REVISED

OTAY WATER DISTRICT
FINANCE, ADMINISTRATION AND COMMUNICATIONS
COMMITTEE MEETING
and
SPECIAL MEETING OF THE BOARD OF DIRECTORS

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA
BOARDROOM
WEDNESDAY
March 21, 2007
4:00 P.M.

This is a District Committee meeting. This meeting is being posted as a special meeting in order to comply with the Brown Act (Government Code Section §54954.2) in the event that a quorum of the Board is present. Items will be deliberated, however, no formal board actions will be taken at this meeting. The committee makes recommendations to the full board for its consideration and formal action.

AGENDA

1. ROLL CALL

2. 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

DISCUSSION ITEMS

3. APPROVE A PURCHASE ORDER TO EL CAJON FORD IN THE AMOUNT OF $98,731.26 FOR THE PURCHASE OF 3 HALF-TON FULL-SIZE PICKUP TRUCKS AND 3 HALF-TON COMPACT PICKUP TRUCKS (DOBRAWA) [5 minutes]

4. APPROVE A PURCHASE ORDER TO AIR TRACK, INC. IN THE AMOUNT OF $108,000 FOR THE PURCHASE OF GPS RELATED EQUIPMENT FOR THE IMPLEMENTATION OF GPS TECHNOLOGY TO ASSIST IN FIELD OPERATIONS AND A PURCHASE ORDER TO SPRINT/NEXTEL FOR $32,000 FOR COMMUNICATIONS FEES FOR THE GPS UNITS (STEVENS) [5 minutes]

5. REVIEW OF AUDIT PLANNING AND METHODOLOGY FOR THE DISTRICT'S AUDIT FOR FISCAL YEAR ENDING JUNE 30, 2007 (CUDLIP) [15 minutes]

6. WATER CONSERVATION UPDATE (GRANGER) [15 minutes]

    a. WATER CONSERVATION ACTION COMMITTEE
    b. CWA WATER CONSERVATION PROGRAMS

c. WATER CONSERVATION GARDEN
d. OWD CONSERVATION PROGRAM AND STATUS OF STRATEGIC PLAN OBJECTIVES ASSOCIATED WITH THE CONSERVATION PROGRAM

7. 2ND QUARTER STRATEGIC PLAN UPDATE (STEVENS) [10 minutes]

8. REVIEW OF THE FINDINGS OF THE 2006 RESIDENTIAL CUSTOMER OPINION AND AWARENESS AND 2006 CUSTOMER SERVICES SATISFACTION SURVEYS CONDUCTED BY REA & PARKER RESEARCH INC. (BUELNA) [10 minutes]

9. ADJOURNMENT

BOARD MEMBERS ATTENDING:
Mark Robak, Chair
Larry Breitfelder

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

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

Certification of Posting

I certify that on March 20, 2007 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 24 hours in advance of the meeting of the Board of Directors (Government Code Section §54954.2).

Executed at Spring Valley, California on March 20, 2007.

Susan Cruz, District Secretary

AGENDA ITEM 3
REVISED

STAFF REPORT

TYPE MEETING:	Regular Board
MEETING DATE:	April 4, 2007
SUBMITTED BY:	Stephen Dobrawa, Purchasing Manager Don Henderson, Construction Maintenance Manager
W.O./G.F. NO:	
DIV. NO.	All
APPROVED BY: (Chief)	Rom Sarno, Chief, Administrative Services
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager, Administration and Finance
SUBJECT:	PURCHASE OF FY-07 BUDGETED VEHICLES

GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize the General Manager to issue a purchase order to El Cajon Ford, El Cajon in the amount of $98,731.26 for the purchase of 3 (ea.) ½ ton full-size pickup trucks and 3 (ea.) ½ ton compact pickup trucks.

Additionally, the General Manager, under his delegated signatory authority, will:

1) Issue a purchase order to Toyota of El Cajon in the amount of $33,686.96 for the purchase of 2 (ea.) SUV/wagons.
2) Issue a purchase order to Toyota of Carlsbad in the amount of $38,253.40 for the purchase of 2(ea.) ½ ton mid-size pickup trucks.

COMMITTEE ACTION: _____

See Attachment "A"

PURPOSE:

To provide bid results and obtain authorization to purchase vehicles identified within the FY-07 Capital Purchases Budget.

ANALYSIS:

Included in the approved FY 2007 budget are 10 vehicles, 7 pickup trucks and 3 alternative type vehicles (Capital Item #'s 107, 108, 109, 111, 114, 115, 121, 124, 125, and 126). In accordance with district policy, bids for these items were solicited and received as follows:

Vendor	SUV/Wagon (Qty-2)	½ Ton Compact Pickup (Qty-5)	½ Ton Full Size Pickup (Qty-3)
Carl Burger Dodge, La Mesa	$17,837.01 Jeep Compass $16,742.29 Dodge Caliber	$21,847.48 Dodge Dakota Quad Cab	$23,158.44 Ram 1500 Quad Cab
San Diego Dodge, National City	No-Bid	No-Bid	No-Bid
Drew Ford, La Mesa	$17,615.10 Escape	$14,934.28 Ranger Super Cab	$18,938.27 F-150 Super Cab
El Cajon Ford, El Cajon	$17,145.55 Escape	**$14,649.86 Ranger Super Cab**	**$18,260.56 F-150 Super Cab**
Bob Stall Chevrolet, La Mesa	$22,433.09 Equinox	$19,079.41 Colorado Extra Cab	$21,010.42 Silverado 1500 Extra Cab
Tipton Honda, El Cajon	$20,481.76 Element	No-Bid	No-Bid
Bob Baker Chevrolet, El Cajon	No-Bid	No- Bid	No- Bid
Toyota of Carlsbad, Carlsbad	$17,134.54 Matrix	**$19,126.70 Tacoma Access Cab**	No-Bid
Toyota of El Cajon, El Cajon	**$16,843.48 Matrix** $21,573.71 RAV4	$19,794.75 Tacoma Access Cab	$28,955.66 Tundra Access Cab

Of the ten (10) proposed vehicles, seven (7) will be used to replace existing vehicles that exceed the service criteria of 10 years or 100,000 miles and three (3) are new vehicles needed to support district operations.

Listed as Capital Item #121 within the current Capital Purchase Budget is a ¾ ton full-size pickup. A review of model year 2007 vehicle specifications for the low bid ½ ton full-size pickup, a Ford F-150, indicates that it will meet the District's requirements and will therefore be substituted for the budgeted ¾ ton truck.

Listed as Capital Items #107, #108, and #109 are hybrid vehicles. At this time, it is felt that purchase of this type of vehicle is not cost effective and that these vehicles do not currently fit the operational needs of the District. These vehicles will be substituted with ½ ton compact pickup trucks.

The cost of the Tacoma pickup truck is $4,476.84 per unit higher than the Ford Ranger, however, the Tacoma has a published average MPG that is 20% higher than the Ranger (23.5 MPG vs. 19.5 MPG). The gasoline used to operate the Tacoma for 5 years/60,000 miles, is expected to be 523 gallons less than the Ranger. At a cost of $3.50/gallon this equates to $1,830.50. Additionally, the historical return (based 2004 model year vehicles and information obtained through Kelly Blue Book) is approximately 7% higher for the Tacoma vs. the Ranger. The expected return on the Tacoma at 5 years/60,000 miles is estimated to be $812 more than the Ranger. After 5 years of operation, the difference between the Tacoma and the Ranger is only $1,834.34 or $366.86/year.

Given that the difference in net cost of operating the two vehicles is marginal, the volatility of fuel cost and availability, and a desire to evaluate the usability and flexibility of different vehicle types within the fleet, it is recommended that the District purchase two (2) Tacoma pickup trucks.

The manufacture's powertrain warranty for the proposed trucks has been increased from 3 year/36,000 miles to 5 year/60,000 miles. Because of this, the District's fleet service criteria will be re-evaluated.

FISCAL IMPACT:

The total line item budget for vehicles identified as Capital Item #107, #108, #109, #111, #114, #115, #121, #124, #125, and #126 is $213,500. The purchase price of the vehicles is $170,671.62. If approved, the cost of proposed purchases will be $42,828.38 less than budgeted.

The FY 2007 Capital Purchase Budget is $324,650. Expenditures to date are $87,749.06. Budget balance to date is $236,900.94. If authorized, the proposed expenditure of $170,671.62 will leave a budget balance of $66,229.32.

STRATEGIC GOAL:

3.1.1.9: Operate the system to meet demand 24/7.

3.1.1.10: Meet all of the health-related water standards in the US National Primary Drinking Water Regulations

LEGAL IMPACT:

None.

General Manager

ATTACHMENT A

SUBJECT/PROJECT:	PURCHASE OF FY-07 BUDGETED VEHICLES

COMMITTEE ACTION:

This item was presented to the Finance/Administration Committee on March 21, 2007 and the committee supported presentation to the full board.

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for board approval. This report will be sent to the Board as a committee approved item, or modified to reflect any discussion or changes as directed from the committee prior to presentation to the full board.

AGENDA ITEM 3

STAFF REPORT

TYPE MEETING:	Regular Board
MEETING DATE:	April 4, 2007
SUBMITTED BY:	Stephen Dobrawa, Purchasing Manager Don Henderson, Construction Maintenance Manager
W.O./G.F. NO:	
DIV. NO.	All
APPROVED BY: (Chief)	Rom Sarris, Chief, Administrative Services
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager, Administration and Finance
SUBJECT:	PURCHASE OF FY-07 BUDGETED VEHICLES

GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize the General Manager to issue a purchase order to El Cajon Ford, El Cajon in the amount of $128,030.98 for the purchase of 3 (ea.) ½ ton full-size pickup trucks and 5 (ea.) ½ ton compact pickup trucks.

Additionally, the General Manager, under his delegated signatory authority, will issue a purchase order to Toyota of El Cajon in the amount of $33,686.96 for the purchase of 2 (ea.) SUV/wagons.

COMMITTEE ACTION: _____

See Attachment "A"

PURPOSE:

To provide bid results and obtain authorization to purchase vehicles identified within the FY-07 Capital Purchases Budget.

ANALYSIS:

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Vendor	SUV/Wagon (Qty-2)	½ Ton Compact Pickup (Qty-5)	½ Ton Full Size Pickup (Qty-3)
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Listed as Capital Items #107, #108, and #109 are hybrid vehicles. At this time, it is felt that purchase of this type of vehicle is not cost effective and that these vehicles do not currently fit the operational needs of the District. These vehicles will be substituted with ½ ton compact pickup trucks.

The manufacture's powertrain warranty for the proposed trucks has been increased from 3 year/36,000 miles to 5 year/60,000 miles. Because of this, the District's fleet service criteria will be re-evaluated.

FISCAL IMPACT:

The total line item budget for vehicles identified as Capital Item #107, #108, #109, #111, #114, #115, #121, #124, #125, and #126 is $213,500. The purchase price of the vehicles is $161,717.94. If approved, the cost of proposed purchases will be $51,782.06 less than budgeted.

The FY 2007 Capital Purchase Budget is $324,650. Expenditures to date are $87,749.06. Budget balance to date is $236,900.94. If authorized, the proposed expenditure of $161,717.94 will leave a budget balance of $75,183.00.

STRATEGIC GOAL:

3.1.1.9: Operate the system to meet demand 24/7.

3.1.1.10: Meet all of the health-related water standards in the US National Primary Drinking Water Regulations

LEGAL IMPACT:

None.

General Manager

AGENDA ITEM 4

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 4, 2007
SUBMITTED BY:	Geoffrey Stevens, Chief Information Officer	W.O./G.F. NO:	DIV. NO. ALL
APPROVED BY: (Chief)	NA		
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager, Administration and Finance		
SUBJECT:	GPS Units for District Vehicles		

GENERAL MANAGER'S RECOMMENDATION:

That the Board:

- Issue a purchase order to Air Trak Inc. in the amount of $108,000 for the purchase of 80 GPS units, mobile data terminals, taxes, and associated implementation items.
- Issue a purchase order to Sprint / Nextel for $32,000 for communications fees for the GPS units.

COMMITTEE ACTION: _____

See attachment A.

PURPOSE:

To purchase equipment and services needed to equip the District fleet with GPS technology.

ANALYSIS:

IT staff has consulted with Operations staff in establishing the business case for utilizing GPS technology to assist in field operations. Along with other sophisticated tools and systems like the Infrastructure Management System (IMS) and routing based GIS solutions, field staff are anxious to utilize these technologies to save time and money in pursuit of better customer service and improved maintenance of facilities.

