

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

**MONDAY**  
**September 17, 2012**  
**11:30 A.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. UPDATE ON DIRECTOR'S EXPENSES FOR THE 4<sup>TH</sup> QUARTER OF FISCAL YEAR 2012 (PRENDERGAST) [5 minutes]
4. APPROVE AN ADJUSTMENT TO THE WHEELING RATE FOR THE DELIVERY OF TREATY WATER TO THE CITY OF TIJUANA TO \$58.14 FOR CALENDAR YEAR 2013 (BELL) [5 minutes]
5. REPORT ON INVESTMENT PROCEDURES (BELL) [5 minutes]
6. ADOPT ORDINANCE NO. 532 AMENDING THE DISTRICT'S CODE OF ORDINANCES, SECTION 72, PENALTIES AND DAMAGES; APPENDIX A, SECTION 72.05.D.A WITH REFERENCE TO TYPE I AND TYPE II FINES; AND CLARIFYING CUSTOMER REQUESTS FOR BOARD REVIEW (GRANGER) [5 minutes]

7. APPROVE ORDINANCE NO. 535 AMENDING SECTION 6, CONFLICT OF INTEREST CODE, OF THE DISTRICT'S CODE OF ORDINANCES TO UPDATE THE GIFT LIMIT, THE DEFINITION OF PROHIBITED INCOMPATIBLE ACTIVITIES, EXPAND THE LIST OF POSITIONS REQUIRED TO FILE A FORM 700 , UPDATE/DELETE POSITION TITLES THAT NO LONGER EXIST AND AMEND THE DISCLOSURE CATEGORIES (WATTON) [5 minutes]
8. CAST VOTES FOR A REGULAR DISTRICT MEMBER ON LAFCO'S COMMISSION AND EIGHT (8) SPECIAL DISTRICTS ADVISORY COMMITTEE MEMBERS IN THE LAFCO SPECIAL DISTRICTS 2012 ELECTION (WATTON) [5 minutes]
9. FINANCE, ADMINISTRATION AND COMMUNICATIONS DIVISIONS' STRATEGIC PLAN FISCAL YEAR-END 2012 UPDATE REPORT (STEVENS) [10 minutes]
10. ADJOURNMENT

**BOARD MEMBERS ATTENDING:**

Jose Lopez, Chair  
Mitch Thompson

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 670-2280 at least 24 hours prior to the meeting.

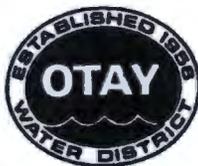
**Certification of Posting**

I certify that on September 14, 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 24 hours in advance of the meeting of the Board of Directors (Government Code Section §54954.2).

Executed at Spring Valley, California on September 14, 2012.

/s/ Susan Cruz, District Secretary

# AGENDA ITEM 3



## STAFF REPORT

TYPE MEETING: Regular Board

MEETING DATE: October 9, 2012

PROJECT:

DIV. NO. All

SUBMITTED BY: Sean Prendergast  
Payroll/AP Supervisor

APPROVED BY:  Joseph R. Beachem, Chief Financial Officer  
 German Alvarez, Assistant General Manager  
 Mark Watton, General Manager

SUBJECT: Director's Expenses for the 4th Quarter of Fiscal Year 2012

### GENERAL MANAGER'S RECOMMENDATION:

This is an informational item only.

### COMMITTEE ACTION:

Please see Attachment A.

### PURPOSE:

To inform the Board of the Director's expenses for the 4th quarter of Fiscal Year 2012.

### ANALYSIS:

The Director's expense information is being presented in order to comply with State law. (See Attachment B for Summary and C-H for Details.)

### FISCAL IMPACT:

None.

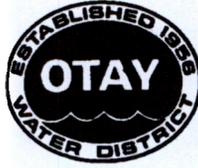
**STRATEGIC GOAL:**

Prudently manage District funds.

**LEGAL IMPACT:**

Compliance with State law.

Attachments:    Attachment A Committee Action  
                  Attachment B Director's Expenses and per Diems  
                  Attachment C-H Director's Expenses Detail



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Director's Expenses for the 4th Quarter of Fiscal Year 2012
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**COMMITTEE ACTION:**

This is an informational item only.

**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.

**BOARD OF DIRECTORS'  
EXPENSES AND PER-DIEMS**

**FINANCE, ADMINISTRATION AND  
COMMUNICATIONS COMMITTEE MEETING  
September 17, 2012**

Policy 8 requires that staff present the Expenses and Per-Diems for the Board of Directors on a Quarterly basis:

- Fiscal Year 2012, 4th Quarter.
- The expenses are shown in detail by Board member, month and expense type.
- This presentation is in alphabetical order.
- This information was presented to the Finance, Administration, and Communications Committee on September 17, 2012.

