5000000	0.493	0.498	05/15/2014	1.943
31331KZF0	2219	99	Federal Farm Credit Bank	Fair	2,999,479.63	3,000,000.00	2,999,550.00	.4812160	0.486	0.491	12/23/2013	1.549
3133EAEG9	2241	99	Federal Farm Credit Bank	Fair	1,360,000.00	1,360,000.00	1,359,564.80	.5500000	0.542	0.562	02/27/2015	2.710
2050003183-5	2229	99	California Bank & Trust	Amort	81,326.80	81,326.80	81,326.80	.2800000	0.280	0.280	01/22/2014	1.636 †
LAIF BABS 2010	9012	99	STATE OF CALIFORNIA	Fair	4,067,576.61	4,067,576.61	4,072,502.90	.3630000	0.358	0.363		0.000
LAIF	9001	99	STATE OF CALIFORNIA	Fair	21,833,255.74	21,833,255.74	21,859,698.28	.3630000	0.358	0.363		0.000
LAIF COPS07	9009	99	STATE OF CALIFORNIA	Fair	0.00	0.00	0.00	1.530000	1.509	1.530		0.000
SD COUNTY	9007	99	San Diego County	Fair	22,109,219.22	22,109,219.22	22,206,000.00	.4560000	0.450	0.456		0.000
<b>Report Total</b>					<b>86,186,397.32</b>	<b>86,188,378.37</b>	<b>86,328,251.43</b>			<b>0.485</b>		<b>0.819 †</b>

† = Duration can not be calculated on these investments due to incomplete Market price data.



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	July 11, 2012
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:**

<b>SUMMARY</b>	<b>NET DEMANDS</b>
CHECKS (2033489-2033796)	\$ 2,355,504.65
VOID CHECK (1)	\$ (5.70)
TOTAL CHECKS	\$ 2,355,498.95
WIRE TO:	
DELTA DENTAL OF CALIF - DENTAL & COBRA CLAIMS (MONTHLY)	\$ 13,540.30
SAN DIEGO COUNTY WATER - WATER DELIVERIES (MONTHLY)	\$ 2,812,958.63
SPECIAL DIST RISK MGMT AUTH - INSURANCE PREM (MONTHLY)	\$ 235,488.99
UNION BANK - CERT OF PARTICIPATION 1996 (MONTHLY)	\$ 2,081.56
UNION BANK - PAYROLL TAXES (MONTHLY)	\$ 277,032.31
<b>TOTAL CASH DISBURSEMENTS</b>	<b>\$ 5,696,600.74</b>

**RECOMMENDED ACTION:**

That the Board receive the attached list of demands.

Jb/Attachment

OTAY WATER DISTRICT  
CHECK REGISTER  
FOR CHECKS 2033489 THROUGH 2033796  
RUN DATES 6/6/2012 TO 6/27/2012

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2033689	06/27/12	02097	3E COMPANY INC	3EUS0000596	03/12/12	MSDS SERVICE	977.50	977.50
2033690	06/27/12	01388	3T EQUIPMENT COMPANY	57625	06/04/12	SEWER TELEVISIONING VAN	117,055.55	117,055.55
2033547	06/13/12	01910	ABCANA INDUSTRIES	901131	05/24/12	SODIUM HYPOCHLORITE	3,943.38	
				900648	05/17/12	SODIUM HYPOCHLORITE	2,760.48	
				901134	05/24/12	SODIUM HYPOCHLORITE	1,190.75	
				900453	05/14/12	SODIUM HYPOCHLORITE	710.87	
				900901	05/21/12	SODIUM HYPOCHLORITE	686.20	
				900454	05/14/12	SODIUM HYPOCHLORITE	608.83	
				900647	05/17/12	SODIUM HYPOCHLORITE	552.77	
				900900	05/21/12	SODIUM HYPOCHLORITE	544.92	
				901133	05/24/12	SODIUM HYPOCHLORITE	524.74	
				901132	05/24/12	SODIUM HYPOCHLORITE	209.67	11,732.61
2033691	06/27/12	01910	ABCANA INDUSTRIES	901810	06/01/12	SODIUM HYPOCHLORITE	3,257.19	
				902058	06/06/12	SODIUM HYPOCHLORITE	2,188.66	
				902154	06/07/12	SODIUM HYPOCHLORITE	2,067.56	
				901470	05/29/12	SODIUM HYPOCHLORITE	1,009.12	
				901471	05/29/12	SODIUM HYPOCHLORITE	866.72	
				902372	06/11/12	SODIUM HYPOCHLORITE	855.51	
				901875	06/04/12	SODIUM HYPOCHLORITE	738.89	
				902153	06/07/12	SODIUM HYPOCHLORITE	576.31	
				901811	06/01/12	SODIUM HYPOCHLORITE	571.83	
				901877	06/04/12	SODIUM HYPOCHLORITE	502.31	
				901876	06/04/12	SODIUM HYPOCHLORITE	423.83	13,057.93
2033692	06/27/12	08488	ABLEFORCE INC	3283	05/29/12	PROGRAMMING SERVICES (5/14/12-5/25/12)	7,200.00	7,200.00
2033693	06/27/12	13901	ADVANCED INDUSTRIAL SVCS INC	1	06/04/12	830-3 RESERVOIR COATING (ENDING 5/18/12)	28,500.00	28,500.00
2033694	06/27/12	11462	AEGIS ENGINEERING MGMT INC	1031	06/06/12	PLAN CHECKING (5/5/12-6/1/12)	1,017.60	1,017.60
2033695	06/27/12	01884	AEP (ASSN OF ENVIR PROF'LS)	2622536A	05/31/12	MEMBERSHIP FEE	150.00	150.00
2033548	06/13/12	11803	AEROTEK ENVIRONMENTAL	OE00821938	05/17/12	TEMPORARY EMPLOYMENT (4/30/12-5/5/12)	2,178.00	
				OE00823733	05/24/12	TEMPORARY EMPLOYMENT (5/7/12-5/11/12)	2,178.00	4,356.00
2033696	06/27/12	11803	AEROTEK ENVIRONMENTAL	OE00827318	06/07/12	TEMPORARY EMPLOYMENT (5/21/12-5/25/12)	1,742.40	
				OE00825525	05/31/12	TEMPORARY EMPLOYMENT (5/14/12-5/18/12)	2,178.00	3,920.40
2033489	06/06/12	14090	AILLYNE BAUTISTA	Ref002421884	06/01/12	UB Refund Cst #0000175795	43.60	43.60
2033697	06/27/12	07732	AIRGAS SPECIALTY PRODUCTS INC	131244869	05/30/12	AQUA AMMONIA	1,387.12	
				131244868	05/30/12	AQUA AMMONIA	363.44	
				131244867	05/30/12	AQUA AMMONIA	281.68	
				131244866	05/30/12	AQUA AMMONIA	2,492.56	4,524.80