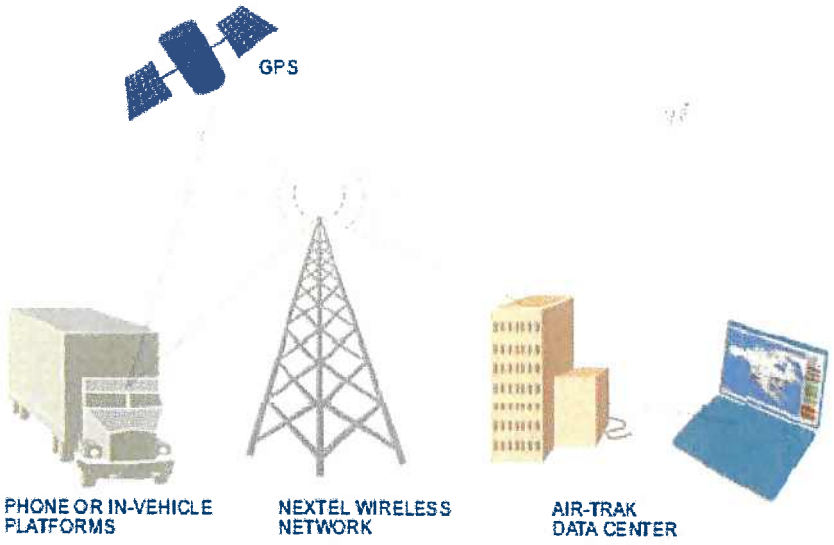
The use of GPS technology is becoming quite common for commercial fleet operations. The technology has progressed from experimental to a virtual commodity over the last ten years. Leaders in the industry like Qualcomm have perfected the technology to a point where it is

easy to install, use, and maintain. The benefits of GPS tracking are significant.
A summary of potential benefits are:

- GPS tracking of vehicles improves safety by allowing dispatchers to know the exact location of a vehicle in distress.
- GPS tracking encourages and facilitates efficiency of scheduling by allowing the vehicle closest to a job to do the work.
- Routing software, integrated with our GIS system, allows us to combine GIS tools to plan and schedule work more efficiently.
- Productivity statistics can be gathered using the technology to better gage operational efficiencies.
- Historical reporting can be very valuable to settle disputes and establish a verifiable record when Otay vehicles are involved in complaints or accidents.
- Communication between field staff and dispatchers is improved as they are more aware of where field staff is located.
- Potential new solutions like combining advanced training with better business processes may allow additional improvements in efficiency, for example identifying which crews or vehicles may have specialized skills or equipment for a specific job.
- In the event of emergencies, vehicle locations could be very valuable either to lend assistance or avoid hazards.
- District vehicles that may be stolen could be followed and tracked if the GPS equipment remained operational.

Technology

The recommended GPS tracking technology for this application relies upon the Sprint Nextel wireless network.



GPS devices will be hard wired into the District vehicles and transmit a communications signal to a cell network. There is also an option to transmit to a GPS satellite. The device information is transmitted to a data center maintained by the vendor, and then we interface through a web connection to our secure and customized information. Device specific information is also transmitted to an in-vehicle mobile data terminal that has a simplified interface and allows the driver one key response to simple commands like "yes, I can take this assignment" or "no, not available at this time". There is also an emergency button that allows the driver to quickly signal when in trouble.

The technology is also completely integrated with our GIS system. Only vendors who could demonstrate integration with ArcLogistics™ functionality from ESRI were requested to bid. The significance is that the GPS information will seamlessly integrate into GIS applications like route planning.

Reporting capabilities from the system are impressive. One can obtain reports detailing vehicle location over time; view average speeds traveled over a specific distance, look at times in motion and stopped, and receive a log with detailed activity reporting.

Implementation

The vendor provides installation services as part of the purchase price. Vehicles will be scheduled for installation when available. End user training will also be provided. The Operations team will work with IT in customizing the applications to address the needs of the business areas. Considerable freedom in configuration will be provided at the field level. Sections with dispatching responsibilities will be able to determine what level of information is provided on screen to accommodate an adjustment period for staff getting used to the technology. Concerns regarding confidentiality or potential management issues using this technology will be

addressed as part of the implementation plan. In general it is the preferred path to allow for as much "local control" as possible while still accomplishing the objectives of project.

Costs

Hardware and Installation

The total equipment charges including installation, taxes, and three year warranty for 80 GPS units and mobile data terminals in the District fleet is $98,314. To cover any unforeseen circumstances we are also including a near 10% contingency of $10,000 for a total of $108,000. Purchasing examined lease versus buy options and determined that buying the equipment is more economical overall.

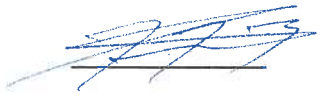
Communications Fees

Each unit will require a monthly communications services fee of approximately $36 per month. As an incentive we receive a $4000 credit in the first year. Consequently annual communication fees in year one are $31,116 and in year two and beyond will be $35,116.

Competitive Process

Three firms were requested to bid. **Air-Trak** was the successful bidder among three firms with a total three year cost of $199,644. Navtrac bid $204,885 and Teletrac bid $222,367. The Purchasing Department handled all aspects of a competitive bidding process. We recommend Air-Trak as they were the low cost bidder for total three year costs. Air-Trak also had superior functionality, particularly at the mobile data terminal level. Air-Trak has successfully completed a pilot project with the District as well and we have had positive results from the equipment, software and support services. The rate of data refresh was better in Air-Trak and they had no upper limit on bandwidth usage.

FISCAL IMPACT:



The total budget for CIP 2443 is $412,000. Costs to date including the commitments covered by the first year costs of this staff report are $411,000 as of 3/14/07. The project manager believes that the total budget of this CIP is sufficient to complete the project and that no budget adjustments will be necessary. The Finance department has verified that funding for this project is available 25% from the expansion fund and 75% from the replacement fund.

STRATEGIC GOAL:

This project is specifically identified in strategic objective 3.4.4.2 as a necessary item to improve business efficiency through the use of field technology solutions.

Strategy

Business Efficiency

Goal

Implement field technology solutions

Objective: 3.4.4.2

Maximize the districts use of mobile, GIS and GPS technologies including route planning for maintenance crews and meter readers and locations based services

LEGAL IMPACT: NA

None.

General Manager

ATTACHMENT A

SUBJECT/PROJECT:	GPS Units for District Vehicles

COMMITTEE ACTION:

This item will be presented to the Finance, Administration and Communications Committee Meeting on March 21, 2007

AGENDA ITEM 5

STAFF REPORT

TYPE MEETING:	Finance & Administration Committee	MEETING DATE:	March 21, 2007
SUBMITTED BY:	James Cudlip, Finance Manager	W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)	Joseph R. Beachem, Chief Financial Officer		
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager		
SUBJECT:	Review of Fiscal Year 2007 Audit Planning		

GENERAL MANAGER'S RECOMMENDATION:

This is an informational item only. No action is required.

PURPOSE:

To discuss with the outside auditors, Teaman, Ramirez & Smith, Inc. (TRS), the audit planning and methodology for the District's audit for the Fiscal Year ending June 30, 2007.

ANALYSIS:

The District is required to retain the services of an independent accounting firm to perform an audit of the District's financial records each year. At the February 7, 2007 Board Meeting, the Board approved TRS as the District's auditors for the Fiscal Year ending June 30, 2007, with fees for auditing services and preparation of the State Controller's Report in an amount not exceed $26,000 for the Fiscal Year ending June 30, 2007. This is comprised of the following four components: 1) Financial Statement Audit - $21,000; Investment Procedures Review - $700; 3) Grants Single Audit - $3,600; 4) State Controller's Report - $700.

The following is a tentative planning schedule for the major activities involved in completing the FY07 financial audit:

- Mar-07: Audit planning meeting with auditors and Finance & Administration Committee.
- May-07: Pre-audit (3-5 days).
- Aug-07: Year-end Audit (4-5 days).
- Oct-07: Board presentation of audited financials.
- Nov-07: Completed Comprehensive Annual Financial Report (CAFR).

FISCAL IMPACT:

None, unless the Committee recommends audit work in addition to that listed above.

STRATEGIC GOAL:

Annual audit is required by law.

LEGAL IMPACT:

None.

General Manager

AGENDA ITEM 6

STAFF REPORT

TYPE MEETING:	Board of Directors	MEETING DATE:	April 4, 2007		
SUBMITTED BY:	William Granger, Water Conservation Manager	W.O./G.F. NO:	n/a	DIV. NO.	all
APPROVED BY: (Chief)	Rom Sarno, Chief of Administrative Services				
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager of Finance and Administration				
SUBJECT:	Water Conservation Update				

GENERAL MANAGER'S RECOMMENDATION:
This is an information item only. No Board action is required.

COMMITTEE ACTION:
This update was presented to the Finance, Administration and Communications Committee on March 21st. The Committee asked that it be presented to the full Board on April 4th (See Attachment A).

PURPOSE:
To provide an update on water conservation programs including the Water Authority's Water Conservation Action Committee, the Water Conservation Garden, Water Authority water conservation issues and the District's overall status on its Strategic Plan performance measures related to water conservation.

ANALYSIS:
As noted in the District's Strategic Plan, the District's primary water conservation performance measure is to increase its "Total Water Saved," and it is doing so through a variety of water conservation programs. Additional detail is provided within the FY 2006 Water Conservation and Recycling Update (Attachment B). The District's program focus is to promote landscape water efficiency, and continues to shift away from residential indoor water conservation programs with the exception of the residential clothes washer voucher program. Related to the District's landscape focus is the District's "Garden Awareness" performance measure: to increase Otay customer awareness of the Garden.

The District is actively involved in the Conservation Action Committee, the Water Conservation Garden and statewide through its participation in the California Urban Water Conservation

Council (CUWCC) Landscape and Residential committees. Additionally, as the Water Conservation Manager, I was recently asked to serve as a Director of the California Irrigation Institute (CII). The CII has been around for over 44 years and deals with irrigation issues affecting both urban and agricultural sectors. This involvement further increases our presence in the state.

Water Conservation Performance Measures in the Otay Strategic Plan: The District has two performance measures related to Water Conservation in its Strategic Plan: "Total Water Saved" and "Garden Awareness."

- "Total Water Saved", this year's target annual water savings is 1,412.6 acre-feet, which is a 20% increase over last year's actual water savings. Through the second quarter, the District was at 86% of its goal. With the surge in interest in the end of the residential toilet voucher program as well as in smart landscape programs, staff expects to reach or exceed its savings target by the end of this fiscal year.

- "Garden Awareness" This is a measure of the percentage of Otay customers surveyed who are aware of the Water Conservation Garden. This year's target was to increase overall awareness of the Garden to 50%. In August of 2005, 45% of Otay customers said they were aware of the Water Conservation Garden. In December of 2006, 47% of Otay customers surveyed said they were aware of the Garden.

Water Conservation Action Committee (CAC): Shortly after the Water Conservation Summit, the CAC was tasked with implementing the recommendations that came out of that event (see Attachment C). The CAC oversees the work of the three working groups that were created after the Summit: Model Ordinance, Industry Cluster and Public Outreach.

- *Model Ordinance Working Group*
  This group is tasked with developing the framework for new commercial landscape ordinances and water conservation requirements in future annexed areas in San Diego County. Both the County of San Diego and the City of Chula Vista administer their own landscape ordinance within the District's service area. Currently, the County of San Diego's ordinance is being viewed as a template, but other agency's model ordinances are also being considered, such as that for the County of Riverside. This group is charged

with developing a model ordinance that incorporates statewide mandates that will be in place through AB1881 by January 1, 2010.

- *Industry Cluster Working Group*
  This group will focus on efficiently bringing water-wise products and services to the market. Involved parties include water agencies, the Building Industry Association, other governmental agencies, schools and non-profits. One of the primary focus points of this group is to create a professional certification program in water-wise landscaping in San Diego County.

- *Public Outreach Working Group*
  This group is tasked with developing and marketing water-wise landscaping principals to both public and landscape professionals. Specifically, this Group is charged with developing a water-wise brand that customers can recognize and trust. Currently, this group is reviewing existing brands such as MET's "California Friendly" logo and will report back to the CAC with their findings. In addition, this Group is charged to "create a public outreach plan to increase customer demand for water-wise landscaping."

The CAC meets monthly to review the status of the three work groups. The next Water Conservation Summit is planned for Friday October 12, 2007 at the Joan Kroc Institute on the campus of the University of San Diego.

Water Conservation Garden: The District is actively involved with the Garden and the Friends of the Garden group and promotes the Garden, upcoming Garden events, and classes at the Garden on its webpage and in nearly every one of its publications. For example, in mid-March, bill inserts are going out to the District's customers promoting the upcoming Spring Garden Festival on May 19th. In mid April, the Otay customer Pipeline will highlight the Spring Garden Festival. In addition, staff took the lead to find water-wise vendors to fill the "Conservation Courtyard" within the Garden during the Spring Garden Festival and sent out letters soliciting sponsors for the Festival.