Board of Directors' Expenses and Per-Diems  
Fiscal Year 2012 Quarter 4 (Apr 2012- Jun 2012)

Director Croucher	\$200.00
Director Gonzalez	\$1,200.00
Director Lopez	\$2,110.53
Director Robak	\$0.00
Director Thompson	\$457.72
<b>Total</b>	<b>\$3,968.25</b>

# Director Croucher

## Fiscal Year 2012 Quarter 4

	Apr 2012	May 2012	Jun 2012
Business Meetings	0.00	0.00	0.00
Director's Fees	200.00	0.00	0.00
Mileage Business	0.00	0.00	0.00
Seminars	0.00	0.00	0.00
Travel	0.00	0.00	0.00
<b>Monthly Totals</b>	<b><u>200.00</u></b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>
<b>Quarterly Total</b>			<b><u>\$200.00</u></b>

<b>Fiscal Year-to-Date 2012 (Jul 2011-Jun 2012)</b>	<b>\$2,000.00</b>
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**Director Croucher serves on all  
District Committees (6)**

Meetings Attended	2		
Meetings Paid	2		

# Director Gonzalez

## Fiscal Year 2012 Quarter 4

	Apr 2012	May 2012	Jun 2012
Business Meetings	0.00	0.00	0.00
Director's Fees	400.00	600.00	200.00
Mileage Business	0.00	0.00	0.00
Seminars	0.00	0.00	0.00
Travel	0.00	0.00	0.00
<b>Monthly Totals</b>	<b><u>400.00</u></b>	<b><u>600.00</u></b>	<b><u>200.00</u></b>
<b>Quarterly Total</b>			<b><u>\$1,200.00</u></b>

<b>Fiscal Year-to-Date 2012 (Jul 2011-Jun2012)</b>	<b>\$4,855.45</b>
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Meetings Attended	4	6	3
Meetings Paid	4	7	2

# Director Lopez

## Fiscal Year 2012 Quarter 4

	Apr 2012	May 2012	Jun 2012
Business Meetings	0.00	0.00	0.00
Director's Fees	500.00	600.00	800.00
Mileage Business	5.55	2.78	22.20
Mileage Commuting	33.30	44.40	33.30
Seminars and Travel	0.00	0.00	69.00
<b>Monthly Totals</b>	<b><u>538.85</u></b>	<b><u>647.18</u></b>	<b><u>924.50</u></b>
<b>Quarterly Total</b>			<b><u>\$2,110.53</u></b>

<b>Fiscal Year-to-Date 2012 (Jul 2011-Jun 2012)</b>	<b>\$7,183.89</b>
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Meetings Attended	6	7	10
Meetings Paid	5	6	8

# Director Robak

## Fiscal Year 2012 Quarter 4

	Apr 2012	May 2012	Jun 2012
Business Meetings	0.00	0.00	0.00
Director's Fees	0.00	0.00	0.00
Mileage Business	0.00	0.00	0.00
Mileage Commuting	0.00	0.00	0.00
Seminars and Travel	0.00	0.00	0.00
<b>Monthly Totals</b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>
<b>Quarterly Total</b>			<b><u>\$0.00</u></b>

<b>Fiscal Year-to-Date 2012 (Jul 2011-Jun2012)</b>	<b>\$1,013.63</b>
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Meetings Attended			
Meetings Paid			

# Director Thompson

## Fiscal Year 2012 Quarter 4

	Apr 2012	May 2012	Jun 2012
Business Meetings	0.00	0.00	0.00
Director's Fees	0.00	400.00	0.00
Mileage Business	0.00	0.00	0.00
Mileage Commuting	0.00	57.72	0.000
Seminars and Travel	0.00	0.00	0.00
<b>Monthly Totals</b>	<u><b>0.00</b></u>	<u><b>457.72</b></u>	<u><b>0.00</b></u>
<b>Quarterly Total</b>			<u><b>\$457.72</b></u>

<b>Fiscal Year-to-Date 2012 (Jul 2011-Jun2012)</b>	<b>\$457.72</b>
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Meetings Attended		4	
Meetings Paid		4	

Board of Directors' Expenses and Per-Diems  
Fiscal Year 2012 to Date (Jul 2011- Jun 2012)