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2033698	06/27/12	13753	AIRGAS USA LLC	9902397373	05/31/12	BREATHING AIR	34.49	34.49
2033628	06/20/12	14133	ALEGRIA REAL ESTATE FUND	Ref002422186	06/18/12	UB Refund Cst #0000187131	75.00	75.00
2033490	06/06/12	14108	ALFREDO RIVERA	Ref002421903	06/01/12	UB Refund Cst #0000188187	12.31	12.31
2033549	06/13/12	02934	ALLEN INSTRUMENTS & SUPPLIES	0116944IN	05/16/12	TRIMBLE SOFTWARE	2,904.40	2,904.40
2033699	06/27/12	01463	ALLIED ELECTRONICS INC	9000562056	06/07/12	PROTOCOL CONVERTER	1,020.62	1,020.62
2033550	06/13/12	02362	ALLIED WASTE SERVICES # 509	0509004795134	05/25/12	TRASH SERVICES (JUNE 2012)	1,115.18	1,115.18
2033700	06/27/12	02362	ALLIED WASTE SERVICES # 509	0509004796921	05/25/12	TRASH SERVICES TP (JUNE 2012)	201.15	201.15
2033701	06/27/12	12911	ALTA LAND SURVEYING INC	20 19 18	05/30/12 05/30/12 05/30/12	SURVEY SERVICES (4/20/12-5/30/12) SURVEY SERVICES (4/18/12-5/4/12) SURVEY SERVICES (4/17/12-4/20/12)	9,570.00 2,495.00 1,240.00	13,305.00
2033491	06/06/12	14101	AMERICAN EAGLE REAL ESTATE	Ref002421896	06/01/12	UB Refund Cst #0000186460	69.45	69.45
2033629	06/20/12	06166	AMERICAN MESSAGING	L1109570MF	06/01/12	PAGER SERVICES (MAY 2012)	167.76	167.76
2033630	06/20/12	02730	AMERICAN PAYROLL ASSOCIATION	508880512	05/31/12	MEMBERSHIP RENEWAL	219.00	219.00
2033492	06/06/12	14100	ANN AMARAL	Ref002421895	06/01/12	UB Refund Cst #0000185185	75.00	75.00
2033631	06/20/12	08967	ANTHEM BLUE CROSS EAP	41054	05/25/12	EMPLOYEE ASSISTANCE (JUNE 2012)	323.35	323.35
2033493	06/06/12	12175	APPLE INC	003738	05/31/12	COMPUTER LOAN	543.67	543.67
2033494	06/06/12	05758	AT&T	61967053090512	05/15/12	PHONE SERVICE (MONTHLY)	32.65	32.65
2033551	06/13/12	05758	AT&T	0821645728052512 61942256050512	05/25/12 05/20/12	INTERNET BANDWIDTH (5/25/12-6/24/12) PHONE SERVICE (5/20/12-6/19/12)	2,312.78 45.54	2,358.32
2033552	06/13/12	05758	AT&T	61969851400512	05/24/12	PHONE SERVICE (MONTHLY)	32.65	32.65
2033702	06/27/12	05758	AT&T	33784130450612	06/07/12	PHONE SERVICE (6/7/12-7/6/12)	31.43	31.43
2033703	06/27/12	08330	AT&T INTERNET SERVICES	8547826250512	05/22/12	INTERNET BANDWIDTH (5/21/12-6/20/12)	2,028.00	2,028.00
2033553	06/13/12	13896	AVTRON LOADBANK INC	RS1115068	05/09/12	LOAD BANK	14,847.98	14,847.98
2033554	06/13/12	08673	BACKFLOW SERVICES	5237	05/14/12	BACKFLOW TESTING	150.00	150.00
2033555	06/13/12	08024	BACKGROUND PROFILES INC	4202	05/31/12	BACKGROUND CHECK (5/17/12)	53.00	53.00
2033556	06/13/12	00145	BARRETT ENGINEERED PUMPS	080756	05/16/12	ROTATING ASSEM	2,240.66	2,240.66

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2033704	06/27/12	00145	BARRETT ENGINEERED PUMPS	081013	06/06/12	VALVE	669.13	669.13
2033557	06/13/12	03509	BELL, RITA	003753	06/08/12	COMPUTER LOAN	696.57	696.57
2033705	06/27/12	03584	BIOTECHNICAL SERVICES INC	1096508	06/08/12	WEIGHT CALIBRATION	131.94	131.94
2033558	06/13/12	04806	BJ'S RENTALS	408482	05/15/12	CONCRETE	148.46	148.46
2033495	06/06/12	03721	BULLET LOGISTICS INC	5161203350	05/25/12	EXPRESS COURIER SERVICE (5/11/12)	21.45	21.45
2033559	06/13/12	00223	C W MCGRATH INC	42118	05/22/12	CRUSHED ROCK	333.68	333.68
2033706	06/27/12	00223	C W MCGRATH INC	42164 42243 42176	05/29/12 06/06/12 05/30/12	CRUSHED ROCK CRUSHED ROCK CRUSHED ROCK	313.47 215.72 104.84	634.03
2033707	06/27/12	08966	CALIFORNIA BANK & TRUST	6A	06/06/12	RET/TC CONST LA PRESA (ENDING 5/31/12)	14,836.50	14,836.50
2033708	06/27/12	11044	CALIFORNIA BANK & TRUST	09 08	05/31/12 03/30/12	RET/NEWEST CONSTRUCTION (ENDING 5/31/12) RET/NEWEST CONSTRUCTION (ENDING 4/30/12)	24,062.69 18,913.85	42,976.54
2033709	06/27/12	02866	CALIFORNIA EPA-DEPT OF TOXIC	CAC0021800094	06/21/12	MANIFEST FEES (1/1/11- 12/31/11)	7.50	7.50
2033710	06/27/12	08328	CALIFORNIA RURAL WATER	003772	06/26/12	REVIEW CLASSES	125.00	125.00
2033711	06/27/12	00192	CALIFORNIA WATER ENVIRONMENT	003773	06/14/12	MEMBERSHIP RENEWAL	132.00	132.00
2033712	06/27/12	01243	CALIFORNIA-NEVADA SECTION	003771	06/21/12	CERTIFICATE RENEWAL	80.00	80.00
2033560	06/13/12	01004	CALOLYMPIC SAFETY	301674 301668 302037 301675 301679	05/17/12 05/16/12 05/23/12 05/21/12 05/14/12	SAFETY EYEWASH MICRO-MAX BATTERY BATTERY SAFETY EYEWASH SAFETY EYEWASH	118.86 94.42 94.42 93.68 34.53	435.91
2033632	06/20/12	14125	CARLOS A VELARDE	Ref002422178	06/18/12	UB Refund Cst #0000146975	124.89	124.89
2033633	06/20/12	14128	CARLOS BUSTAMANTE	Ref002422181	06/18/12	UB Refund Cst #0000177569	41.82	41.82
2033634	06/20/12	02758	CARMEL BUSINESS SYSTEMS INC	7525	06/01/12	RECORD SCANNING SERVICES (MAY 2012)	2,714.44	2,714.44
2033713	06/27/12	02758	CARMEL BUSINESS SYSTEMS INC	7517 7522 7524 7523	05/30/12 06/01/12 06/01/12 06/01/12	RECORDS SUPPORT RECORD SCANNING SERVICES (MAY 2012) RECORDS MGMT SERVICES (MAY 2012) RECORDS SUPPORT	824.52 747.30 252.00 126.00	1,949.82
2033496	06/06/12	14102	CARMEN CECENA	Ref002421897	06/01/12	UB Refund Cst #0000186580	43.45	43.45