Water Authority Water Conservation Issues: The Water Authority is working to develop a "Blue Print for Water Conservation" which is an outgrowth of the findings of last's year's Water Conservation Summit, their 2005 Urban Water Management Plan, and

the California Urban Water Council BMPs. The Water Authority's overall focus is to increase the regional water conservation efforts to over 108,000 acre-feet saved per year by 2030. The Water Authority saved an estimated 54,000 acre feet in 2005. The vast majority of the planned savings will occur through landscape and commercial (indoor) water efficiency as well as through efficiency standards

FISCAL IMPACT:

None.

STRATEGIC GOAL:

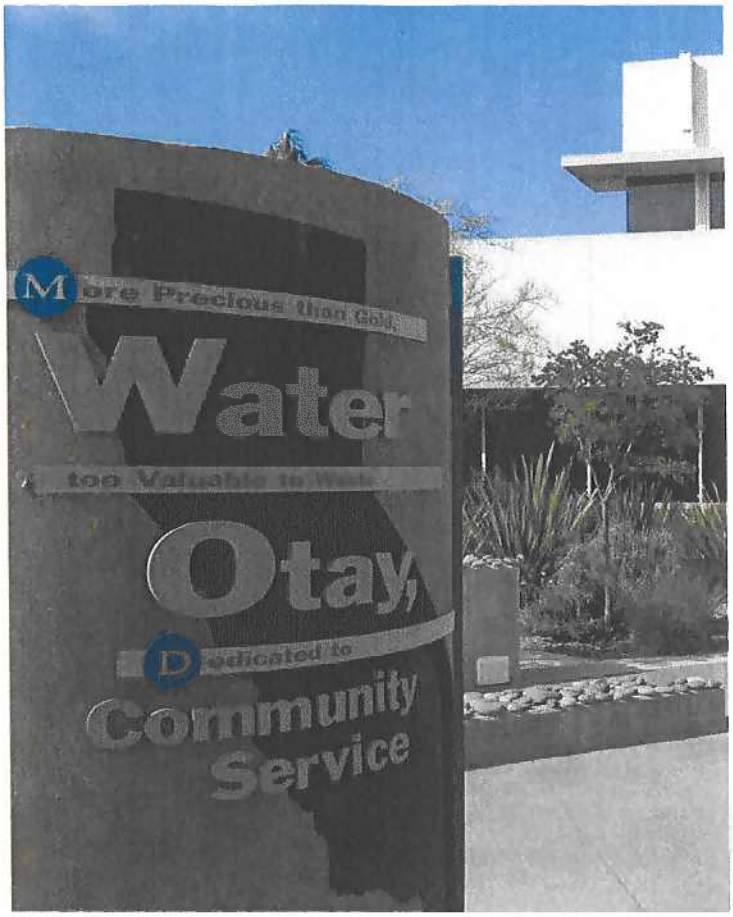
The District has two performance measures related to water conservation, "Total Water Saved" and "Garden Awareness."

LEGAL IMPACT:

None

General Manager

Attachment A: Committee Action Report
Attachment B: FY 2006 Water Conservation and Recycling Update
Attachment C: Next Steps: Post-Symposium White Pater, 2006 Water Conservation Summit



OTAY WATER DISTRICT
Water Conservation and Recycling Update
Fiscal Year 2005-2006

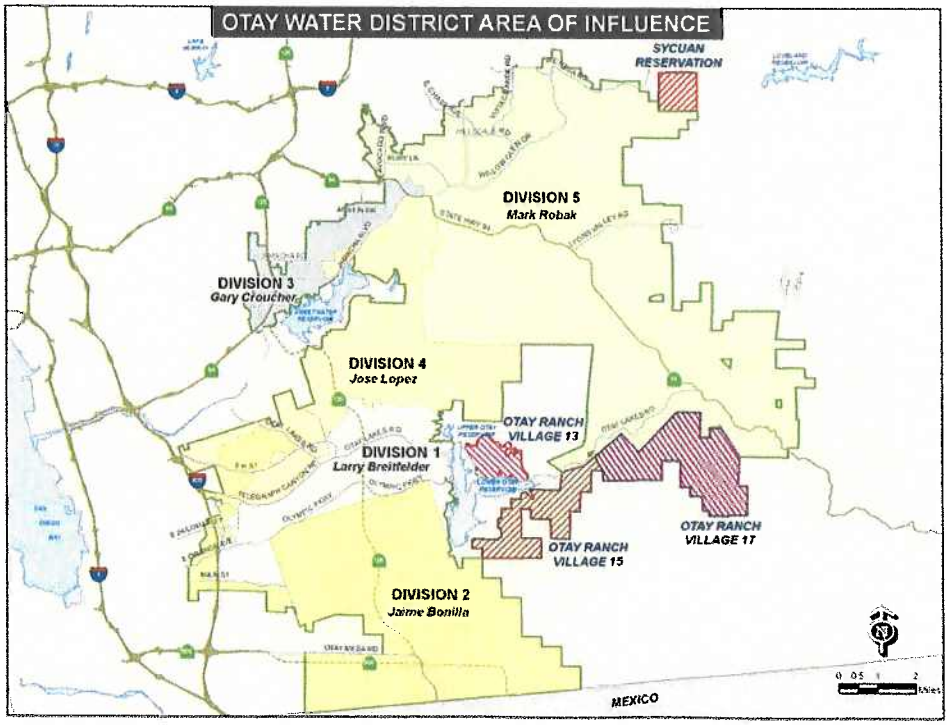
2554 Sweetwater Springs Boulevard
Spring Valley, CA 91978
WWW.OTAYWATER.GOV
William Granger
619-670-2290

OTAY WATER DISTRICT
Water Conservation and Recycling Update
FY 2005-2006

Water conservation and recycling are vital components of the Otay Water District's (District) efforts to maximize its water resources. This report highlights the achievements made in fiscal year 2006 in both the water conservation and recycling programs. Each year, the Water Conservation Division sets an ambitious goal of water savings through its water conservation program. The District also heavily promotes the Water Conservation Garden as a resource to its 48,000 customers since well over half of the District's water demand is used to irrigate landscapes. In addition, District staff and its contractors have made significant progress on the pipeline to connect the City of San Diego's South Bay Water Reclamation Plant to the recycled water distribution system, and remains on schedule to start receiving up to 6 million gallons per day (mgd) of recycled water in the spring of 2007.

Otay Service Area

The District delivers treated water to approximately 190,000 customers in southeastern San Diego County living within the 125.5 square miles of its service area. The service area includes the communities of Jamul, La Presa, Rancho San Diego, Spring Valley, eastern Chula Vista, and Otay Mesa as highlighted on the map below. All of the potable water delivered is purchased from the region's water importers, the San Diego County Water Authority (Water Authority) and the Metropolitan Water District of Southern California (MET).



2005-2006 Water Conservation Program

Water conservation is promoted in a variety of ways and at a variety of events, including those involving developers in its service area. We also partner with the Water Authority to provide incentives and promote new technologies such as high efficiency toilets in new residential construction and weather-based irrigation controllers.

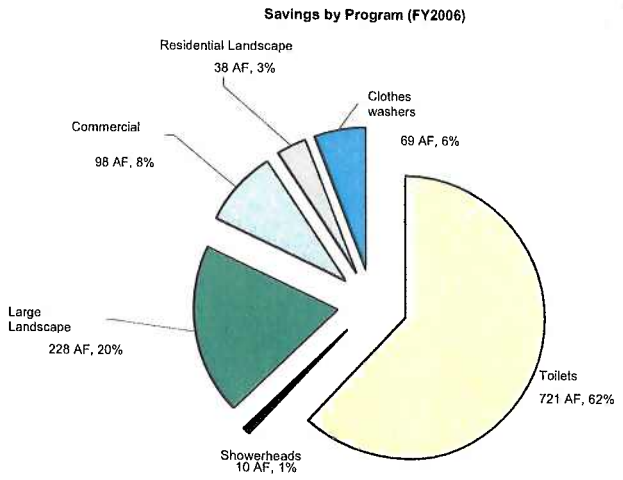
The District has been an active member of the California Urban Water Conservation Council (CUWCC) since 1991. It was also one of the original signatories to the Memorandum of Understanding (MOU) regarding Urban Water Conservation in California. The MOU established fourteen Best Management Practices (BMPs), thirteen of which are implemented by retail water agencies. Every two years, retail water agencies submit reports on their compliance with the BMPs to the CUWCC.

FY 2005-2006 Accomplishments in Water Conservation

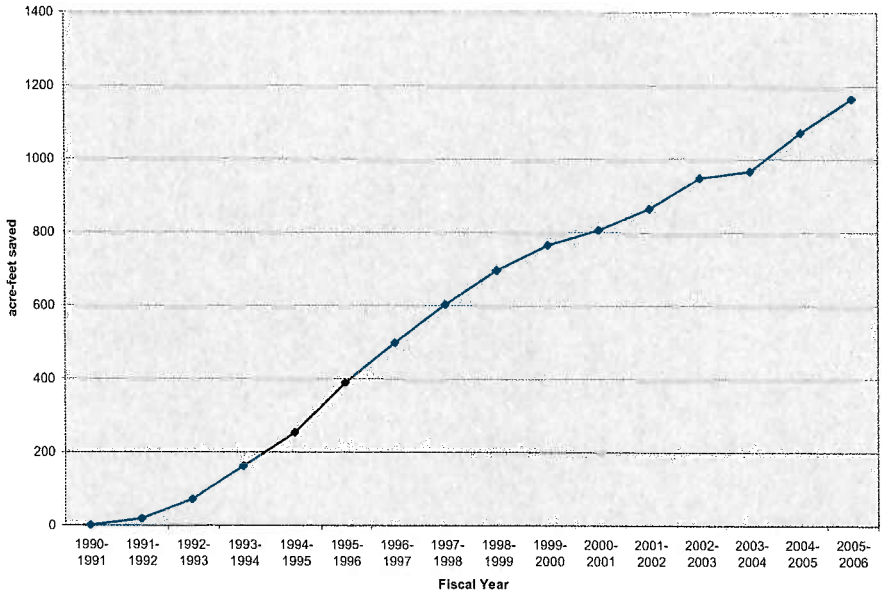
- We conserved more than 1,165 acre-feet of water (379 million gallons) this fiscal year, an 8% increase over last year.
- From its inception in 1995 to date, more than 96,000 students participated in the School Education Program.
- Eight acre-feet (2.6 million gallons of water) was conserved by identifying and repairing a leak at one of the District's largest institutional accounts.

Water Savings by Program

Over the last three years, water savings in the commercial sector and residential clothes washer sector have dramatically increased. Historically, more than 75% of our estimated water savings were obtained through the residential toilet replacement program. In recent years, new commercial water use fixtures have been added to the list of retrofit items, and the clothes washer activity has surged. The pie chart below highlights the water savings from the program.



This year, approximately 1,165 acre-feet of water was conserved, which is enough water to meet the annual needs of approximately 2,330 homes. If we were to purchase this water at the wholesale rate, it would cost $780,705. Cumulatively, water conservation programs have saved 9,285 acre feet of water since the residential toilet replacement and large landscape programs began in 1990. Annual water savings since 1990 is highlighted in the following chart.



Promoting the Water Conservation Garden

In 1999, the $3.6 million Water Conservation Garden (Garden) officially opened to the public after many years of planning and fundraising. The Garden was funded primarily by the Otay and Helix Water Districts along with many generous donations. The Garden is located on the campus of Cuyamaca Community College. The land provided to the Water Conservation Garden Joint Powers Authority (JPA) through a long-term agreement with the College. The Garden's Executive Director reports to the Water Conservation Garden Board of Directors, which currently includes representatives from the City of San Diego, Grossmont-Cuyamaca Community College District, Helix Water District, Otay Water District, Padre Dam Municipal Water District and the San Diego County Water Authority. The Sweetwater Authority will join the Garden JPA in January 2007.

The mission of the Garden is to promote "water conservation in the southern California landscape through excellent exhibits and programs that educate and inspire the public." The concept of a water conservation demonstration garden was conceived

in the early 1990s -- during an extended drought -- based on the realization that at least 60% of all water was being used to maintain outdoor landscaping.

Last year, approximately 30,000 people visited the Garden; a 34% increase from the previous year. Many of these visitors attended three main outreach events including: the California Friendly Plant Sale in March; the Spring Garden Festival in May; and the California Friendly Gardening Festival in October. In the previous two years, average annual attendance was approximately 19,000 visitors per year.

The Garden dramatically revised and expanded two exhibits this year including the cactus and succulent garden (pictured below), and the California natives garden. In June, it broke ground on a fire-wise garden exhibit, which is expected to open in the spring of 2007.

Photo Courtesy of GardenSoft

Customers of the Otay Water District are regularly encouraged to visit the Garden, see its large selection of water wise plants in the 4.5 acre garden, or to take a tour or class. Topics typically include water wise landscape design and plant selection, but can include "firescaping," creating bird and butterfly gardens, and home composting. The Garden's class schedule is posted both at www.otaywater.gov and on the Garden's web site at www.thegarden.org.