Director Croucher	\$2,000.00
Director Gonzalez	\$4,855.45
Director Lopez	\$7,183.89
Director Robak	\$1,013.63
Director Thompson	\$457.72
<b>Total</b>	<b>\$15,510.69</b>

**OTAY WATER DISTRICT  
ADMINISTRATIVE EXPENSES - BOARD  
July 1, 2011 - June 30, 2012**

	<u>Jul-11</u>	<u>Aug-11</u>	<u>Sep-11</u>	<u>Oct-11</u>	<u>Nov-11</u>	<u>Dec-11</u>	<u>Jan-12</u>	<u>Feb-12</u>	<u>Mar-12</u>	<u>Apr-12</u>	<u>May-12</u>	<u>Jun-12</u>	<u>Total</u>
	1	2	3	4	5	6	7	8	9	10	11	12	
<b>MITCHELL THOMPSON (DETAILED IN SECTION D):</b>													
5214	Business meetings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5281	Director's fees	-	-	-	-	-	-	-	-	-	400.00	-	400.00
5211	Mileage - Business	-	-	-	-	-	-	-	-	-	-	-	-
5211	Mileage - Commuting	-	-	-	-	-	-	-	-	-	57.72	-	57.72
5213	Seminars and conferences	-	-	-	-	-	-	-	-	-	-	-	-
5212	Travel	-	-	-	-	-	-	-	-	-	-	-	-
	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 457.72	\$ -	\$ 457.72
<b>GARY D. CROUCHER (DETAILED IN SECTION E):</b>													
5214	Business meetings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5281	Director's fees	300.00	-	-	300.00	400.00	-	200.00	200.00	400.00	200.00	-	2,000.00
5211	Mileage - Business	-	-	-	-	-	-	-	-	-	-	-	-
5211	Mileage - Commuting	-	-	-	-	-	-	-	-	-	-	-	-
5213	Seminars and conferences	-	-	-	-	-	-	-	-	-	-	-	-
5212	Travel	-	-	-	-	-	-	-	-	-	-	-	-
	Total	\$ 300.00	\$ -	\$ -	\$ 300.00	\$ 400.00	\$ -	\$ 200.00	\$ 200.00	\$ 400.00	\$ 200.00	\$ -	\$ 2,000.00
<b>DAVID GONZALEZ (DETAILED IN SECTION F):</b>													
5214	Business meetings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5281	Director's fees	200.00	-	600.00	-	500.00	100.00	200.00	-	300.00	400.00	600.00	200.00
5211	Mileage - Business	-	-	-	-	-	-	-	-	-	-	-	-
5211	Mileage - Commuting	-	-	-	-	-	-	-	-	-	-	-	-
5213	Seminars and conferences	-	-	780.00	-	-	-	-	-	-	-	-	780.00
5212	Travel	-	-	975.45	-	-	-	-	-	-	-	-	975.45
	Total	\$ 200.00	\$ -	\$ 2,355.45	\$ -	\$ 500.00	\$ 100.00	\$ 200.00	\$ -	\$ 300.00	\$ 400.00	\$ 600.00	\$ 200.00
<b>JOSE LOPEZ (DETAILED IN SECTION G):</b>													
5214	Business meetings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25.00	\$ 120.00	\$ -	\$ -	\$ 145.00
5281	Director's fees	400.00	300.00	700.00	300.00	300.00	100.00	700.00	700.00	900.00	500.00	600.00	800.00
5211	Mileage - Business	22.20	-	13.32	5.55	-	14.43	31.08	46.07	91.58	5.55	2.78	22.20
5211	Mileage - Commuting	33.30	33.30	58.83	33.30	33.30	-	33.30	33.30	45.51	33.30	44.40	33.30
5213	Seminars and conferences	-	-	-	-	-	-	-	-	-	-	-	69.00
5212	Travel	-	-	-	-	-	-	-	-	-	-	-	-
	Total	\$ 455.50	\$ 333.30	\$ 772.15	\$ 338.85	\$ 333.30	\$ 114.43	\$ 764.38	\$ 804.37	\$ 1,157.09	\$ 538.85	\$ 647.18	\$ 924.50
<b>MARK ROBAK (DETAILED IN SECTION H):</b>													
5214	Business meetings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5281	Director's fees	100.00	-	200.00	100.00	-	-	100.00	100.00	300.00	-	-	900.00
5211	Mileage - Business	3.33	-	16.65	3.33	-	-	3.33	3.33	9.99	-	-	39.96
5211	Mileage - Commuting	2.22	-	2.22	2.22	-	-	2.22	2.22	6.66	-	-	17.76
5213	Seminars and conferences	-	35.00	-	20.91	-	-	-	-	-	-	-	55.91
5212	Travel	-	-	-	-	-	-	-	-	-	-	-	-
	Total	\$ 105.55	\$ 35.00	\$ 218.87	\$ 126.46	\$ -	\$ -	\$ 105.55	\$ 105.55	\$ 316.65	\$ -	\$ -	\$ 1,013.63
<b>TOTALS:</b>													
5214	Business meetings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25.00	\$ 120.00	\$ -	\$ -	\$ 145.00
5281	Director's fees	1,000.00	300.00	1,500.00	700.00	1,200.00	200.00	1,200.00	1,000.00	1,900.00	1,100.00	1,600.00	1,000.00
5211	Mileage - Business	25.53	-	29.97	8.88	-	14.43	34.41	49.40	101.57	5.55	2.78	22.20
5211	Mileage - Commuting	35.52	33.30	61.05	35.52	33.30	-	35.52	35.52	52.17	33.30	102.12	33.30
5213	Seminars and conferences	-	35.00	780.00	20.91	-	-	-	-	-	-	-	69.00
5212	Travel	-	-	975.45	-	-	-	-	-	-	-	-	975.45
	Total	\$ 1,061.05	\$ 368.30	\$ 3,346.47	\$ 765.31	\$ 1,233.30	\$ 214.43	\$ 1,269.93	\$ 1,109.92	\$ 2,173.74	\$ 1,138.85	\$ 1,704.90	\$ 15,510.69