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2033714	06/27/12	01195	CARROLL BUSINESS SUPPLY	7926750	05/30/12	PAPER ROLLS	140.06	140.06
2033715	06/27/12	13953	CARSON TRAILER INC	225262	05/03/12	CARSON TRAILER	4,998.27	4,998.27
2033635	06/20/12	14138	CHARLES DUNN RES TRUST ACCT	003760	06/19/12	REFUND	23.33	23.33
2033497	06/06/12	14086	CHEN FANG HSU	Ref002421880	06/01/12	UB Refund Cst #0000155581	31.59	31.59
2033561	06/13/12	02026	CHULA VISTA ELEM SCHOOL DIST	AR040673 AR040470 AR040472 AR040671	06/07/12 04/30/12 04/30/12 06/07/12	GARDEN TOURS GARDEN TOURS GARDEN TOURS GARDEN TOURS	440.00 270.00 270.00 220.00	1,200.00
2033562	06/13/12	03811	CITY OF EL CAJON	003746	06/04/12	JAMACHA RD/ 36IN PIPELINE REPAIRS	24,000.00	24,000.00
2033716	06/27/12	04119	CLARKSON LAB & SUPPLY INC	61562 61561 61766	05/31/12 05/31/12 05/31/12	BACTERIOLOGICAL SVCS (5/17/12-5/20/12) BACTERIOLOGICAL SERVICES (5/16/12) BACTERIOLOGICAL SERVICES (5/10/12)	598.00 131.00 125.00	854.00
2033563	06/13/12	12854	COMMERCIAL TRANSPORTATION SVCS 1148		05/27/12	DRIVER TRAINING	2,855.00	2,855.00
2033636	06/20/12	13900	COMMUNITY BANK	2 3	04/05/12 05/01/12	RETENTION/GARCIA JUAREZ (ENDING 3/31/12) RETENTION/GARCIA JUAREZ (ENDING 4/30/12)	10,613.53 4,473.83	15,087.36
2033717	06/27/12	13900	COMMUNITY BANK	4	06/05/12	RETENTION/GARCIA JUAREZ (ENDING 5/31/12)	8,486.21	8,486.21
2033564	06/13/12	08160	COMPLETE OFFICE	13905840	05/24/12	TONER	362.60	362.60
2033718	06/27/12	08160	COMPLETE OFFICE	13924450 13933740	06/01/12 06/06/12	CARTRIDGES TONER	2,211.50 835.59	3,047.09
2033637	06/20/12	11510	CONFERENCE CALL.COM	2670879584	05/31/12	CONFERENCE CALLING SERVICE (MAY 2012)	117.23	117.23
2033498	06/06/12	14105	CORNERSTONE CAP	Ref002421900	06/01/12	UB Refund Cst #0000187292	32.29	32.29
2033565	06/13/12	00184	COUNTY OF SAN DIEGO	HK072103510512 HK072102940512 HK182102970512 HK182104050512 HK18212786 HK182031690512 HK182102950512 HK182102960512	05/15/12 05/15/12 05/15/12 05/15/12 05/15/12 05/15/12 05/15/12 05/15/12	HAZMAT PERMIT (6/30/12-6/30/13) HAZMAT PERMIT (6/30/12-6/30/13)	460.00 419.00 306.00 306.00 306.00 306.00 306.00 306.00	2,715.00
2033638	06/20/12	02122	COUNTY OF SAN DIEGO	2012061209289 2012060805668	06/12/12 06/08/12	PERMIT FEES #09289 PERMIT FEES #05668	400.00 240.00	640.00

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2033719	06/27/12	00099	COUNTY OF SAN DIEGO - DPW	156644	05/31/12	EXCAVATION PERMITS (5/1/12-5/31/12)	2,499.08	2,499.08
2033639	06/20/12	02756	COX COMMUNICATIONS SAN DIEGO	27170512 28810512	05/30/12 05/30/12	INTERNET SERVICES (5/29/12-6/28/12) INTERNET SERVICES (5/29/12-6/28/12)	1,500.00 1,500.00	3,000.00
2033720	06/27/12	11286	CPM PARTNERS INC	12053	05/31/12	SCHEDULING SERVICES (5/1/12-5/31/12)	1,160.00	1,160.00
2033721	06/27/12	06415	CUMMINS CAL PACIFIC LLC	01111926	06/04/12	GEN SET	40,295.27	40,295.27
2033640	06/20/12	03341	DEPARTMENT OF CONSUMER AFFAIRS	930080612	06/13/12	CPA LICENSE RENEWAL	120.00	120.00
2033722	06/27/12	03744	DEPARTMENT OF JUSTICE	913297	06/06/12	FINGERPRINTING SERVICES	147.00	147.00
2033641	06/20/12	03417	DIRECTV	17941663645	06/05/12	SATELLITE TV (6/4/12-7/3/12)	18.00	18.00
2033566	06/13/12	00993	DIVE/CORR INC	1275 1274 1273 1272	05/24/12 05/24/12 05/24/12 05/24/12	DIVE INSPECTION DIVE INSPECTION DIVE INSPECTION OF 624-1 DIVE INSPECTION OF 711-3	1,750.00 1,750.00 1,750.00 1,750.00	7,000.00
2033567	06/13/12	13796	EASTLAKE I COMMUNITY ASSN	003751	06/07/12	LANDSCAPE PROGRAM	3,600.00	3,600.00
2033568	06/13/12	02447	EDCO DISPOSAL CORPORATION	1554580512	05/31/12	RECYCLING SERVICES (MAY 2012)	90.00	90.00
2033499	06/06/12	14082	EDWARD PLANK	Ref002421876	06/01/12	UB Refund Cst #0000047320	82.11	82.11
2033642	06/20/12	14120	ERIC KIEMEL	Ref002422173	06/18/12	UB Refund Cst #0000014357	62.14	62.14
2033500	06/06/12	14096	ESTANCIA SOUTHWEST LLC	Ref002421890	06/01/12	UB Refund Cst #0000182535	89.98	89.98
2033643	06/20/12	03757	FANDEL ENTERPRISES INC	1498	05/15/12	CONSULTING SERVICES (APR 2012)	3,900.00	3,900.00
2033723	06/27/12	03757	FANDEL ENTERPRISES INC	1504	06/05/12	CONSULTING SERVICES (MAY 2012)	1,890.00	1,890.00
2033501	06/06/12	14099	FAS-KAZORK UTILITIES	Ref002421894	06/01/12	UB Refund Cst #0000184657	30.08	30.08
2033569	06/13/12	03546	FERGUSON WATERWORKS # 1083	0406191 0407478	05/14/12 05/18/12	D-5 BITS INVENTORY	3,081.48 2,375.89	5,457.37
2033724	06/27/12	03546	FERGUSON WATERWORKS # 1083	0408136 0409331 04061911 0407338 0408878 0408975 0408880	06/07/12 06/15/12 05/29/12 05/30/12 06/06/12 06/07/12 06/06/12	CL-12 OPERATOR INVENTORY D-5 BITS 3" CLMC PIPE PVC PARTS HYDRANT PARTS PVC PARTS	6,869.06 1,982.61 1,839.90 1,233.20 920.53 332.41 176.71	13,354.42
2033644	06/20/12	14131	FIELD ASSET SERVICES INC	Ref002422184	06/18/12	UB Refund Cst #0000186811	18.00	18.00

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2033725	06/27/12	12187	FIRST AMERICAN DATA TREE LLC	90034052	05/31/12	ONLINE DOCUMENTS (5/1/12-5/31/12)	99.00	99.00
2033570	06/13/12	04066	FIRST CHOICE SERVICES - SD	179712	05/15/12	COFFEE SUPPLIES	384.67	384.67
2033726	06/27/12	04066	FIRST CHOICE SERVICES - SD	181138	05/30/12	COFFEE SUPPLIES	341.66	341.66
2033502	06/06/12	00035	FISHER SCIENTIFIC	8006145	05/01/12	LABORATORY SUPPLIES	63.48	63.48
2033571	06/13/12	00035	FISHER SCIENTIFIC	0490996 9428177	05/22/12 05/14/12	LABORATORY SUPPLIES LABORATORY SUPPLIES	540.93 36.15	577.08
2033727	06/27/12	00035	FISHER SCIENTIFIC	1138556	06/04/12	LABORATORY SUPPLIES	427.64	427.64
2033728	06/27/12	02591	FITNESS TECH	7914	06/05/12	EQUIPMENT MAINTENANCE (JUNE 2012)	135.00	135.00
2033645	06/20/12	11962	FLEETWASH INC	3865648 3874395	05/04/12 05/18/12	VEHICLE WASH VEHICLE WASH	218.54 46.83	265.37
2033729	06/27/12	11962	FLEETWASH INC	3885975	06/01/12	VEHICLE WASH	284.70	284.70
2033646	06/20/12	06268	FOUNDATION FOR CROSS-CONNECT	8919	06/05/12	MEMBERSHIP RENEWAL	500.00	500.00
2033503	06/06/12	01612	FRANCHISE TAX BOARD	Ben2421927	06/07/12	BI-WEEKLY PAYROLL DEDUCTION	190.00	190.00
2033504	06/06/12	02344	FRANCHISE TAX BOARD	Ben2421935	06/07/12	BI-WEEKLY PAYROLL DEDUCTION	366.56	366.56
2033647	06/20/12	01612	FRANCHISE TAX BOARD	Ben2422282	06/21/12	BI-WEEKLY PAYROLL DEDUCTION	190.00	190.00
2033648	06/20/12	02344	FRANCHISE TAX BOARD	Ben2422290	06/21/12	BI-WEEKLY PAYROLL DEDUCTION	366.56	366.56
2033572	06/13/12	07224	FRAZEE INDUSTRIES INC	027126388 027126389 027126387 0271263910	05/16/12 05/16/12 05/16/12 05/16/12	HYDRANT PAINT PAINT BLUE PAINT PAINT SUPPLIES	683.94 341.97 113.99 82.87	1,222.77
2033730	06/27/12	13563	FRIENDS OF THE WATER	127 120	05/30/12 05/29/12	GARDEN TOURS (5/17/12-5/31/12) GARDEN TOURS (3/7/12-3/15/12)	3,100.00 2,480.00	5,580.00
2033649	06/20/12	13716	GARCIA JUAREZ CONSTRUCTION INC	4 00013681	06/05/12 06/27/12	CALAVO GARDENS (ENDING 5/31/12) RETAINAGE RELEASE	146,150.61 15,087.36	161,237.97
2033731	06/27/12	12673	GONZALEZ, DAVID	003766	06/25/12	WATER SMART LANDSCAPE PROGRAM	943.00	943.00
2033573	06/13/12	00101	GRAINGER INC	9836412529 9836412545 9836412537	05/24/12 05/24/12 05/24/12	INVENTORY PAINT BATTERIES	206.25 132.67 84.96	423.88