Cash for Plants Landscape Retrofit Program

In FY 2004, the District developed a pilot program offering a $1.00 incentive per square foot to replace unused irrigated turf grass areas at both single family homes or in home owner association maintained landscapes. More than 24,000 square feet of unused and often difficult to irrigate turf grass areas were replaced through this program.

This pilot program concluded in mid-2006. District staff then pursued additional funding for the program from the U.S. Bureau of Reclamation (Reclamation). We have been advised by Reclamation that we will receive funding to expand the Cash for Plants program in the latter portion of the current fiscal year.

The District is funding a limited number of landscape retrofit projects for single family, commercial, and HOA maintained landscapes in fiscal year 2007. With the assistance of a grant funded by Reclamation, the District is offering $1.00 per square foot incentive to be used to replace high water use plant material with water wise plants.

Single family homes must replace a minimum of 750 square feet of turf grass; however, the front yard of homes in new developments with a minimum of 500 square can also qualify. Large landscape sites must replace at least 3,000 square feet of existing landscaping. For more information, please call (619) 670-2291 or visit the District's web site at www.otaywater.gov .

Water Conservation Programs for New Home Communities

A number of presentations were made to developers this year regarding the California Friendly® Home Program[1].

- A presentation was made by the MET to builders and developers at the District's annual developer's luncheon held in January, 2006.
- In September, a presentation was given to the San Diego Chapter of the Building Industry Association's South County Government Affairs Committee.
- And to developers and builders invited to attend a bus tour highlighting California Friendly Homes in Riverside County.

In addition, the District and Water Authority continue to offer a $70 voucher to builders and developers to install high efficiency toilets (HETs)[2] in new homes. Six HETs were installed in new homes through this program this year, and several hundred are expected to be installed next year. Incentives for new homes are highlighted at www.bewaterwise.com.

Water Conservation Outreach Efforts to Otay Customers

Community outreach continues to be a priority in promoting water conservation. This year, outreach events included:

[1] The California Friendly® Home Program offers funding for installing a water wise landscape, a weather-based irrigation controller, high efficiency clothes washer, and high efficiency toilets (HETs) in model homes.

[2] HETs use on average 1.3 gallons or less per flush and include dual-flush toilets.

- Conservation presentations to groups of new homeowners representing the Windingwalk HOA in Chula Vista
- This hosting of booths at Chula Vista's Lemon Festival in mid-August; the California Friendly Plant sale at the Garden in mid-March; the Spring Garden Festival at the Garden in mid- May; and Chula Vista's Cinco de Mayo Festival.
- Presentations of the District's 2005 Urban Water Management Plan. In December of 2005, the District finalized its 2005 Urban Water Management Plan, which includes water use projections through 2030. The plan was adopted at the December 7th Board of Directors meeting. Copies are available by visiting www.otaywater.gov.
- The District was actively involved in the planning for the first ever Water Conservation Summit, which occurred in early FY 2007. The Summit's focus was to bring developers, landscape industry representatives, planning agencies, and water agencies together to determine how to best realize landscape water savings in the future.
- District staff gave a presentation on the results of its Cash for Plants pilot program at the American Water Works Association 2006 Water Sources Conference, as well as to member agencies attending the March Metropolitan Water District Water Conservation Coordinators meeting, and the April Water Conservation Action Committee.

The District also continues to regularly promote water conservation programs and the Garden through its quarterly *Pipeline* newsletter, bill inserts and messages on customer water bills, as well as in the front lobby of the administrative building and on its web page.

Commercial Water Conservation Programs

The District's 1,350 commercial and institutional accounts represent 3% of its customers but represent approximately 10% of its water demand. Vouchers are available to commercial and institutional accounts for water conservation devices including: high efficiency urinals ($200); zero water consumption urinals ($400); commercial clothes washers found in Laundromats and multi-family common areas ($150); commercial Ultra Low Flush Toilets ($135); water brooms ($150); cooling tower conductivity controllers ($625); multi-load clothes washers ($775); and water efficient medical x-ray film processors ($3,120). Through the end of the year, 16 commercial ULFTs and 14 pre-rinse spray valves where installed through these programs.

Meetings took place with staff at George F. Bailey Detention Facility (County of San Diego) and Donovan Correctional Center (State of California) to review the results of the commercial water use surveys funded by the District and the Water Authority. A number of water savings opportunities were identified and staff continues to work to implement those measures with shortest return on investment. For instance, staff at

George F. Bailey Detention Facility immediately implemented one measure, saving more than 2.6 million gallons (8 acre feet) and $19,500 in water and sewer costs this year.

Large Landscape Programs

The District has approximately 1,700 irrigation accounts that represent roughly 24% of its overall demand in FY 2006.

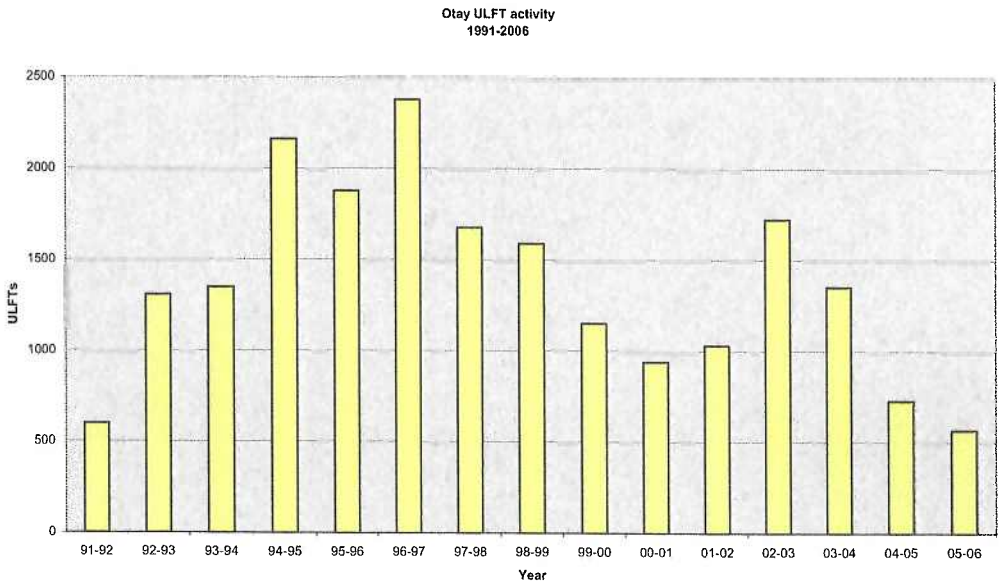
A number of new programs are actively promoted to irrigation accounts including: the "Smart" Irrigation grant program; the web-based water budget reporting program; the "Smart" Irrigation Controller Program; and the District's own Cash for Plants turf grass replacement program.

- "Smart" Irrigation Controllers save time and water by automatically adjusting the watering schedule as the weather changes, by using either on-site weather or real-time weather data received via satellite or the Internet (depending on technology selected). "Smart" controllers are increasingly being installed in new housing developments.
- The "Smart" Irrigation grant program is designed to provide matching funding to replace less efficient sprinkler equipment. The District has a limited amount of funding available and is promoting the program directly to its large landscape accounts.
- In FY 2006, three large landscape surveys were completed and two grants submitted through the "Smart" irrigation grant program. In addition, three "Smart" irrigation controllers were installed through the District's efforts. The District also installed three "Smart" controllers to irrigate the water wise landscaping around its offices.
- Near the end of this fiscal year, the District learned that it had received funding from Reclamation to continue its pilot Cash for Plants turf grass replacement program through fiscal year 2008. The Cash for Plants program targets unused or difficult to irrigate turf grass areas in single family as well as large landscapes.
- The District received a $50,000 grant through Reclamation to fund the installation of artificial turf grass sports field at a local high school. The District has approached all of the high schools within its service area and has been working closely with both the Grossmont Union High School District and the Sweetwater Union High School District to identify future projects. Valhalla High School in Rancho San Diego is expected to complete their artificial turf grass replacement project by the end of FY 2007. Artificial sports turf fields are estimated to save ten acre feet of water per year or $67,000 in avoided water purchases over the life of the field, enough water to meet the demand for approximately 20 homes.

Residential Ultra Low Flush Toilet Program-$75 and $165 Vouchers

Beginning this fiscal year, an increased incentive of $165 was offered for replacing old toilets with HETs. The $75 voucher is also available to replace older1.6 gallons per flush (GPF) toilets. The District has maintained a toilet replacement program since the early 1990s, and has replaced more than 20,500 toilets to date through this program.

Annual program activity is highlighted in the chart below.

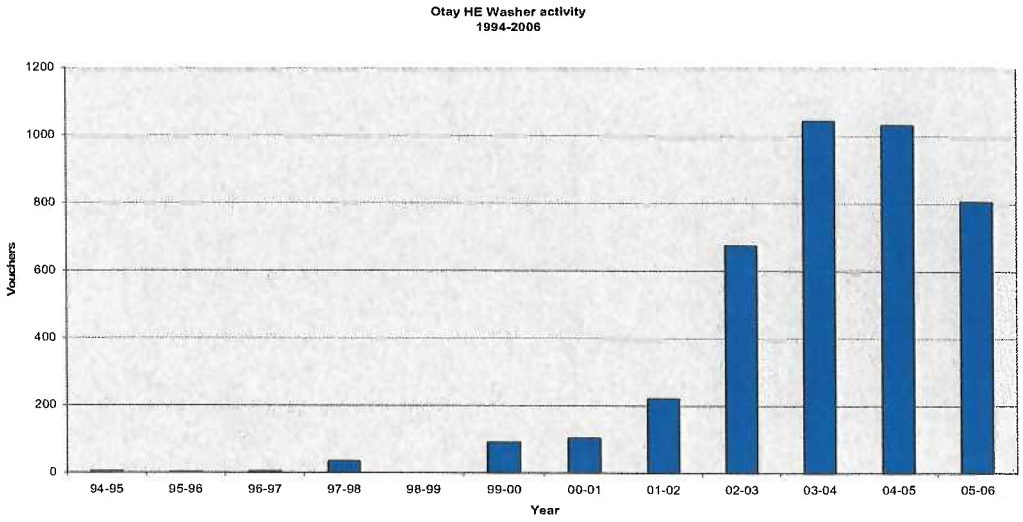


After 15 years, the residential Ultra Low Flush Toilet (ULTF) voucher program will be ending in March, 2007, and shifting to target older multi-family accounts that have not replaced their older pre-1994 toilets. In anticipation of the program ending, plans are underway for a direct mail campaign to notify customers living within the older communities with our service area.

Residential High Efficiency Clothes Washer Program

This year, 807 vouchers for High Efficiency Clothes Washers (HEWs) were funded. Some 4,015 HEWs have been installed through this program since 1995, as highlighted in the chart below. Beginning this year, the $125 voucher is only available for HEWs with a water factor of 6.0 or less. These machines save an estimated 9,300 gallons per year, and use 60% less water and 50% less energy than

conventional clothes washers.



Beginning in July 2006, the voucher increased to $175 as San Diego Gas & Electric joined forces with the water agencies to offer an increased incentive.

Residential "Smart" Irrigation Controller Program

With the goal of "transforming the marketplace," the water agencies shifted away from offering a limited $65 incentive for "Smart" irrigation controllers at the end of the second quarter of this fiscal year. In its place, a number of "Smart" controller distribution and training events were scheduled in March, April, and in June during the District's 50th Anniversary Open House. Through these events approximately 40 smart controllers were distributed.