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2011 THROUGH JUNE 30, 2012**

**DIRECTOR'S NAME: THOMPSON, MITCHELL**

**ATTACHMENT D**

<b>Account Name</b>	<b>Date</b>	<b>Descriptions</b>	<b>SECTION D Amount</b>
Mileage - Commuting	5/31/2012	MEETING - MAY 2, 8, 10 & 15, 2012	\$ 57.72
Mileage - Commuting Total			<u>57.72</u>
Director's Fee	5/2/2012	REGULAR BOARD OF DIRECTORS MEETING	<u>100.00</u>
	5/8/2012	SPECIAL BOARD OF DIRECTORS MEETING	100.00
	5/10/2012	MEET WITH OTAY'S GM AND STAFF - FOR ORIENTATION	100.00
	5/15/2012	SPECIAL BOARD OF DIRECTORS MEETING - BUDGET WORKSHOP	100.00
Director's Fee Total			<u>400.00</u>
<b>Grand Total</b>			<u><u>\$ 457.72</u></u>

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2011 THROUGH JUNE 30, 2012**

**DIRECTOR'S NAME: CROUCHER, GARY**

**ATTACHMENT E**

Account Name	Date	Descriptions	SECTION E Amount
Director's Fee	7/5/2011	AD HOC COMMITTEE MEETING - HEALTH BENEFITS NEGOTIATIONS	\$ 100.00
	7/15/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	7/19/2011	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	10/19/2011	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	10/21/2011	LAFCO SPECIAL DISTRICTS ADVISORY COMMITTEE	100.00
	10/31/2011	LEGAL AD HOC COMMITTEE	100.00
	11/8/2011	LEGAL AD HOC COMMITTEE	100.00
	11/16/2011	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	11/28/2011	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	11/30/2011	SPECIAL BOARD OF DIRECTORS MEETING	100.00
	1/4/2012	REGULAR BOARD OF DIRECTORS MEETING	100.00
	1/24/2012	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	2/1/2012	REGULAR BOARD OF DIRECTORS MEETING	100.00
	2/16/2012	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	3/7/2012	OTAY BOARD OF DIRECTORS MEETING	100.00
	3/14/2012	BOARD ETHICS TRAINING 700 FORM REVIEW	100.00
	3/19/2012	FUTURE WATER RATES/USAGE AND ECONOMY PREDICTIONS	100.00
	3/21/2012	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	4/4/2012	REGULAR BOARD OF DIRECTORS MEETING	100.00
	4/18/2012	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
Director's Fee Total			<u>2,000.00</u>
<b>Grand Total</b>			<u><u>\$2,000.00</u></u>

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2011 THROUGH JUNE 30, 2012**