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2033732	06/27/12	00101	GRAINGER INC	9848542529	06/08/12	KNEE PADS	104.82	104.82
2033733	06/27/12	12907	GREENRIDGE LANDSCAPE INC	9190	05/30/12	LANDSCAPING SERVICES (MAY 2012)	8,650.00	8,650.00
2033734	06/27/12	03773	GTC SYSTEMS INC	33515	05/31/12	CITIRX SUPPORT (MAY 2012)	1,433.84	1,433.84
2033574	06/13/12	14115	GUENTER TSCHAUNER	003744	06/06/12	CUSTOMER REFUND	95.22	95.22
2033575	06/13/12	00174	HACH COMPANY	7752039	05/12/12	HACH APA6000	704.07	
				7761902	05/21/12	LABORATORY SUPPLIES	177.00	881.07
2033650	06/20/12	00174	HACH COMPANY	7740070	05/04/12	COLORIMETER & PUMP MODULE	872.16	
				7740072	05/04/12	COLORIMETER & PUMP MODULE	670.07	1,542.23
2033576	06/13/12	14114	HAMAD RAJHI	003745	06/06/12	CUSTOMER REFUND	195.86	195.86
2033651	06/20/12	02795	HARTFORD INSURANCE CO, THE	Ben2422268	06/21/12	MONTHLY CONTRIBUTION TO LTD	5,428.92	5,428.92
2033735	06/27/12	14076	HDS WHITE CAP CONST SUPPLY	36125070	05/29/12	EDOCO PLUG	1,533.80	1,533.80
2033505	06/06/12	04472	HECTOR I MARES-COSSIO	86	06/04/12	CONSULTANT SERVICES (APR 2012)	3,600.00	3,600.00
2033577	06/13/12	02096	HELIX WATER DISTRICT	003750	05/29/12	DOT / HAZMAT TRAINING	174.00	174.00
2033736	06/27/12	00062	HELIX WATER DISTRICT	178540010612	06/12/12	WATER BILL / AVOCADO BLVD	40.10	
				174639860612	06/12/12	WATER BILL / RUSSELL SQ	40.10	80.20
2033737	06/27/12	02096	HELIX WATER DISTRICT	0000292400512	06/27/12	TEMPORARY METER	385.38	385.38
2033738	06/27/12	06843	HI-TECH AIR CONDITIONING	24898	05/31/12	AC MAINTENANCE	650.00	650.00
2033578	06/13/12	06511	HUDSON SAFE-T-LITE	00009844	05/21/12	SAFE T LITE	391.32	391.32
2033739	06/27/12	08969	INFOSEND INC	59291	05/31/12	POSTAGE - MAY 2012	11,844.19	
				59445	06/04/12	BILL PRINTING SERVICES	4,938.60	
				59290	05/31/12	BILL PRINTING SERVICES (MAY 2012)	4,809.43	21,592.22
2033579	06/13/12	14032	INLAND AERIAL SURVEYS INC	128840	05/22/12	AERIAL PHOTOGRAPHY - CUYAMACA SITE	1,500.00	1,500.00
2033740	06/27/12	02372	INTERIOR PLANT SERVICE INC	783	05/31/12	PLANT SERVICES (MAY 2012)	186.00	186.00
2033741	06/27/12	13899	INTERMEDIA.NET INC	12060070	06/01/12	EXCHANGE OUTSOURCING (5/9/12-6/1/12)	4,317.46	4,317.46
2033580	06/13/12	03077	JANI-KING OF CALIFORNIA INC	SD005120179	05/01/12	JANITORIAL SERVICES (MAY 2012)	1,101.10	1,101.10
2033742	06/27/12	03077	JANI-KING OF CALIFORNIA INC	SDO06120181	06/01/12	JANITORIAL SERVICES (JUNE 2012)	1,101.10	1,101.10
2033743	06/27/12	01010	JOBS AVAILABLE INC	1212032	06/05/12	JOB POSTING	402.50	402.50

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2033581	06/13/12	03172	JONES & STOKES ASSOCIATES INC	0087104	05/21/12	ENVIRONMENTAL CONSULT (4/1/12-4/27/12)	2,515.00	
				0087103	05/21/12	ENVIRONMENTAL CONSULT (4/1/12-4/27/12)	1,385.00	
				0087015	05/21/12	ENVIRONMENTAL CONSULT (4/1/12-4/17/12)	1,265.75	5,165.75
2033652	06/20/12	14123	JORGE CORTEZ	Ref002422176	06/18/12	UB Refund Cst #0000125750	45.53	45.53
2033506	06/06/12	14094	JULES SUMMERS	Ref002421888	06/01/12	UB Refund Cst #0000182514	35.35	35.35
2033653	06/20/12	14129	JUSTIN TJALMA	Ref002422182	06/18/12	UB Refund Cst #0000185120	28.59	28.59
2033582	06/13/12	12639	KAPISH NORTH AMERICA LLC	3048	05/22/12	TRIM IMPLEMENTATION	5,847.56	5,847.56
2033654	06/20/12	12639	KAPISH NORTH AMERICA LLC	3032	02/24/12	SOFTWARE SUPPORT	5,086.11	
				3033	02/27/12	TRIM IMPLEMENTATION	3,300.00	8,386.11
2033507	06/06/12	14091	KAREN ABRUSCHEO	Ref002421885	06/01/12	UB Refund Cst #0000176951	71.04	71.04
2033583	06/13/12	05840	KIRK PAVING INC	5088	05/16/12	PAVING SERVICES	7,196.50	7,196.50
2033744	06/27/12	04996	KNOX ATTORNEY SERVICE INC	687000	05/31/12	DELIVERY SERVICES (4/27/12 -5/18/12)	302.50	302.50
2033584	06/13/12	12276	KONECRANES INC	SDG00678525	05/25/12	HOIST CERTIFICATION	800.00	800.00
2033745	06/27/12	14036	KRATOS / HBE	SM37852	06/07/12	SECURITY SYSTEM MAINTENANCE	2,240.00	
				SM37851	06/07/12	SECURITY SYSTEM MAINTENANCE	200.00	2,440.00
2033508	06/06/12	14084	KRISTINA SMITH	Ref002421878	06/01/12	UB Refund Cst #0000078933	27.84	27.84
2033585	06/13/12	01859	LA PRENSA SAN DIEGO	23758	05/29/12	JOB POSTING	42.00	
				23755	05/29/12	JOB POSTING	42.00	84.00
2033746	06/27/12	01859	LA PRENSA SAN DIEGO	23780	06/27/12	JOB POSTING	48.00	48.00
2033747	06/27/12	06497	LAKESIDE LAND COMPANY	263336	06/07/12	LANDFILL	263.60	263.60
2033748	06/27/12	05632	LARSON, BRAD	003767	06/27/12	COMPUTER LOAN	602.49	602.49
2033509	06/06/12	14106	LAWRENCE MODERNO	Ref002421901	06/01/12	UB Refund Cst #0000187750	19.92	19.92
2033749	06/27/12	03607	LEE & RO INC	LR14963	06/01/12	INTERCONNECTION (4/1/12-5/25/12)	7,760.00	
				LR14962	06/01/12	DESIGN SERVICES (4/28/12-5/25/12)	2,359.01	10,119.01
2033510	06/06/12	14095	LEONIA MENDOZA	Ref002421889	06/01/12	UB Refund Cst #0000182524	5.70	5.70
2033586	06/13/12	05220	LOGICALIS INTEGRATION SOLUTION	IN077797	05/16/12	ROUTER	1,865.86	
				IN077798	05/16/12	ROUTER AND SWITCH	2,457.42	4,323.28