School Education Program

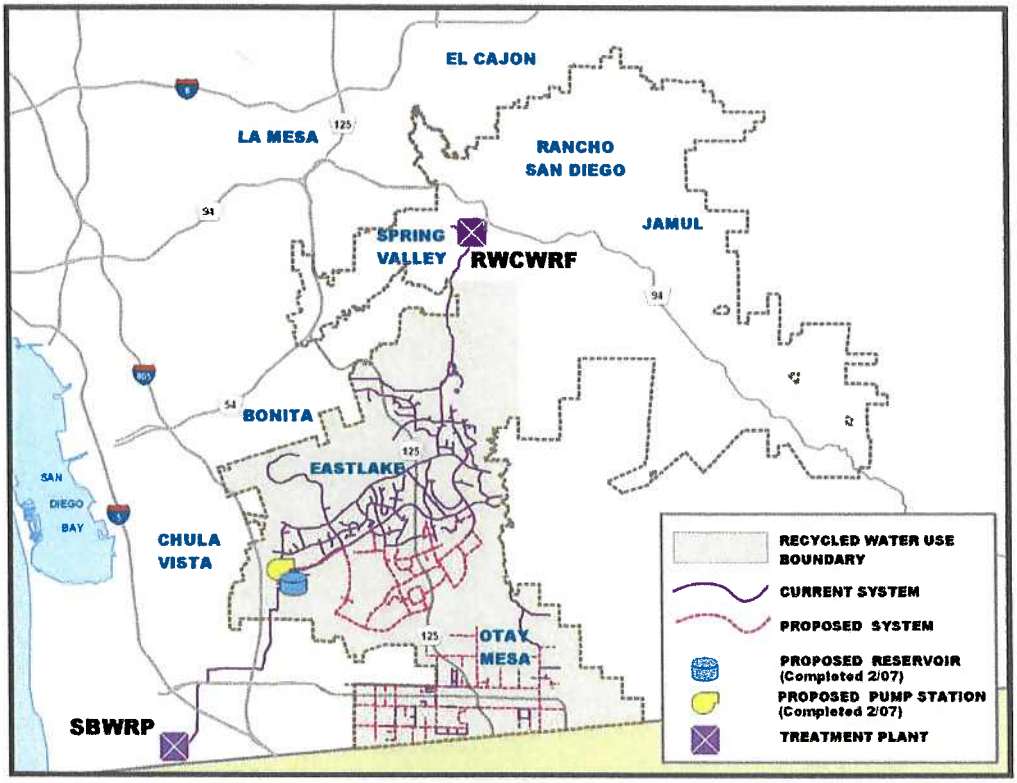
The District has maintained a strong school education program since 1995, and has reached more than 96,300 students to date. Students are taught about the water cycle, water conservation and water pollution. The District also funds and conducts approximately 30 school bus tours to the Garden each year, and funds half the cost of mobile Splash Labs.

- Conducted 30 Water Conservation Garden tours involving 1,700 students and 180 adults this fiscal year.
- Funded 18 Mobile Splash Lab visits this fiscal year; interest has dramatically increased from past activity when we funded three Splash labs per year
- Distributed 11 water cycle kits to service area schools, used by 1,400 students this year

In addition, we provide kits containing educational materials to teachers. The kits included videos, workbooks and other resources. It also provides funding for water awareness programs, which has included books, videos, and school xeriscape gardens.

To further encourage conservation awareness, the District regularly provides water related books to school libraries and mini-grants for water related projects. Additionally, the District offers a $1,000 scholarship each spring through the local chapter of the California Special District's Association for college-bound high school seniors living within the District.

Otay Water District Recycled Water Program



In the fall of 2003, the District signed a historic agreement with City of San Diego to purchase an average of 6 million gallons per day (mgd) of recycled water from their South Bay Water Reclamation Plant (SBWRP). The District also acquired the right to purchase supply from the SBWRP that exceeds 6 mgd if San Diego has the supply available. The agreement will increase the District's recycled water supply from 1 mgd up to 10 mgd. The District agreed to build the necessary transmission and related facilities from the SBWRP to the District's existing recycled water transmission system.

In spring of 2007, the District is expected to complete construction of the transmission system facilities and take delivery of the recycled water produced at the

SBWRP. Currently, we operated one of the largest distribution systems for recycled water in San Diego County.

Recycled water is used for landscaping, common areas and highway medians. With the recycled water from the South Bay Water Reclamation Plant and another 1.3 million gallons per day from its Ralph Chapman Recycled Water Facility, the District expects that approximately 15% of its total water demand will be met using recycled water.

Conclusion

The Otay Water District continues to actively promote water conservation programs to its customers and is on schedule to expand its current recycled water system by the spring of 2007. New and existing conservation programs are promoted through outreach events, articles in the District's *Pipeline* newsletter, as bill inserts or bill messages, are targeted directly to customers and developers, promoted on its web page, and in conjunction the San Diego County Water Authority's marketing efforts.

The District is committed to water conservation and water recycling as reflected in its Strategic Plan, and expects to expend even greater resources in future years to promote programs that improve landscape water efficiency.

2006 Summit Planning Committee

Co-Chairs

Mark Weston
Helix Water District

Mike Uhrhammer
Padre Dam Municipal Water District

Members

John Amodeo
Vista Irrigation District

Katharine Auld Breece
Helix Water District

Teresa Chase
Olivenhain Municipal Water District

Roy Coox
Vista Irrigation District

Marty Eberhardt
Water Conservation Garden

Luis Generoso
City of San Diego

William Granger
Otay Water District

Cindy Hansen
San Diego County Water Authority

Brett Hodgkiss
Vista Irrigation District

Bill Jacoby
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Nora Jaeschke
N.N. Jaeschke, Inc.

Keith Lewinger
Fallbrook Public Utitlity Distrtict

David McCollom
Olivenhain Municipal Water District

Toby Roy
San Diego County Water Authority

Fern Steiner
San Diego County Water Authority

White Paper By

Mike Uhrhammer
Padre Dam Municipal Water District

Next Steps

Post-Symposium White Paper

2006 Water Conservation Summit

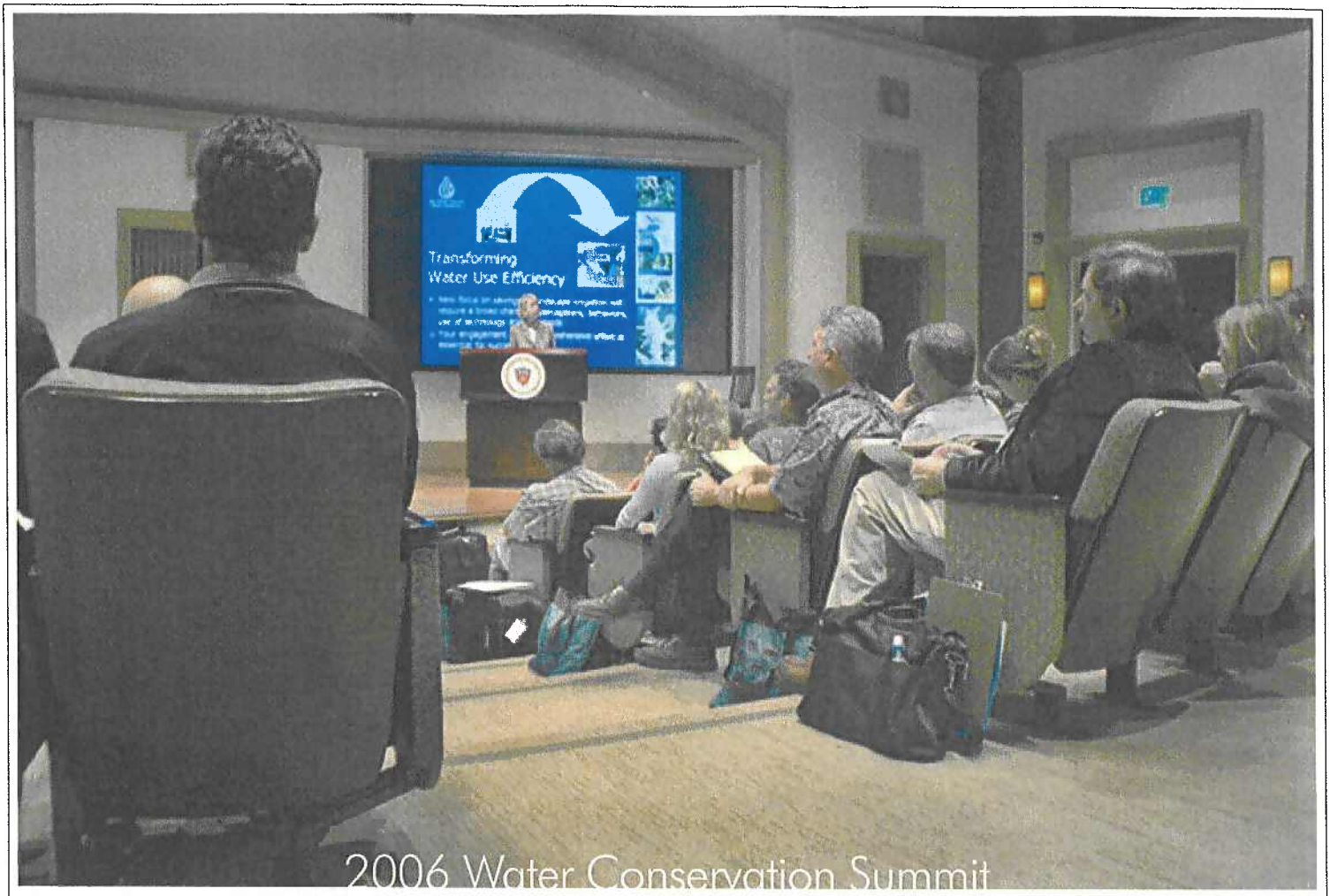
A Business/Government Symposium
To Develop Water Conservation Policies
And Practices For San Diego County

September 29, 2006
Joan Kroc Institute For Peace And Justice
University of San Diego

Hosted By The

San Diego County Water Authority

And Its 23 Member Water Agencies



2006 Water Conservation Summit

Next Steps

On September 29, 2006, the first annual Water Conservation Summit brought San Diego County water agencies together with land-use planning agencies and the businesses that design, build, supply, maintain and sell urban landscapes. The desired outcome of the symposium is to increase market supply and demand for water-efficient landscaping in San Diego County. The Summit's three panel discussions were designed to provide each Summit participant with the understanding and perspective to actively develop strategies and action plans during the afternoon break-out sessions. Participants were expected to come prepared, ready to contribute their expertise and ideas -- and they did. We want to say "Thank You" to the 243 registrants, panelists, sponsors, exhibitors and volunteers who made the Summit a resounding success. Their recommendations, presented on the following pages, establish the direction to take and the work that needs to be done.

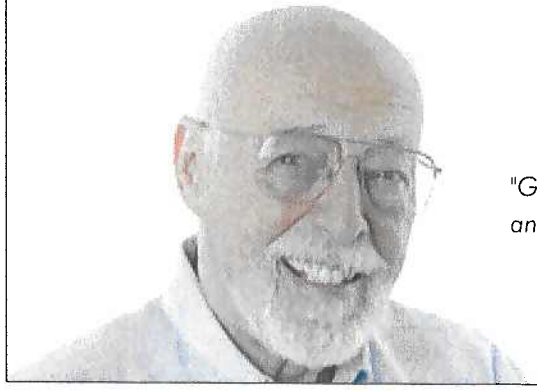
"If we're going into a period of global warming, if we're going into a period where water resources are dangerously low; then the days where we simply used the resource at will -- and let's be honest, we as Americans are the most voracious users of natural resources anywhere in the world -- have got to change."

Pat Mulroy, General Manager
Southern Nevada Water Authority

Next Steps

Summit Participants

	Registrants	Panelists	Sponsors	Exhibitors	Volunteers	
Supply Chain *The companies that design, develop, supply and maintain the urban landscape.*						
Developers	4	1	1	1		
Land Use Planning Consultants	6					
Landscape Architects	7		1			
Landscape Designers	4	1				
Property Managers	5					
Landscape Contractors	23	2		1		
Growers	1	1				
Nurseries	6		1			
Irrigation	18	1	12			
Synthetic Turf	1					
Composting	1					
The agencies that regulate landscape design and development.						
Land-Use Planning Agencies	19					
Water Agencies	32	7	2	6	33	
Elected Officials	14					
Other Key Stakeholders						
Botanical Gardens			1	1		
Environmental Non-Profits	8	1				
Energy Companies			1	2		
Golf Courses	2					
Colleges & Educators	2			4		
PR & Marketing Consultants	4					
Media	2					
Other					3	
	160	**14**	**18**	**15**	**36**	**243 TOTAL**

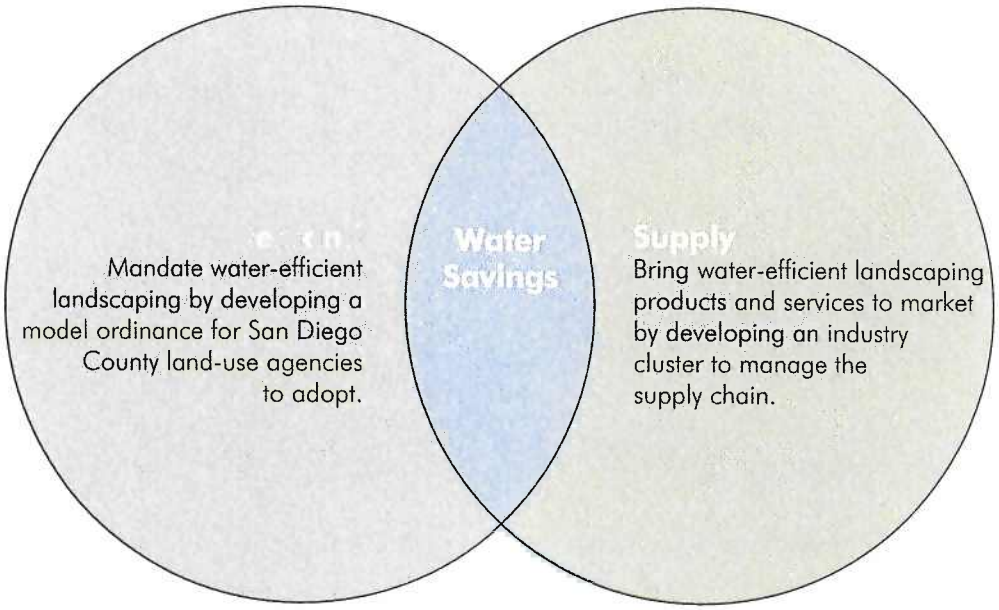


"Give me a step-by-step approach to lower my water bill and I'll take a good look at it."