**DIRECTOR'S NAME: GONZALEZ, DAVID**

**ATTACHMENT F**

Account Name	Date	Descriptions	SECTION F Amount
Director's Fee	7/15/2011	REGULAR BOARD OF DIRECTORS MEETING	\$ 100.00
	7/19/2011	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	9/7/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	9/8/2011	SPECIAL DISTRICT INSTITUTE	100.00
	9/9/2011	SPECIAL DISTRICT INSTITUTE	100.00
	9/10/2011	SPECIAL DISTRICT INSTITUTE	100.00
	9/19/2011	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	9/29/2011	METRO COMMISSION BRIEFING MEETING	100.00
	11/2/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	11/3/2011	METRO COMMISSION BRIEFING MEETING	100.00
	11/7/2011	PADRE DAM MWD CEREMONY	100.00
	11/16/2011	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	11/30/2011	SPECIAL BOARD OF DIRECTORS MEETING	100.00
	12/6/2011	SOUTH COUNTY ECONOMIC DEVELOPMENT	100.00
	1/4/2012	REGULAR BOARD OF DIRECTORS MEETING	100.00
	1/18/2012	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	3/7/2012	REGULAR BOARD OF DIRECTORS MEETING	100.00
	3/14/2012	SPECIAL BOARD OF DIRECTORS MEETING - DISCUSS FORM 700	100.00
	3/19/2012	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	4/4/2012	REGULAR BOARD OF DIRECTORS MEETING	100.00
	4/9/2012	OVERSIGHT BOARD AND CHULA VISTA REDEVELOPMENT	100.00
	4/19/2012	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	4/30/2012	OVERSIGHT BOARD AND CHULA VISTA REDEVELOPMENT	100.00
	5/2/2012	REGULAR BOARD OF DIRECTORS MEETING	100.00
	5/8/2012	SPECIAL BOARD OF DIRECTORS MEETING	100.00
	5/15/2012	BUDGET WORKSHOP	100.00
	5/16/2012	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	5/19/2012	AWARD PRESENTATION LANDSCAPE DISTRICT WINNER	100.00
	5/25/2012	ENGINEERING COMMITTEE MEETING	100.00
	6/6/2012	REGULAR BOARD OF DIRECTORS MEETING	100.00
	6/20/2012	ENGINEERING COMMITTEE MEETING	100.00
Director's Fee Total			3,100.00
Registration Fee	9/10/2011	REGISTRATION FEE - SPECIAL DISTRICT AND LOCAL GOVERNMENT INSTITUTE SEPTEMBER 8-10, 2011	780.00
Travel	9/31/2011	LODGING FEE - ATTENDED THE SPECIAL DISTRICTS & LOCAL GOV'T INSTITUTE FINANCE SEMINAR SEPT. 7-9, 2011	577.65
	9/7/2011	AIRFARE FEE TO ATTEND THE SPECIAL DISTRICTS & LOCAL GOV'T INSTITUTE FINANCE SEMINAR	397.80
Travel Total			975.45
<b>Grand Total</b>			<b>\$ 4,855.45</b>

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2011 THROUGH JUNE 30, 2012**

**DIRECTOR'S NAME: LOPEZ, JOSE**

**ATTACHMENT G**

Account Name	Date	Descriptions	SECTION G Amount
Mileage - Business	7/31/2011	MEETING - JULY 11, 2011	\$ 22.20
	9/30/2011	MEETING - SEPTEMBER 9 & 15, 2011	13.32
	10/31/2011	MEETING - OCTOBER 11, 2011	5.55
	12/14/2011	MEETING - DECEMBER 14, 2011	14.43
	1/31/2012	MEETING - JANUARY 12, 20 & 27, 2012	31.08
	2/29/2012	MEETING - FEBRUARY 9, 24, 25 & 26, 2012	46.07
	3/31/2012	MEETING - MARCH 6, 12, 16, 20 & 29, 2012	91.58
	4/30/2012	MEETING - APRIL 13, & 25, 2012	5.55
	5/31/2012	MEETING - MAY 11, 2012	2.78
	6/30/2012	MEETING - JUNE 1, 13, 15 & 29, 2012	22.20
Mileage - Business Total			<u>254.75</u>
Mileage - Commuting	7/31/2011	MEETING - JULY 5, 12, & 15, 2011	33.30
	8/31/2011	MEETING - AUGUST 4, 10, & 18, 2011	33.30
	9/30/2011	MEETING - SEPTEMBER 7, 14, 19, 28, & 29, 2011	58.83
	10/31/2011	MEETING - OCTOBER 5 & 19 2011	33.30
	11/30/2011	MEETING - NOVEMBER 2, 28, & 30, 2011	33.30
	1/31/2012	MEETING - JANUARY 14, 18 & 24, 2012	33.30
	2/29/2012	MEETING - FEBRUARY 1, 16 & 21, 2012	33.30
	3/31/2012	MEETING - MARCH 7, 14, 19 & 21, 2012	45.51
	4/30/2012	MEETING - APRIL 4, 18 & 19, 2012	33.30
	5/31/2012	MEETING - MAY 2, 8, 11, 16, 24 & 25, 2012	44.40
	6/30/2012	MEETING - JUNE 6, 20 & 21, 2012	33.30
Mileage - Commuting Total			<u>415.14</u>
Director's Fee	7/5/2011	AD HOC COMMITTEE MEETING - HEALTH BENEFITS NEGOTIATIONS	100.00
	7/11/2011	DESALINATION PLANT WITH ROSARITO MAYOR	100.00
	7/12/2011	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	7/15/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	8/4/2011	AD HOC COMMITTEE MEETING - HEALTH BENEFITS NEGOTIATIONS	100.00
	8/10/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	8/18/2011	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2011 THROUGH JUNE 30, 2012**