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2033511	06/06/12	14085	M BEATRIZ LOMBROZO	Ref002421879	06/01/12	UB Refund Cst #0000147812	23.48	23.48
2033750	06/27/12	10512	MAIL MANAGEMENT GROUP INC	OWD7628	05/30/12	DATA ENTRY	23.69	23.69
2033655	06/20/12	14127	MANOLO REALTY	Ref002422180	06/18/12	UB Refund Cst #0000176922	75.00	75.00
2033656	06/20/12	14119	MANUEL MARRUENDA	Ref002422172	06/18/12	UB Refund Cst #0000012944	100.00	100.00
2033657	06/20/12	14135	MARC CARPENTER & ASSOCIATES	Ref002422188	06/18/12	UB Refund Cst #0000187703	51.24	51.24
2033512	06/06/12	14107	MARCOS CORREA JR	Ref002421902	06/01/12	UB Refund Cst #0000188011	9.25	9.25
2033513	06/06/12	14079	MARCOS LYNCH	Ref002421873	06/01/12	UB Refund Cst #0000003040	51.41	51.41
2033514	06/06/12	14083	MARIO FARRALES	Ref002421877	06/01/12	UB Refund Cst #0000048295	60.30	60.30
2033515	06/06/12	14109	MARK MOLSBERRY	Ref002421904	06/01/12	UB Refund Cst #0000188486	1,686.80	1,686.80
2033658	06/20/12	14137	MARSI FRANKLIN	Ref002422190	06/18/12	UB Refund Cst #0000188567	58.06	58.06
2033516	06/06/12	02902	MARSTON+MARSTON INC	201252	05/01/12	CONSULTING SERVICES (APRIL 2012)	1,138.52	1,138.52
2033587	06/13/12	02902	MARSTON+MARSTON INC	201253	05/01/12	COMMUNITY OUTREACH (4/2/12-4/30/12)	637.50	637.50
2033751	06/27/12	02902	MARSTON+MARSTON INC	201261	06/01/12	COMMUNITY OUTREACH (MAY 2012)	5,148.75	5,425.00
				201262	06/01/12	CONSULTING SERVICES (MAY 2012)	276.25	
2033517	06/06/12	14081	MARY FRANKLIN	Ref002421875	06/01/12	UB Refund Cst #0000035027	46.05	46.05
2033518	06/06/12	14111	MASTERS COLLECTION AT EASTLAKE	003737	05/31/12	LANDSCAPE PROGRAM	4,093.00	4,093.00
2033588	06/13/12	01183	MCMASTER-CARR SUPPLY CO	26311343	05/14/12	ANCHOR STUDS	236.16	735.66
				27482860	05/24/12	LUFKIN TAPE	228.98	
				27482859	05/24/12	ANTISLIP TAPE	181.61	
				26955856	05/18/12	PARTS	88.91	
2033659	06/20/12	01183	MCMASTER-CARR SUPPLY CO	23707017	04/13/12	LAUNDER EPOXY	860.58	860.58
2033752	06/27/12	01183	MCMASTER-CARR SUPPLY CO	28335605	06/05/12	RECYCLED AIR VALVES	364.41	581.50
				28335607	06/05/12	POTABLE SUPPLIES	217.09	
2033589	06/13/12	01824	MERKEL & ASSOCIATES INC	12052115	05/21/12	ENVIRONMENTAL SERVICES (4/1/12-4/30/12)	13,352.66	13,352.66
2033519	06/06/12	14019	MILLENIA REAL ESTATE	Ref002421892	06/01/12	UB Refund Cst #0000183433	52.68	52.68
2033520	06/06/12	14093	MILLENIA REAL ESTATE	Ref002421887	06/01/12	UB Refund Cst #0000177736	71.14	71.14
2033590	06/13/12	00237	MISSION JANITORIAL & ABRASIVE	31059800	05/17/12	JANITORIAL SUPPLIES	760.91	

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				31191200	05/25/12	JANITORIAL SUPPLIES	245.58	1,006.49
2033521	06/06/12	03523	NATIONAL DEFERRED COMPENSATION	Ben2421923	06/07/12	BI-WEEKLY DEFERRED COMP PLAN	9,013.15	9,013.15
2033660	06/20/12	03523	NATIONAL DEFERRED COMPENSATION	Ben2422278	06/21/12	BI-WEEKLY DEFERRED COMP PLAN	8,913.15	8,913.15
2033522	06/06/12	09884	NATIONAL SAFETY COMPLIANCE INC	52924	03/31/12	RANDOM DRUG TESTING (3/14/12)	926.77	926.77
2033591	06/13/12	14116	NAVY EXCHANGE	003755	06/08/12	COMPUTER LOAN	1,878.98	1,878.98
2033753	06/27/12	08531	NEWEST CONSTRUCTION	09	05/31/12	RWCWR UPGRADE (ENDING 5/31/12)	216,564.21	
				08	04/30/12	RWCWR UPGRADE (ENDING 4/30/12)	170,224.65	386,788.86
2033754	06/27/12	14118	NORTHSTAR COURIER INC	1028	06/05/12	COURIER SERVICES	90.75	90.75
2033592	06/13/12	00510	OFFICE DEPOT INC	611442178001		CREDIT MEMO	(52.15)	
				611442399001		CREDIT MEMO	(4.57)	
				609698565001	05/14/12	OFFICE SUPPLIES	556.32	
				610262904001	05/17/12	OFFICE SUPPLIES	312.69	
				609748131001	05/14/12	SUPPLIES	260.99	
				609748939001	05/14/12	FLOOR MAT	186.60	
				611150540001	05/24/12	OFFICE SUPPLIES	64.81	
				611242558001	05/25/12	WASTE CONTAINER	27.39	1,352.08
2033755	06/27/12	00510	OFFICE DEPOT INC	613155997001	06/05/12	OFFICE SUPPLIES	115.10	
				609619773001	05/11/12	OFFICE SUPPLIES	27.73	
				609748322001	05/14/12	SUPPLIES	15.07	157.90
2033523	06/06/12	14087	OLIVIER VASQUEZ	Ref002421881	06/01/12	UB Refund Cst #0000172016	17.08	17.08
2033756	06/27/12	03149	ON SITE LASER LLC	46776	06/01/12	PRINTER SERVICES	120.72	120.72
2033757	06/27/12	02334	OTAY LANDFILL	0000012458	05/31/12	WASTE DISPOSAL	51.54	51.54
2033661	06/20/12	01718	OTAY MESA CHAMBER OF COMMERCE	003758	05/03/12	ANNUAL MEMBERSHIP RENEWAL	600.00	600.00
2033593	06/13/12	14117	OTAY RANCH FIVE HOA	003752	06/05/12	SETTLEMENT CLAIM	450.00	450.00
2033758	06/27/12	14117	OTAY RANCH FIVE HOA	003779	06/21/12	SETTLEMENT CLAIM	250.00	250.00
2033524	06/06/12	03101	OTAY WATER DISTRICT	Ben2421919	06/07/12	BI-WEEKLY PAYROLL DEDUCTION	686.00	686.00
2033662	06/20/12	03101	OTAY WATER DISTRICT	Ben2422274	06/21/12	BI-WEEKLY PAYROLL DEDUCTION	686.00	686.00
2033759	06/27/12	05118	OTIS ELEVATOR COMPANY	SD04041512	04/20/12	ELEVATOR MAINTENANCE (MAY 2012)	458.58	458.58
2033594	06/13/12	08891	PACIFIC METER SERVICES INC	302	05/18/12	METER REPLACEMENT	39,773.88	
				303	05/24/12	METER REPLACEMENT	27,572.46	67,346.34