Next Steps

Our Approach: Market-Based Strategies

A collaborative approach between government and business is essential.



Why Develop A Model Ordinance?

Over 50% of residential water use is for landscape irrigation

AB 1881 mandates that land-use agencies enact water-efficient landscaping ordinances by 2010

Water-efficient landscaping ordinances will mandate that the development and landscaping industries adopt water-efficient practices.

With water-efficient landscapes, homeowners will save water, save money and save time

Why Develop An Industry Cluster?

To collaborate with land-use agencies and water agencies on developing a Model Ordinance

To develop employee training

To develop quality standards and a certification program that customers can trust

To assure product availability

To co-develop and share costs of marketing, advertising, and promotions

Post-Summit Action Plan

1. Working Groups

Convene volunteers and key individuals at the November 27 meeting of the Conservation Action Committee to create the Working Groups that will manage the Summit's recommended strategies:

1. Model Ordinance
2. Industry Cluster
3. Public Outreach
4. Incentives

2. New Perspective

Conservation strategies launched at the Summit are designed to produce 100,000 AFY of water for San Diego County at a fraction of the cost of engineering strategies. The cost effectiveness of a conservation approach must be communicated to elected officials and policy-makers.

3. Board Approval

Present Summit strategies at the November 30 meeting of the County Water Authority Board of Directors.

Who Might Be In The Industry Cluster?

Products	Services	Education	Enforcement
Growers	Developers	Water Conservation Garden	City & County Planning Staff
Irrigation Manufacturers	Builders	Community Colleges	City & County Inspectors
Soil Companies	Architects	Universities	Storm Water Agencies
Retail Nurseries	Designers	Extension Programs	Water Agencies
Big Box Retailers	Landscape Contractors	New School of Architecture	Elected Officials
	Property Managers	4H & FFA Programs	Department of Health
	HOAs	Master Gardeners	
	Appraisers	PR/Advertising Firms	
	Realtors	Media	

Next Steps

Strategy #1: Model Ordinance

All San Diego County land-use agencies must enact a water-efficient landscaping ordinance by 2010.

Recommendations	Responsibility	Timeframe
1. Create A Working Group The Model Ordinance Working Group will manage the development of a Model Ordinance for water-efficient landscaping in San Diego County. Include the Industry Cluster Working Group in the ordinance development process, and appoint a lead agency, such as SANDAG or the Water Authority, to implement the ordinance.	2006 Summit Committee	2006
The first draft of the Model Ordinance should include points specified by 2006 Summit participants: A. Satisfy AB 1881 requirements and incorporate AB 2717 Task Force recommendations B. Align San Diego County's Model Ordinance with Orange, Los Angeles, Ventura and Riverside County ordinances to facilitate development and landscaping companies which operate in this broader market. C. Allow turf while requiring and incentivizing 10%, 25% or 50% reductions in turf use. D. Include an urban forestry plan co-developed by the water and energy industries to beautify neighborhoods and align water and energy conservation. E. Link land-use agency approval processes for building permits, building inspections, business licenses and certificates of occupancy to compliance with Model Ordinance. F. Require land-use agencies and water agencies to install water-efficient landscaping in facilities, medians and other public spaces.	Model Ordinance Working Group Industry Cluster Working Group	2007
3. Coordinate Adoption of Model Ordinance Work with each land-use agency in San Diego County: A. Educate and develop support of elected officials, senior management and planning staff. B. Educate and develop support of affected industries. C. Distribute draft ordinance for input. D. Coordinate agency adoption of final ordinance.	Model Ordinance Working Group Industry Cluster Working Group	2008-2010

Next Steps

Strategy #2: Industry Cluster

Bring water-efficient landscaping products and services to market collaboratively and efficiently.

Recommendations	Responsibility	Timeframe
1. Create A Working Group At the 2006 Summit, the Building Industry Association (BIA) volunteered to chair the Industry Cluster Working Group. In this case, industry cluster is defined as the network of companies, government agencies, schools and non-profits needed to bring water-efficient landscaping products and services to market in San Diego County.	2006 Summit Committee	2006
2. Develop the Industry Cluster The purpose of an industry cluster approach is inter-industry collaboration to identify product and marketing synergies, and opportunities to increase efficiency through cost, risk and resource sharing. A. Define opportunities for collaboration, such as developers working directly with growers to produce the plants needed for a project; landscape contractors marketing growers and nurseries to their clients; irrigation manufacturers and nurseries collaborating to provide point-of-purchase education; or growers, nurseries and advertising agencies working together to design a plant labeling system. B. Develop performance and quality standards for companies participating in the cluster to facilitate trust and relationship building. C. Develop a website that positions the cluster as a valuable and trusted business resource for the development and landscaping industries and includes a list of members.	Industry Cluster Working Group	2007
3. Help to Create the Model Ordinance See Strategy #1. **4. Develop a Professional Certification** See Strategy #3.	Industry Cluster Working Group	2007

"If San Diego, Las Vegas and Phoenix are all growing, and we all share the same water, then we all need to use it more efficiently."

Next Steps

Strategy #3: Professional Education

Develop a professional certification that customers can recognize and trust.

Recommendations	Responsibility	Timeframe
1. Reduce Customer Risk Replacing a traditional landscape with a water-efficient landscape is a large investment, and a high-risk investment because training and expertise in water-efficient landscaping is not widespread within the landscaping industry. The landscaping industry should develop one professional certification program in water efficient landscaping that San Diego County residents and developers can recognize and trust. A. Conduct a Water Authority study on the development of this certification program. B. Model the courses developed by the Water Conservation Garden and endorsed by the CLCA, providing an integrated approach to plant selection, design and irrigation. C. Teach in Spanish and English languages. D. Provide different levels of difficulty and achievement for different levels of employee. E. Tie-in to the brand (See Strategy #5), such as "California Friendly Certified Expert." F. Replace current trade organization certifications in all consumer marketing.	Industry Cluster Working Group	2007
2. Make [illegible] Develop a network of certification trainers and training venues that might include the Water Conservation Garden, community colleges, Metropolitan's Protector Del Agua program, the University of California extension program, and professional training consultants.	Industry Cluster Working Group	2007
3. Online Directory of Certified Companies Develop and maintain a user-friendly online directory of certified companies and professionals for use by residents and Industry Cluster members. A. Amend Model Ordinance in 2010 to mandate the hiring of certified companies and contractors only. (See Strategy #1)	Industry Cluster Working Group	2007 2010

Next Steps

Strategy #4: Public Education (1 of 3)

Create a public outreach plan to increase customer demand for water-efficient landscaping.

Recommendations	Responsibility	Timeframe
1. Create a Working Group The Education Working Group will manage the development of a branded public education campaign, and coordinate the actvities of all agencies and vendors involved.	2006 Summit Committee	2006
2. Branding Develop a branding program so that all public education, advertising and events reinforce a common message and increase brand awareness within San Diego County.		
A. Meet with Metropolitan Water District. If the California Friendly brand will be marketed heavily in San Diego County through 2010, then the California Friendly brand should be used for all public education and marketing.	Education Working Group	2007
B. Analyze the advantages and opportunities associated with using the USEPA's WaterSense brand.	Education Working Group	2007
C. Meet with existing educational resources to request their participation in the branding program. - Retail water districts - Water Conservation Garden - Quail Botanical Garden - San Diego County - City of San Diego landscape water calculator - Irrigation Assn. education program - Residential audit programs - CNPs - California Friendly Landscaping Contest - *Union Tribune* Homescape - Public service announcements		
D. Meet with big box retailers -- Home Depot, Lowes, Target and Wal-Mart -- to request their participation in the branding program.	Industry Cluster Working Group	2007
3. Brand Design With water-efficient landscaping, San Diego County homebuyers and homeowners are being asked to embrace a new idea of what a beautiful and functional yard is.	Public Education Working Group	2007-2010
A. Commission professional photographers to capture the beauty of water-efficient landscaping. Feature a series of signature images in all public education.		

Next Steps

Strategy #4: Public Education (2 of 3)

Create a public outreach plan to increase customer demand for water-efficient landscaping.

Recommendations	Responsibility	Timeframe
4. Brand Message A. Consider replacing the term "water conservation" with "water efficiency". While conservation is generally perceived as an emergency measure, most people would like to have a water efficient home and landscape that saves water, money and time. B. Provide residents with a new perspective on their water use by introducing them to drought issues and conservation measures in other Southwestern states. C. Teach residents that they over-water and introduce them to the value and use of a water budget approach. According to Metropolitan Water District, the 50-60 percent of Southern California's water supply that residents use for irrigation is equal to 84 inches of annual rainfall. That is the normal rainfall in the Amazon, four times the average rainfall in Honolulu and twice the average rainfall in Seattle (Los Angeles Times, 10/26/06). Beautiful and efficient landscapes can be maintained on the equivalent of 30 inches of annual rainfall. D. Provide residents with a step by step approach to water-efficient landscaping: from simple ways to begin to more complex steps, and low-cost steps to larger investments. E. Develop separate messages for homebuyers and homeowners regarding the lower cost of ownership and maintenance, and the higher sales value of a water-efficient home and landscape. F. Inform residents as to why they should only hire companies, professionals and contractors who are certified water-efficient landscaping experts. (See Strategy #3) G. Develop an awards program for early adopters of water-efficient landscaping. Highlight success stories and recognize winners for providing "the solution for San Diego's future." H. Develop educational materials and programs that introduce students to the brand, beauty, function and necessity of water-efficient landscsaping.	Education Working Group	2007-2010

Next Steps

Strategy #4: Public Education (3 of 3)

Create a public outreach plan to increase customer demand for water-efficient landscaping.

Recommendations	Responsibility	Timeframe
5. Provide One-Stop Shopping Every point of experience with water-efficient landscaping must be a gateway to more experiences, information and resources. Develop a brochure for contractors, retailers and realtors to provide to their customers that introduces San Diego's water-efficient landscaping brand and the online and physical locations of additional resources.	Education Working Group	2007-2010
6. Provide Experience-Based Education Provide professionals, residents and students with water-efficient landscapes throughout San Diego County where they can see, smell and experience the beauty of the water-efficient and California native plant palette. A. Introduce people to the Water Conservation Garden. Design ways for people to experience the changing beauty of the garden in the early morning, at twilight and at night. B. Require land-use agencies, water agencies, and developers to install water-efficient landscaping in public spaces, facilities and medians throughout San Diego County. (See Strategy #1) With signage and literature, make each point of experience a gateway to more information. C. Continue the annual California Friendly Landscape Contest to encourage development of water-efficient landscapes throughout San Diego County. Develop a year-round series of hosted bus tours introducing residents to contest winners and their success stories. Coordinate with garden clubs and environmental groups.	Education Working Group Ordinance Working Group	2007-2010 2007-2010
7. Provide Online Education The internet provides a 24/7/365 resource for San Diego County residents to learn about water-efficient landscaping. Develop a branded website that provides a gateway to other sites and includes the following information: - Professional photographer signature images - Design ideas and downloadable templates - Shopping guide of certified companies and professionals - Personal gardening stories and photographs - User blog - User knowledgebase	Education Working Group	2007-2010

Next Steps

Strategy #5: Financial Incentives

Make water-efficient landscaping a financially attractive option.

Recommendations	Responsibility	Timeframe
1. Create a Working Group The Incentive Working Group will study various financial incentives to motivate customers and industry to install water efficient landscaping.	2006 Summit Committee	2006
2. Incentive Programs While financial incentives on a device based approach have been effective in indoor conservation, Summit participants indicated that a different approach to issuing incentives would be more appropriate for outdoor conservation. The industry said "Tell us how much we should use, make it financially viable, and we will find a way to do it." They suggested that incentives be tied to a water budget based approach.	Incentives Working Group	2007-2008
3. Rate Structure The industry indicated that water conserving rate structures are essential to motivate customers to conserve. Most San Diego County water agencies have adopted water conservation rate structures and will continue to refine those rates as the cost of water increases. Two potential structures may be very effective: A. Tiered Rates Most San Diego County water agencies currently have tiered rate structures, which focus the highest rates on the greatest water use. B. Water Budget Based Rates GIS mapping and new software make it possible for water agencies to compare a customer's actual water use with the projected water use for their specific landscaping. Providing this information to customers is a first step in educating the customers about how to be more efficient. This technology will also make a water budget based rate a viable option for those water agencies who choose to use this approach.	Ordinance Working Group	2007-2010

"The more trees in a neighborhood, the less water and energy residents need. Water and energy utilties should work together on an urban forestry plan."