**DIRECTOR'S NAME: LOPEZ, JOSE**

**ATTACHMENT G**

Account Name	Date	Descriptions	SECTION G Amount
Director's Fee	9/7/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	9/9/2011	MEETING WITH STAR NEWS EDITOR CARLOS DAVALOS	100.00
	9/14/2011	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	9/15/2011	MEETING WITH CHULA VISTA COUNCIL WOMAN PAT AGUILAR	100.00
	9/19/2011	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	9/28/2011	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	9/29/2011	METRO COMMISSION BRIEFING MEETING	100.00
	10/5/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	10/11/2011	CITY COUNCIL MEETING - GREEN BUSINESS RECOGNITION AWARD	100.00
	10/19/2011	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	11/2/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	11/28/2011	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	11/30/2011	SPECIAL BOARD OF DIRECTORS MEETING	100.00
	12/14/2011	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	1/4/2012	REGULAR BOARD OF DIRECTORS MEETING	100.00
	1/12/2012	GENERAL MANAGER MEETING	100.00
	1/17/2012	METRO COMMISSION WITH OTAY STAFF	100.00
	1/18/2012	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	1/20/2012	MEETING WITH STATE SENATOR JOEL ANDERSON AND GENERAL MANAGER OF OTAY	100.00
	1/24/2012	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	1/27/2012	AGENDA BRIEFING WITH GENERAL MANAGER AND COUNSEL	100.00
	2/1/2012	REGULAR BOARD OF DIRECTORS MEETING	100.00
	2/9/2012	UNION TRIBUNE MEETING WITH MR. JOHN LYNCH	100.00
	2/16/2012	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	2/21/2012	SPECIAL BOARD OF DIRECTORS MEETING	100.00
	2/24/2012	AGENDA BRIEFING WITH GENERAL MANAGER AND COUNSEL	100.00
	2/25/2012	HOOVER DAM TOUR - METROPOLITAN WATER	100.00
	2/26/2012	PARKER DAM AND COLORADO RIVER TOUR - METROPOLITAN	100.00
	3/6/2012	METROPOLITAN WATER DISTRICTS FINANCE MEETING	100.00

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2011 THROUGH JUNE 30, 2012**