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2033595	06/13/12	01002	PACIFIC PIPELINE SUPPLY	153652	05/25/12	ROMAC DRESSER	4,066.94	8,372.24
				153480	05/25/12	INVENTORY	2,007.38	
				153453	05/15/12	SWITCH ASSEMBLIES	1,881.32	
				153810	05/31/12	INVENTORY	416.60	
2033760	06/27/12	01002	PACIFIC PIPELINE SUPPLY	153969	06/13/12	INVENTORY	4,795.48	4,985.74
				153649	05/30/12	PIPE SUPPORTS	190.26	
2033663	06/20/12	09984	PADRE DAM'S SANTEE LAKES	003759	06/19/12	EMPLOYEE PROGRAM	215.00	215.00
2033664	06/20/12	14132	PATTI MCKELVY	Ref002422185	06/18/12	UB Refund Cst #0000187057	71.58	71.58
2033665	06/20/12	14130	PATTI ROESCH	Ref002422183	06/18/12	UB Refund Cst #0000185598	128.25	128.25
2033525	06/06/12	14103	PATTY MCKELVEY	Ref002421898	06/01/12	UB Refund Cst #0000186682	150.00	150.00
2033526	06/06/12	14078	PAUL SANCHEZ	Ref002421872	06/01/12	UB Refund Cst #0000001122	33.39	33.39
2033761	06/27/12	05497	PAYPAL INC	17463954	05/31/12	PHONE PAYMENT SERVICES (MAY 2012)	54.10	54.10
2033596	06/13/12	00227	PELL MELL SUPPLY	64083	05/18/12	FLANGE BOLTS	542.11	542.11
2033666	06/20/12	00137	PETTY CASH CUSTODIAN	003757	06/19/12	PETTY CASH	277.30	277.30
2033762	06/27/12	00053	PITNEY BOWES INC	450015	06/03/12	PSD RENTAL (7/1/12-9/30/12)	206.88	206.88
2033763	06/27/12	02264	PLASTERER, MICHAEL	003770	06/13/12	SAFETY BOOTS	150.00	150.00
2033597	06/13/12	03351	POSADA, ROD	003754	06/08/12	REIMBURSE TUITION	215.00	215.00
2033764	06/27/12	14139	PRESCOTT, C. M.	003768	06/22/12	PRESSURE REGULATING VALVE REBATE PGM	220.00	220.00
2033598	06/13/12	07346	PRIME ELECTRICAL SERVICES INC	10333	05/22/12	INSTALL CONDUITS	3,217.00	3,217.00
2033527	06/06/12	13059	PRIORITY BUILDING SERVICES	30839	04/30/12	CLEANING BLINDS	2,550.00	2,550.00
2033599	06/13/12	13059	PRIORITY BUILDING SERVICES	30630	05/01/12	JANITORIAL SERVICES (MAY 2012)	3,504.00	3,504.00
2033600	06/13/12	02476	PROGRESSIVE BUS PUBLICATIONS	05717228	05/24/12	SUBSCRIPTION	357.84	357.84
2033601	06/13/12	06641	PRUDENTIAL OVERALL SUPPLY	30262359	05/24/12	UNIFORMS, TOWELS & MATS	398.81	
				30260932	05/17/12	UNIFORMS, TOWELS & MATS	392.33	
				30260931	05/17/12	UNIFORMS, TOWELS & MATS	197.34	
				30262358	05/24/12	UNIFORMS, TOWELS & MATS	197.34	
				30260933	05/17/12	UNIFORMS, TOWELS & MATS	164.69	
				30260292	05/15/12	UNIFORMS, TOWELS & MATS	36.85	
				30262360	05/24/12	UNIFORMS, TOWELS & MATS	164.69	

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				30261681	05/22/12	UNIFORMS, TOWELS & MATS	133.05	
				30261682	05/22/12	UNIFORMS, TOWELS & MATS	112.40	
				30260293	05/15/12	UNIFORMS, TOWELS & MATS	112.40	
				30260934	05/17/12	UNIFORMS, TOWELS & MATS	58.03	
				30262361	05/24/12	UNIFORMS, TOWELS & MATS	54.03	2,021.96
2033765	06/27/12	06641	PRUDENTIAL OVERALL SUPPLY	30263995	05/31/12	UNIFORMS, TOWELS & MATS	396.54	
				30265505	06/07/12	UNIFORMS, TOWELS & MATS	371.94	
				30265504	06/07/12	UNIFORMS, TOWELS & MATS	207.95	
				30263994	05/31/12	UNIFORMS, TOWELS & MATS	197.34	
				30265506	06/07/12	UNIFORMS, TOWELS & MATS	173.33	
				30263996	05/31/12	UNIFORMS, TOWELS & MATS	164.69	
				30264877	06/05/12	UNIFORMS, TOWELS & MATS	36.85	
				30264878	06/05/12	UNIFORMS, TOWELS & MATS	112.40	
				30263356	05/29/12	UNIFORMS, TOWELS & MATS	112.40	
				31003933	05/03/12	UNIFORM JACKET	75.43	
				30265507	06/07/12	UNIFORMS, TOWELS & MATS	55.65	
				30263997	05/31/12	UNIFORMS, TOWELS & MATS	53.49	
				30263355	05/29/12	UNIFORMS, TOWELS & MATS	40.85	1,998.86
2033602	06/13/12	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2421917	06/07/12	BI-WEEKLY PERS CONTRIBUTION	147,039.22	147,039.22
2033766	06/27/12	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2422272	06/21/12	BI-WEEKLY PERS CONTRIBUTION	146,842.55	146,842.55
2033767	06/27/12	10294	QWIKPRINTS	121531137	06/01/12	FINGERPRINTING SERVICES (5/19/12)	20.00	20.00
2033603	06/13/12	01342	R J SAFETY SUPPLY CO INC	30070100	05/16/12	SAFETY SUPPLIES	298.90	298.90
2033768	06/27/12	01342	R J SAFETY SUPPLY CO INC	30070101	05/30/12	SAFETY SUPPLIES	2,695.91	
				30138400	05/30/12	SAFETY SUPPLIES	388.06	
				30138401	06/06/12	SAFETY SUPPLIES	252.44	3,336.41
2033528	06/06/12	14092	RANDI GRUBE	Ref002421886	06/01/12	UB Refund Cst #0000177565	46.40	46.40
2033769	06/27/12	00766	RANROY PRINTING COMPANY	016547	06/08/12	LETTER HEAD	2,654.96	2,654.96
2033529	06/06/12	14098	RED DOOR REALTY	Ref002421893	06/01/12	UB Refund Cst #0000183669	55.25	55.25
2033667	06/20/12	14122	REMEDIOS RICHARDSON	Ref002422175	06/18/12	UB Refund Cst #0000091849	7.35	7.35
2033668	06/20/12	14134	RGL HOLDINGS	Ref002422187	06/18/12	UB Refund Cst #0000187282	71.14	71.14
2033604	06/13/12	12017	RICK ALEXANDER COMPANY, THE	E000009	05/16/12	CONSULTING SERVICES (9/1/11-5/16/12)	1,459.60	1,459.60
2033669	06/20/12	14126	ROBERT HURT	Ref002422179	06/18/12	UB Refund Cst #0000174873	75.00	75.00
2033605	06/13/12	12228	ROCKWELL ENGINEERING &	12821	05/21/12	O-RING KIT	435.23	435.23