Next Steps

Strategy #6: 2007 Summit

Analyze, plan and improve water efficiency strategies on an annual basis.

1. Create a Committee Create a committee that will meet in January to begin planning the 2007 Water Conservation Summit.	2006 Summit Committee	2006
2. Improve the 2007 Summit Format Incorporate the following recommendations from the *2006 Summit Participant Survey* in the planning and design of the 2007 Summit.	2007 Summit Committee	2007

A. 2006 Summit Strengths

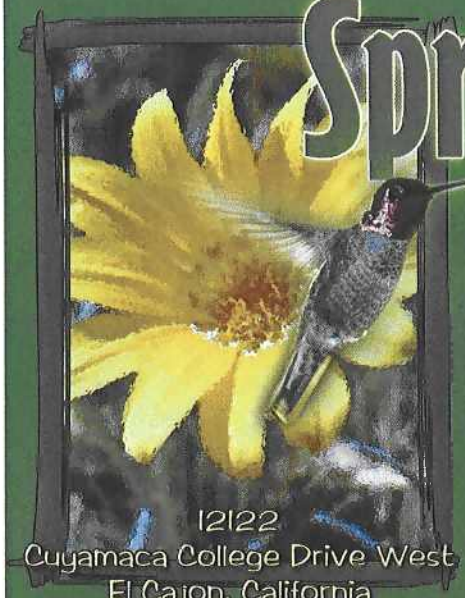
Diversity of participants	23 (39%)
Well organized	11 (20%)
Pat Mulroy's talk	9 (16%)
Good speakers	8 (14%)
Informative	5 (8%)
Break-out sessions	3 (5%)

B. 2006 Summit Areas for Improvement

Needed longer break-out sessions	21 (45%)
More Q&A time	9 (19%)
Too long	4 (9%)
More information and examples	3 (6%)
Clearer Summit goal and summary	2 (4%)
More audience diversity	2 (4%)
Discuss new technology	2 (4%)
Less overlap in break-out sessions	1 (2%)
Less politics	1 (2%)
Summit started slow	1 (2%)
Direct it more to homeowner	1 (2%)

C. 2007 Summit Recommendations

Results and follow up from first Summit	11 (27%)
Continued discussions and plans	7 (18%)
Longer break-out sessions	6 (16%)
More participation	6 (16%)
More products and technology	3 (8%)
Education and community outreach	3 (8%)
Water budget focus	2 (5%)
Held at Cuyamaca Water Garden	1 (3%)
Discuss recycled water	1 (3%)
Fewer panel speakers	1 (3%)



Spring Garden Festival

Birds and Butterflies

May 19, 2007
9a.m.-3p.m.

- Florists, Artists, Crafters, Jewelers
- Composting Demonstrations
- Children's Activities
- Conservation Courtyard with Weather-Based Irrigation Controllers
- Award Presentations to California-Friendly Landscape Contest Winners
- Drawings for FREE Artificial Grass, FREE High-Efficiency Clothes Washer

12122
Cuyamaca College Drive West
El Cajon, California

at the Water Conservation Garden

The Artist's Eye:

AN INTERPRETATION OF

MONET

AND HIS

GARDENS

IN

GIVERNY

Exhibit and Lectures by *Leslie Parke*

10 a.m. & 1:30 p.m. during the Spring Garden Festival
May 19, 2007, at the Water Conservation Garden
12122 Cuyamaca College Drive West, El Cajon, CA

AGENDA ITEM 7

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 4, 2007
SUBMITTED BY:	Geoffrey Stevens, Chief Information Technology and Strategic Planning	W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)	NA		
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager, Administration and Finance		
SUBJECT:	Mid-Year FY 2007 Strategic Plan and Performance Measures Results		

GENERAL MANAGER'S RECOMMENDATION:

No recommendation. This is an informational item only.

COMMITTEE ACTION: _____

See Attachment A.

PURPOSE:

Provide an informational update to the Board on the District's annual progress concerning FY 2007 Strategic Plan.

ANALYSIS:

The District completely revised its Strategic Plan for FY 2006 to FY 2008. We are now at the midpoint of this three year plan. Management has gone through an extensive review of these mid-year results and held several workshops. At the most recent meeting held in early March, each Chief presented an analysis of each objective and measure that was currently below expectations. Options for corrective actions were presented and discussed.

Overall results are positive with 94% of Strategic Plan objectives on schedule (the target is 90%). For the first time, we have improved our scores on performance measures to 78% "on target". Our goal for performance measures is 75%.

This presentation will review, at a high level, all of the District's strategies and goals. This discussion will provide an opportunity for the Board to review the Strategic Plan prior to review of the District's budget in the next several months.

The detailed results for each objective and measure and a drill down capability providing a high level of detail are available on the Board extranet Strategic Plan application.

FISCAL IMPACT:

None at this time.

STRATEGIC GOAL:

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

LEGAL IMPACT:

None

General Manager

Strategic Plan Results Powerpoint.

ATTACHMENT A

SUBJECT/PROJECT:	Annual Update on Strategic Plan and Performance Measures

COMMITTEE ACTION:

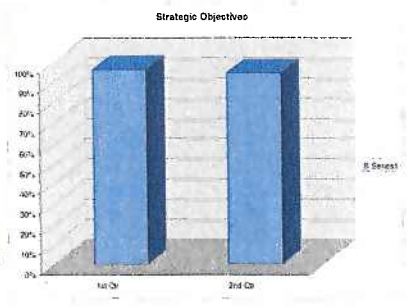
The Engineering and Operations Committee met on March 19 and Administration and Finance Committee met on March 21 to review this item. Based upon this discussion the Committees recommend that the Board receive the attached information.

NOTE:

The "Committee Action" is written in anticipation of the Committee moving the item forward for board approval. This report will be sent to the Board as a committee approved item, or modified to reflect any discussion or changes as directed from the committee prior to presentation to the full board.

District Overall Results

Objectives

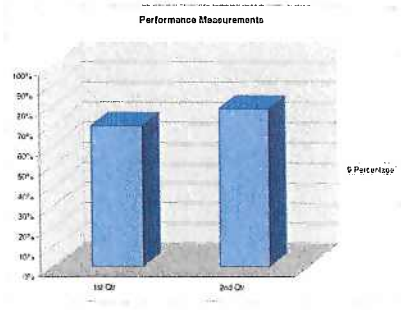


1st Qtr = 96.5%

2nd Qtr = 94.6%

Goal = 90%

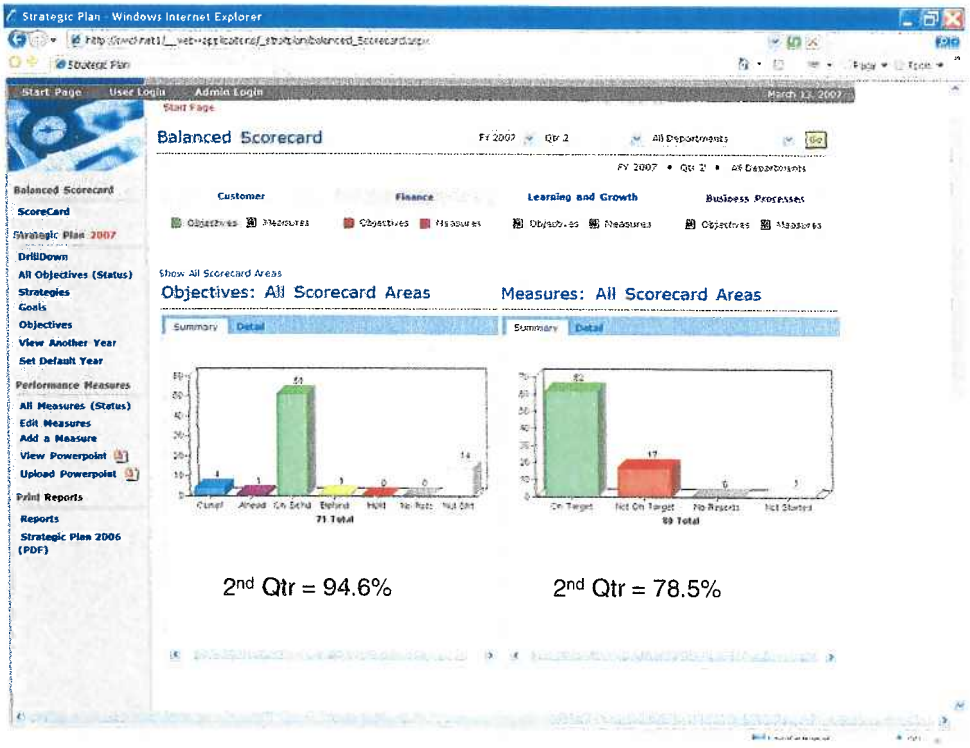
Measures



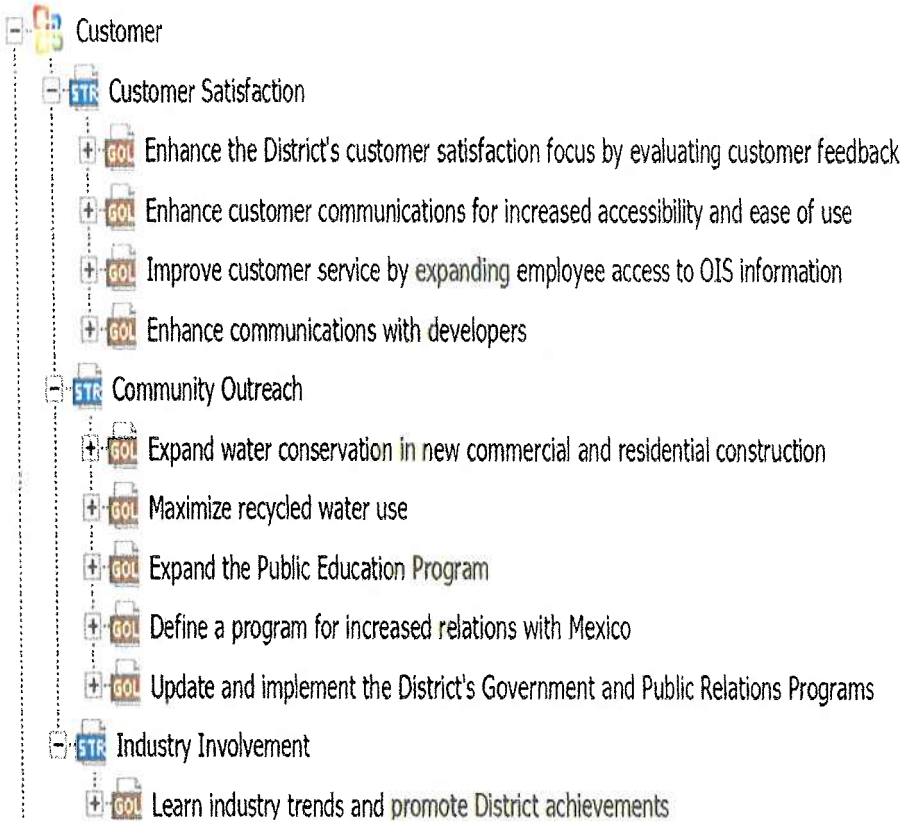
1st Qtr = 70%

2nd Qtr = 78.5%

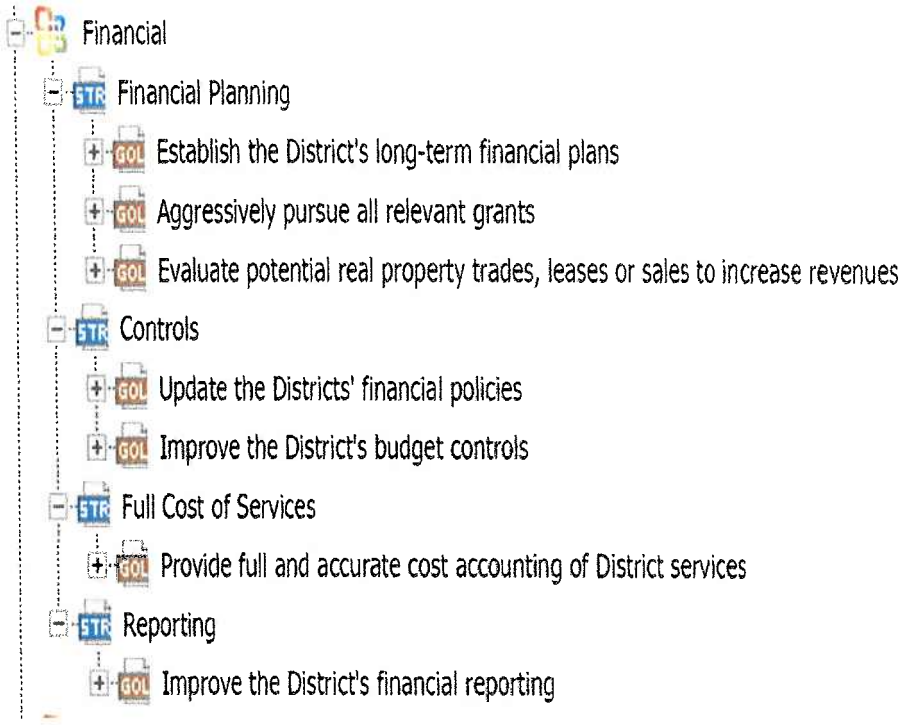
Goal = 75%


Strategic Plan - Windows Internet Explorer
Start Page
User Login
Admin Login
March 12, 2007
Balanced Scorecard
FY 2007
Qtr 2
All Departments
Go
Customer
Finance
Learning and Growth
Business Processes
Objectives
Measures
Balanced Scorecard
ScoreCard
Strategic Plan 2007
DrillDown
All Objectives (Status)
Strategies
Goals
Objectives
View Another Year
Set Default Year
Performance Measures
All Measures (Status)
Edit Measures
Add a Measure
View Powerpoint
Upload Powerpoint
Print Reports
Reports
Strategic Plan 2006 (PDF)
Show All Scorecard Areas
Objectives: All Scorecard Areas
Measures: All Scorecard Areas
Summary
Detail
71 Total
99 Total
2nd Qtr = 94.6%
2nd Qtr = 78.5%