**DIRECTOR'S NAME: LOPEZ, JOSE**

**ATTACHMENT G**

Account Name	Date	Descriptions	SECTION G Amount
Director's Fee	3/7/2012	REGULAR BOARD OF DIRECTORS MEETING	100.00
	3/12/2012	BUS TRIP FROM CWA TO (LA) METRO WATER DISTRICTS MEETING	100.00
	3/14/2012	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	3/16/2012	GENERAL MANAGER MEETING - COMMITTEE AGENDA ITEMS	100.00
	3/19/2012	BOARD BUDGET WORKSHOP	100.00
	3/20/2012	COUNCIL ON WATER UTILITIES MEETING	100.00
	3/21/2012	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	3/29/2012	GENERAL MANAGER AND COUNSEL - AGENDA BREIFING	100.00
	4/4/2012	REGULAR BOARD OF DIRECTORS MEETING	100.00
	4/13/2012	GENERAL MANAGER MEETING - COMMITTEE AGENDA ITEMS	100.00
	4/18/2012	ENGINEERING AND OPERATIONS AND WATER RESOURCES	100.00
	4/19/2012	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	4/25/2012	GENERAL MANAGER AND COUNSEL - AGENDA BREIFING	100.00
	5/2/2012	REGULAR BOARD OF DIRECTORS MEETING	100.00
	5/8/2012	SPECIAL BOARD OF DIRECTORS MEETING	100.00
	5/11/2012	COMMITTEE AGENDA BREIFING - GENERAL MANAGER	100.00
	5/16/2012	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	5/24/2012	CSDA WEBINAR - BOARD MEETING	100.00
	5/25/2012	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	6/1/2012	AGENDA BRIEFING WITH GENERAL MANAGER AND COUNSEL	100.00
	6/6/2012	REGULAR BOARD OF DIRECTORS MEETING	100.00
	6/13/2012	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	6/15/2012	COMMITTEE AGENDA BREIFING - GENERAL MANAGER	100.00
	6/19/2012	CSDA WEBINAR - PROP 218 & 26 LEGISLATIVE UPDATE	100.00
	6/20/2012	ENGINEERING AND OPERATIONS COMMITTEE MEETING	100.00
	6/21/2012	FINANCE AND ADMINISTRATIVE COMMITTEE MEETING	100.00
	6/29/2012	AGENDA BRIEFING WITH GENERAL MANAGER AND COUNSEL	100.00
Director's Fee Total			6,300.00
Registration Fee	6/14/2012	CSDA WEBINAR - WHAT EVERY PUBLIC AGENCY SHOULD KNOW ABOUT PREVAILING WAGE	69.00
Business meetings	2/21/2012	COUNCIL ON WATER UTILITIES MEETING	25.00
	3/5/2012	SAN YSIDRO CHAMBER OF COMMERCE	95.00
	3/20/2012	COUNCIL ON WATER UTILITIES MEETING	25.00
Business meetings Total			145.00
<b>Grand Total</b>			<b>\$ 7,183.89</b>

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2011 THROUGH JUNE 30, 2012**

**DIRECTOR'S NAME:   ROBAK, MARK**

**ATTACHMENT H**

<b>Account Name</b>	<b>Date</b>	<b>Descriptions</b>	<b>SECTION H Amount</b>
Mileage - Business	7/15/2011	MEETING - JULY 15, 2011	\$   3.33
	9/7/2011	MEETING - SEPTEMBER 2, & 7, 2011	16.65
	10/5/2011	MEETING - OCTOBER 5, 2011	3.33
	1/4/2012	MEETING - JANUARY 4, 2012	3.33
	2/21/2012	MEETING - FEBRUARY 21, 2012	3.33
	3/31/2012	MEETING - MARCH 7, 14, & 19, 2012	9.99
<b>Mileage - Business Total</b>			<b>39.96</b>
Mileage - Commuting	7/15/2011	MEETING - JULY 15, 2011	2.22
	9/4/2011	MEETING - SEPTEMBER 4, 2011	2.22
	10/5/2011	MEETING - OCTOBER 5, 2011	2.22
	1/4/2012	MEETING - JANUARY 4, 2012	2.22
	2/21/2012	MEETING - FEBRUARY 21, 2012	2.22
	3/31/2012	MEETING - MARCH 7, 14, & 19, 2012	6.66
<b>Mileage - Commuting Total</b>			<b>17.76</b>
Director's Fee	7/15/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	9/2/2011	MEETING CHULA VISTA CHAMBER OF COMMERCE	100.00
	9/7/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	10/5/2011	REGULAR BOARD OF DIRECTORS MEETING	100.00
	1/4/2012	REGULAR BOARD OF DIRECTORS MEETING	100.00
	2/21/2012	SPECIAL BOARD OF DIRECTORS MEETING	100.00
	3/7/2012	REGULAR BOARD OF DIRECTORS MEETING	100.00
	3/14/2012	SPECIAL BOARD OF DIRECTORS MEETING - DISCUSS FORM 700	100.00
	3/19/2012	SPECIAL BOARD OF DIRECTORS MEETING - DISCUSS SALES FORECASTING	100.00
<b>Director's Fee Total</b>			<b>900.00</b>
Registration Fee	8/19/2011	REGISTRATION FEE - SAN DIEGO EAST CO. CHAMBER WORKSHOP	35.00
	10/26/2011	REGISTRATION FEE - EAST COUNTY ECONOMIC DEVELOPMENT COUNCIL	20.91
<b>Registration Fee Total</b>			<b>55.91</b>
<b>Grand Total</b>			<b>\$ 1,013.63</b>



**STAFF REPORT**

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	October 9, 2012
SUBMITTED BY:	Rita Bell, Finance Manager	PROJECT:	DIV. NO. All
APPROVED BY: (Chief)	<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:	Adjust the Wheeling Rate for the Delivery of Treaty Waters to the City of Tijuana to \$58.14 for Calendar Year 2013		

**GENERAL MANAGER'S RECOMMENDATION:**

That the Board authorize the General Manager to adjust the wheeling rate for the delivery of Treaty Waters to the City of Tijuana to \$58.14 for Calendar Year 2013.