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2033530	06/06/12	14104	ROSIE ULLOA	Ref002421899	06/01/12	UB Refund Cst #0000186748	33.52	33.52
2033606	06/13/12	00217	RW LITTLE CO INC	107862	05/21/12	SANDBLAST	75.00	75.00
2033770	06/27/12	05130	SAFARI MICRO INC	216971	06/04/12	INK CARTRIDGES	1,216.37	1,216.37
2033670	06/20/12	14124	SAMATHA KAHN	Ref002422177	06/18/12	UB Refund Cst #0000139839	20.67	20.67
2033607	06/13/12	11596	SAN DIEGO CONSTRUCTION WELDING	8382	05/16/12	WELDING SERVICES	340.00	340.00
2033771	06/27/12	11596	SAN DIEGO CONSTRUCTION WELDING	8412	05/31/12	WELDING SERVICES	340.00	340.00
2033772	06/27/12	02586	SAN DIEGO COUNTY ASSESSOR	2011254	06/04/12	ASSESSOR DATA	125.00	125.00
2033608	06/13/12	00003	SAN DIEGO COUNTY WATER	0000000518	05/15/12	LOAD CALCS	1,040.00	1,040.00
2033773	06/27/12	00003	SAN DIEGO COUNTY WATER	0000000539	06/22/12	SOCAL WATERSMART (APRIL 2012)	1,892.51	3,739.46
				0000000519	05/29/12	SOCAL WATERSMART (MAR 2012)	1,846.95	
2033531	06/06/12	00121	SAN DIEGO GAS & ELECTRIC	003732	05/24/12	UTILITY EXPENSES (MONTHLY)	16,383.88	17,079.92
				003731	06/05/12	UTILITY EXPENSES (MONTHLY)	696.04	
2033609	06/13/12	00121	SAN DIEGO GAS & ELECTRIC	003736	05/25/12	UTILITY EXPENSES (MONTHLY)	47,749.72	129,494.65
				003735	05/24/12	UTILITY EXPENSES (MONTHLY)	11,121.38	
				003748	05/29/12	UTILITY EXPENSES (MONTHLY)	1,278.51	
				003747	06/05/12	UTILITY EXPENSES (MONTHLY)	69,345.04	
2033610	06/13/12	13418	SAN DIEGO POWDER COATING	15939	05/21/12	POWDER COATING	385.00	710.00
				33017	05/18/12	POWDER COATING	325.00	
2033611	06/13/12	03273	SAN DIEGO READER	157463	05/31/12	JOB POSTING	75.50	75.50
2033774	06/27/12	03273	SAN DIEGO READER	158102	06/07/12	JOB POSTING	83.90	83.90
2033532	06/06/12	14088	SAN DIEGO REALTY	Ref002421882	06/01/12	UB Refund Cst #0000173321	61.16	61.16
2033775	06/27/12	10925	SAN MIGUEL CONSOLIDATED FIRE	E000011	06/26/12	GROUND LEASE & JOINT AGREEMENT	72,212.00	72,212.00
2033612	06/13/12	07676	SAN MIGUEL FIRE PROTECTION	003716	05/21/12	TEMPORARY LABOR (APR 2012)	6,705.02	6,705.02
2033776	06/27/12	07676	SAN MIGUEL FIRE PROTECTION	003765	06/04/12	TEMPORARY LABOR	6,700.23	6,700.23
2033777	06/27/12	06280	SANCHEZ, OMAR	003769	06/18/12	SAFETY BOOTS	150.00	150.00
2033671	06/20/12	06262	SARIPALLI, SHAMALA	003762	06/13/12	TRAVEL EXPENSES	246.00	246.00
2033613	06/13/12	07288	SCHMIDT FIRE PROTECTION CO INC	81738	05/22/12	ALARM MAINTENANCE	256.00	256.00

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2033778	06/27/12	12421	SCS ENGINEERS	0192046	05/31/12	CALARP AUDIT	5,560.00	5,560.00
2033779	06/27/12	12904	SEPULVEDA CONSTRUCTION INC	10 2A	06/11/12 06/11/12	PUMP STATION UPGRADES (ENDING 5/31/12) 30 INCH POTABLE PIPELNE (ENDING 5/31/12)	95,478.57 17,889.76	113,368.33
2033614	06/13/12	11516	SIEMENS INDUSTRY INC	900739467	05/21/12	W&T PARTS	512.53	512.53
2033780	06/27/12	13327	SILVA SILVA INTERNATIONAL	1206	06/10/12	PROJECT CONSULTANT (MAY 2012)	4,000.00	4,000.00
2033615	06/13/12	12281	SIR SPEEDY PRINTING	2946	05/23/12	BUSINESS CARDS	41.05	41.05
2033616	06/13/12	00258	SLOAN ELECTRIC COMPANY	0060567 0060557	05/15/12 05/14/12	30HP MOTOR MACHINE SHOP SERVICES	2,488.45 1,152.50	3,640.95
2033781	06/27/12	00258	SLOAN ELECTRIC COMPANY	016778 0168242 0168241	05/30/12 05/29/12 05/29/12	DRUM SCREEN REPAIR REPLACEMENT PUMP MOTOR RECONDITION	23,727.94 12,788.95 2,934.84	39,451.73
2033782	06/27/12	10572	SLUDGEBOOSTERS INC	00000000010	05/24/12	SEED SLUDGE	2,700.00	2,700.00
2033533	06/06/12	14097	SONYA FLORES	Ref002421891	06/01/12	UB Refund Cst #0000183221	135.24	135.24
2033672	06/20/12	03103	SOUTHCOAST HEATING &	C48672 283980	05/14/12 05/24/12	AC MAINTENANCE (MAY 2012) AC MAINTENANCE	1,068.00 407.00	1,475.00
2033534	06/06/12	03760	SPANKY'S PORTABLE SERVICES INC	913697 913329 913330 913328	05/07/12 05/04/12 05/04/12 05/04/12	PORTABLE TOILET RENTAL (5/4/12 -5/31/12) PORTABLE TOILET RENTAL (5/4/12 -5/31/12) PORTABLE TOILET RENTAL (5/5/12 -6/1/12) PORTABLE TOILET RENTAL (5/4/12 -5/31/12)	79.96 79.96 79.96 79.96	319.84
2033617	06/13/12	03760	SPANKY'S PORTABLE SERVICES INC	915492 914437	05/25/12 05/13/12	PORTABLE TOILET RENTAL (5/24/12-6/20/12) PORTABLE TOILET RENTAL (5/16/12-6/12/12)	98.15 79.96	178.11
2033783	06/27/12	03760	SPANKY'S PORTABLE SERVICES INC	916407 916408 916409 916765	06/01/12 06/01/12 06/01/12 06/04/12	PORTABLE TOILET RENTAL (6/1/12-6/28/12) PORTABLE TOILET RENTAL (6/1/12-6/28/12) PORTABLE TOILET RENTAL (6/1/12-6/28/12) PORTABLE TOILET RENTAL	79.96 79.96 79.96 79.96	319.84
2033618	06/13/12	02354	STANDARD ELECTRONICS	16871	05/10/12	LABOR SERVICES	192.15	192.15
2033784	06/27/12	13564	STAR-NEWS PUBLISHING CO, THE	00008831	06/08/12	JOB POSTING	138.00	138.00
2033535	06/06/12	06281	STATE DISBURSEMENT UNIT	Ben2421933	06/07/12	BI-WEEKLY PAYROLL DEDUCTION	415.38	415.38
2033536	06/06/12	06299	STATE DISBURSEMENT UNIT	Ben2421925	06/07/12	BI-WEEKLY PAYROLL DEDUCTION	237.69	237.69
2033537	06/06/12	06303	STATE DISBURSEMENT UNIT	Ben2421929	06/07/12	BI-WEEKLY PAYROLL DEDUCTION	802.15	802.15