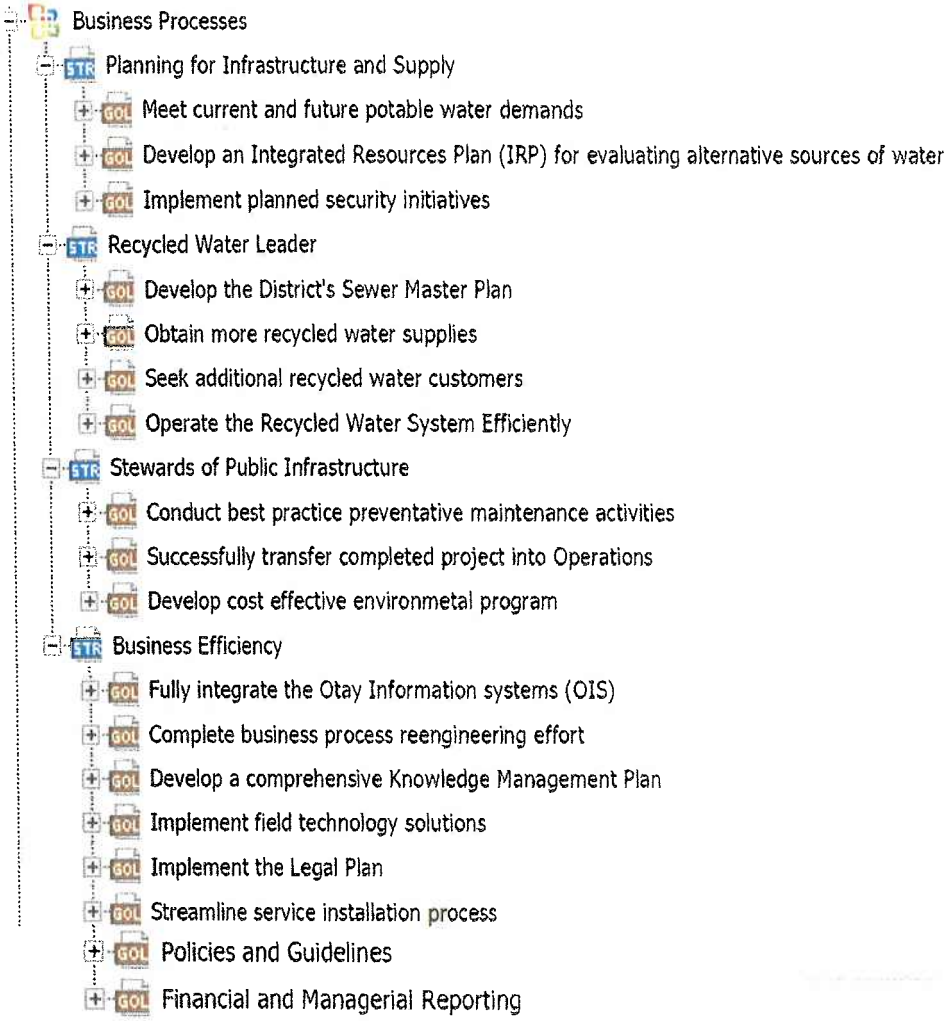
Strategy and Goal Review - Customer Perspective



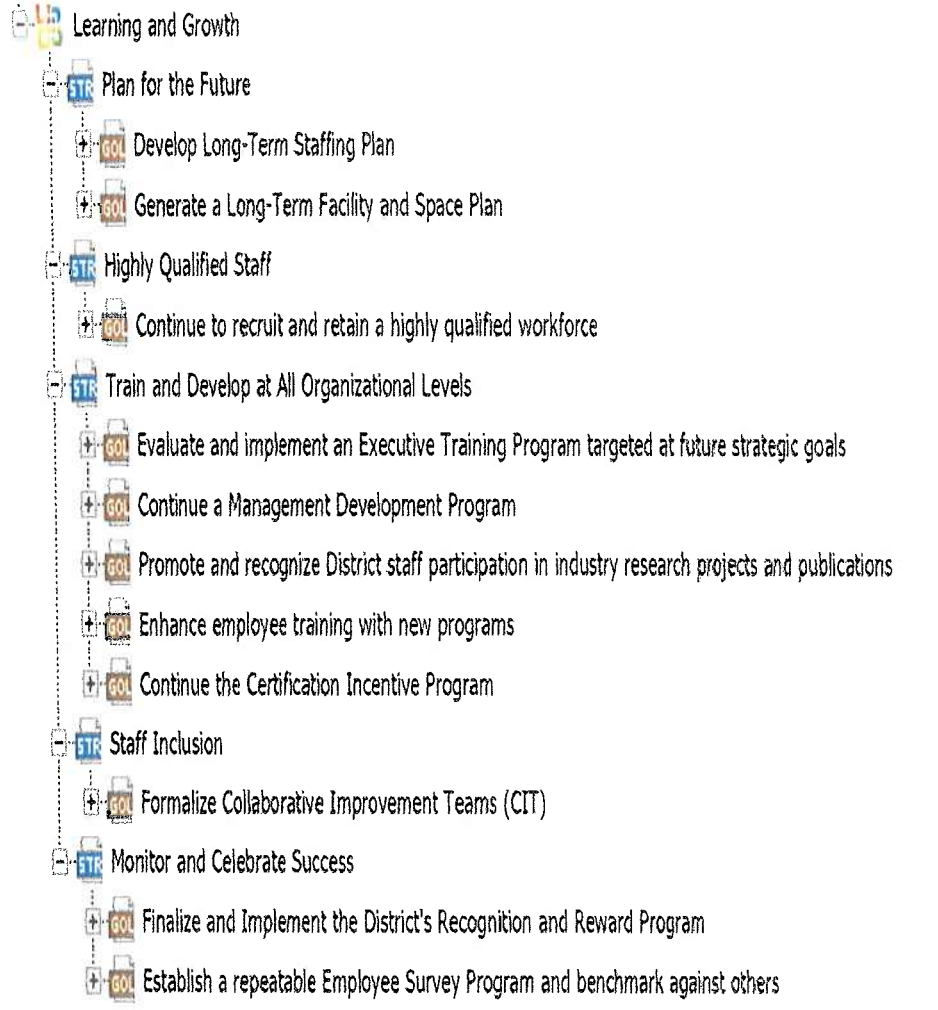
Strategy and Goal Review - Financial Perspective



Strategy and Goal Review - Business Process Perspective



Strategy and Goal Review - Learning and Growth Perspective



AGENDA ITEM 8

STAFF REPORT

TYPE MEETING:	Finance, Administration, and Communications Committee	MEETING DATE:	March 21, 2007
SUBMITTED BY:	Armando Buelna Communications Officer	W.O./G.F. NO:	DIV. NO. All
APPROVED BY:			
SUBJECT:	2006 Residential Customer Services Survey		

GENERAL MANAGER'S RECOMMENDATION:

That the Finance, Administration, and Communications Committee receive the addendum to the 2006 Customer Services Survey (Attachment B) conducted by Rea & Parker Research Inc.

COMMITTEE ACTION:

See Attachment "A".

PURPOSE:

To provide the Finance, Administration, and Communications Committee with additional information derived from the 2006 Customer Services Survey.

BACKGROUND:

At the Board of Director's meeting on March 7, 2002, the Call Center survey found that "Customers make an average of 1.8 calls per issue to customer services, with 69 percent of all callers having their issue resolved in one call. Among the 31 percent who make more than one call, 60 percent had their problem ultimately resolved, leaving a total of 12 percent of callers with unresolved issues."

When presented with this finding, the Board inquired about the nature of the unresolved calls. The consultant indicated that while this information was not in the report, the type of unresolved call could be derived from the data. The consultant would provide this information as an addendum to the final report.

A total of 33 survey respondents did not have their call to customer services result in resolution of the problem or

question. The majority were for billing issues (26), followed by repairs (4), and other (2). The data, however, does not tell us why the customer felt the matter was unresolved. However, this is an item we can addressed in future surveys.

FISCAL IMPACT:

This staff report is responding to a question raised in the 2006 Customer Services Survey. This action is covered in the consultant contract and therefore has no fiscal impact.

STRATEGIC GOAL:

This project is consistent with the following Strategic Plan Objectives:

1.1.1.1 Implement a standardized Potable and Recycled Water Customer Survey

1.1.1.3 Expand a Quality Control/Audit program to ensure quality customer service

LEGAL IMPACT:

None.

General Manager

Attached
Committee Action - Attachment A
Draft General Customer Services Survey Addendum - Attachment B

ATTACHMENT A

SUBJECT/PROJECT:	2006 Residential Customer Services Survey Addendum

COMMITTEE ACTION:

This item was presented to the Finance, Administration, and Communications Committee on March 21, 2006 and the committee received the addendum to the 2006 Residential Customer Survey.

Note:

The "Committee Action" is written in anticipation of the Committee moving the item forward for board approval. This report will be sent to the Board as a committee approved item, or modified to reflect any discussion or changes as directed from the committee prior to presentation to the full board.

Attachment B

Draft Addendum

A total of 33 people did not have their call to customer service result in a resolution of the problem/question. The purpose of their last call was mostly billing (81%). Total sample billing calls were 66%, so more unresolved billing issues.

Q1b - Was the main purpose of your last service call...

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Repair issue	4	12.1	12.5	12.5
	Billing issue	26	78.8	81.3	93.8
	Another issue	2	6.1	6.3	100.0
	Total	32	97.0	100.0	
Missing	DK, Refused	1	3.0		
Total		33	100.0		

Among those 4 who called with a repair issue, the unresolved issues were as follows:

Q1c - What type of repair did you call about? Was it...

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Pipeline break	1	3.0	25.0	25.0
	Problem with supply to your home	1	3.0	25.0	50.0
	Suspected leak	1	3.0	25.0	75.0
	Another problem	1	3.0	25.0	100.0
	Total	4	12.1	100.0	
Missing	System	29	87.9		
Total		33	100.0		

The one with the other problem was a broken meter

Q1c Other

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		32	97.0	97.0	97.0
	Meter was broken	1	3.0	3.0	100.0
	Total	33	100.0	100.0	

Attachment B

28 of the 33 (85%) also made at least one other call to customer service—purposes listed below—again mostly billing. Total sample—82% made a second call.

Q2 - What was the reason for that customer service call?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Did not understand bill	8	24.2	28.6	28.6
	Thought I was charged too much for the amount of water I use	10	30.3	35.7	64.3
	Thought I used less water than bill indicated/Meter mis-read	2	6.1	7.1	71.4
	Start service	1	3.0	3.6	75.0
	Reconnect service after shutoff	2	6.1	7.1	82.1
	Other	5	15.2	17.9	100.0
	Total	28	84.8	100.0	
Missing	DK, Refused	1	3.0		
	System	4	12.1		
	Total	5	15.2		
Total		33	100.0		

27% made still another call during this period—again billing issue. Total sample 16% made that additional (third) call.

Q2b - What was the reason for that customer service call?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Did not understand bill	4	12.1	44.4	44.4
	Thought I was charged too much for the amount of water I use	4	12.1	44.4	88.9
	other	1	3.0	11.1	100.0
	Total	9	27.3	100.0	
Missing	System	24	72.7		
Total		33	100.0		

The one "other" call purpose.

q2both

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		32	97.0	97.0	97.0
	To see if a water audit is available.	1	3.0	3.0	100.0
	Total	33	100.0	100.0	