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2033538	06/06/12	08533	STATE DISBURSEMENT UNIT	Ben2421937	06/07/12	BI-WEEKLY PAYROLL DEDUCTION	253.85	253.85
2033673	06/20/12	06281	STATE DISBURSEMENT UNIT	Ben2422288	06/21/12	BI-WEEKLY PAYROLL DEDUCTION	415.38	415.38
2033674	06/20/12	06299	STATE DISBURSEMENT UNIT	Ben2422280	06/21/12	BI-WEEKLY PAYROLL DEDUCTION	237.69	237.69
2033675	06/20/12	06303	STATE DISBURSEMENT UNIT	Ben2422284	06/21/12	BI-WEEKLY PAYROLL DEDUCTION	802.15	802.15
2033676	06/20/12	08533	STATE DISBURSEMENT UNIT	Ben2422292	06/21/12	BI-WEEKLY PAYROLL DEDUCTION	253.85	253.85
2033619	06/13/12	12809	STUTZ ARTIANO SHINOFF	88043	05/23/12	LEGAL SERVICES (APR 2012)	23,320.59	23,320.59
2033677	06/20/12	06841	SUPERIOR ENVIRONMENTAL	1205047	05/22/12	CLEANING SERVICES	800.00	800.00
2033678	06/20/12	07362	SUSAN MARCUS	003763	07/01/12	WELLNESS PROGRAM	675.00	675.00
2033785	06/27/12	14140	SUTTON, ERIC	003774	06/20/12	WATER SMART LANDSCAPE PROGRAM	1,007.00	1,007.00
2033679	06/20/12	00408	SWEETWATER AUTHORITY	5113405	06/11/12	O&M COSTS	21,473.44	21,473.44
2033620	06/13/12	01905	SYMPRO INC	06767	05/15/12	SYMPRO SOFTWARE SUPP (7/1/12-6/30/13)	7,299.00	7,299.00
2033688	06/25/12	09221	TACKETT, ZACHARY	003764	06/25/12	ACH DEPOSIT RETURNED	2,180.60	2,180.60
2033786	06/27/12	01834	TC CONSTRUCTION INC	6A	06/06/12	LA PRESA SYSTEM (ENDING 5/31/12)	133,528.50	133,528.50
2033787	06/27/12	02376	TECHKNOWSION INC	2397	06/07/12	WIN911 SUPPORT	1,641.23	1,641.23
2033539	06/06/12	02498	THOMPSON, CHAD	003742	06/04/12	DRIVER'S LICENSE RENEWAL	39.00	39.00
2033540	06/06/12	14080	TODD OTTONELLO	Ref002421874	06/01/12	UB Refund Cst #0000030668	89.55	89.55
2033541	06/06/12	14110	TOM SCHEER	003740	05/30/12	LANDSCAPE PROGRAM	1,618.00	1,618.00
2033621	06/13/12	13484	TUTTLE-CLICK FORD INC	F321381	05/16/12	REPLACEMENT TRUCK, CP#9	48,178.66	48,178.66
2033788	06/27/12	00427	UNDERGROUND SERVICE ALERT OF	520120473	06/01/12	UNDERGROUND ALERTS (5/1/12-5/31/12)	419.00	419.00
2033622	06/13/12	08262	UNITED RENTALS NORTHWEST INC	102795354001	05/15/12	CONCRETE	177.79	177.79
2033542	06/06/12	05417	UNITED STATES DEPARTMENT	Ben2421931	06/07/12	BI-WEEKLY PAYROLL DEDUCTION	100.00	100.00
2033680	06/20/12	05417	UNITED STATES DEPARTMENT	Ben2422286	06/21/12	BI-WEEKLY PAYROLL DEDUCTION	100.00	100.00
2033681	06/20/12	07662	UNITEDHEALTHCARE SPECIALTY	121710000114	06/19/12	AD&D & SUPP LIFE INS (JULY 2012)	5,351.42	5,351.42
2033623	06/13/12	07674	US BANK CORPORATE PAYMENT	003749	05/22/12	CAL CARD EXPENSES (MONTHLY)	30.43	30.43

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2033682	06/20/12	07674	US BANK CORPORATE PAYMENT	003761	05/22/12	CAL CARD EXPENSES (MONTHLY)	364.29	364.29
2033789	06/27/12	07674	US BANK CORPORATE PAYMENT	O0000000011 O0000000012	05/22/12 05/22/12	CAL CARD EXPENSES (MONTHLY) CAL CARD EXPENSES (MONTHLY)	17,438.40 196.44	17,634.84
2033790	06/27/12	04345	US CONCRETE PRECAST GROUP	0153841IN 0153840IN	05/29/12 05/29/12	METER BOX LIDS METER LIDS	8,377.56 2,608.90	10,986.46
2033624	06/13/12	08402	US POSTMASTER	4030	05/30/12	POSTAGE - PERMIT # 700	7,050.00	7,050.00
2033683	06/20/12	06829	US SECURITY ASSOCIATES INC	680123	05/24/12	SECURITY SERVICES (MAY 2012)	110.00	110.00
2033625	06/13/12	11606	USA BLUE BOOK	668815 674017	05/14/12 05/21/12	EHC-33 GREASE EDUCTOR	1,278.68 77.39	1,356.07
2033791	06/27/12	13048	V & A CONSULTING ENGINEERS	13412R	05/25/12	CORROSION SERVICES (4/28/12-5/25/12)	12,619.00	12,619.00
2033792	06/27/12	08028	VALLEY CONSTRUCTION MANAGEMEN	SD100121 SD100122	05/31/12 05/31/12	INSPECTION SERVICES (4/1/12-5/31/12) CONSTRUCTION MGMT (4/1/12-5/31/12)	28,807.50 5,130.00	33,937.50
2033543	06/06/12	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2421915	06/07/12	BI-WEEKLY DEFERRED COMP PLAN	12,521.72	12,521.72
2033544	06/06/12	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2421921	06/07/12	BI-WEEKLY 401A PLAN	1,415.58	1,415.58
2033684	06/20/12	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2422270	06/21/12	BI-WEEKLY DEFERRED COMP PLAN	12,483.92	12,483.92
2033685	06/20/12	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2422276	06/21/12	BI-WEEKLY 401A PLAN	1,415.58	1,415.58
2033686	06/20/12	03329	VERIZON WIRELESS	1086423090	05/21/12	WIRELESS SERVICES (4/22/12-5/21/12)	5,071.35	5,071.35
2033687	06/20/12	14136	VIKI'S REALTY SERVICES	Ref002422189	06/18/12	UB Refund Cst #0000187721	75.00	75.00
2033545	06/06/12	14089	VIVIAN BARAJAS	Ref002421883	06/01/12	UB Refund Cst #0000175375	12.38	12.38
2033793	06/27/12	01994	VORTEX	18332	06/08/12	WASTE OIL FILTERS	50.00	50.00
2033626	06/13/12	01343	WE GOT YA PEST CONTROL	74000 74281 75455 74900 75008 75320 74001 75431 75549 75640 75770 75762	03/06/12 03/16/12 05/17/12 04/18/12 04/20/12 05/04/12 03/06/12 05/17/12 05/22/12 05/22/12 05/30/12 06/01/12	BEE REMOVAL BEE REMOVAL	115.00 115.00 115.00 115.00 115.00 115.00 75.00 115.00 115.00 115.00 115.00 115.00	

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				75187	05/04/12	BEE REMOVAL	115.00	1,455.00
2033794	06/27/12	00517	WESCO DISTRIBUTION INC	610834	05/30/12	ELECTRICAL MATERIAL	754.27	
				610833	05/30/12	ELECTRICAL MATERIAL	123.18	877.45
2033627	06/13/12	00125	WESTERN PUMP INC	0116280IN	05/22/12	DUSTO INSPECTIONS	400.00	400.00
2033795	06/27/12	13483	WHITE NELSON DIEHL EVANS LLP	126854	06/11/12	AUDIT SERVICES	6,800.00	6,800.00
2033546	06/06/12	09588	WILSON, CLOMA	003739	05/31/12	WELLNESS PROGRAM	350.00	350.00
2033796	06/27/12	02160	WOODS, MARVIN	003775	06/11/12	SAFETY BOOTS	150.00	150.00
<b>GRAND TOTAL</b>							<b>2,355,504.65</b>	<b>2,355,504.65</b>