**COMMITTEE ACTION:** \_\_\_\_\_

See Attachment A.

**BACKGROUND:**

The District's contract to deliver water to Mexico is currently in effect through November 9, 2013. Under terms and conditions of the contract, the District's pricing for energy and Operations and Maintenance (O&M) costs attributable to water delivered to Mexico is due no later than 45 days prior to the start of each calendar year (CY) and will remain constant for the calendar year. To meet this required timing and adjust the rate effective January 1, 2013, the Board's approval of the new rate is due to the United States Commissioner no later than November 16, 2012.

Deliveries of water to Mexico are based on a purchase schedule provided by Mexico to the United States Commissioner on a calendar year basis, and each year's deliveries are priced based on the most current calculation of prior fiscal years' costs. On October 5, 2011, staff presented the results of their review and the Board approved a rate for CY 2012 of \$65.39 per acre-foot. Since that time two charges reduced this rate. The first is an adjustment because SDG&E made estimated meter reads for the gas meter in FY 2011, and then they gave the District credits in FY 2012 to "true-up" the meter reads. The second is due to a more accurate method of calculating the O&M charge.

**ANALYSIS:**

Water is pumped to the Mexico connection from the District's 870-1 Pump Station, which also pumps water to the District's 870-1 Reservoir in the Otay Mesa area. There are a total of 4 energy bills (SDG&E) attributable to the pump station and these bills are used in the calculations for the energy portion of the rate the District charges Mexico. The water volumes pumped to both Mexico and the reservoir are added together, and the energy costs for Mexico are allocated based on the respective percentage of the total water volume. Similarly, maintenance costs for the District's distribution infrastructure from CWA to the Mexico border connection are computed based on Mexico's percentage of the total water volume pumped through that portion of the District's infrastructure. The energy costs are then added to the maintenance and repair costs and expressed as an overall rate per acre-foot.

Based on the methodology described above, staff has recalculated the "unit payment due OWD for delivery charges and other expenses (\$/acre-foot)" to be used by the San Diego County Water Authority (CWA) on their monthly billing invoices to Mexico for water deliveries. Effective January 1, 2013, the proposed rate is \$58.14 per acre-foot.

**FISCAL IMPACT:**



None. This adjustment maintains the District in a projected cost neutral position.

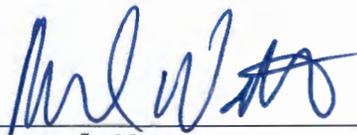
**STRATEGIC OUTLOOK:**

Strengthen the long-term financial plan.

**LEGAL IMPACT:**

\_\_\_\_\_

None.



\_\_\_\_\_  
**General Manager**

Attachments:

- A) Committee Action Form
- B) Rate Calculation Sheet



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Adjust the Wheeling Rate for the Delivery of Treaty Waters to the City of Tijuana to \$58.14 for Calendar Year 2013
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### COMMITTEE ACTION:

That the Finance, Administration and Communications Committee recommend that the Board authorize the General Manager to adjust the wheeling rate for the delivery of Treaty Waters to the City of Tijuana to \$58.14 for Calendar Year 2013.

### 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.

## O&amp;M Costs

## 870/571 Reservoirs / Pump Stations

Fiscal Years 2011 - 2012

## Calculation of Costs, Based on Audited Fiscal Year Expenses

<u>Costs</u>	<u>O&amp;M</u>	<u>Energy</u>	<u>Total</u>
FY 2012	46,472.42 (1)	110,980.90	157,452.32

<u>Consumption or Sales (In AF)</u>	<u>PZ 871</u>	<u>Mexico</u>	<u>Total</u>
FY 2012	2,708.26	-	2,708.26

<u>Unit Cost (per AF)</u>	<u>O&amp;M</u>	<u>Energy</u>	<u>Total</u>
FY 2012	17.16	40.98	58.14

## Mexico Water Rates, on a Calendar Year Basis

<u>CY Charges to Mexico</u>	<u>O&amp;M</u>	<u>Energy</u>	<u>Total</u>
CY 2013	17.16	40.98	58.14

(1) The actual cost have been inflated to reflect the increase in labor and benefit cost that was budgeted in FY 2013, as this is a projection for next year's cost.



# AGENDA ITEM 5

## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 9, 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:	Investment Procedures		

**GENERAL MANAGER'S RECOMMENDATION:**

This item is an informational item only.

**COMMITTEE ACTION:** \_\_\_\_\_

Please see Attachment A.

**PURPOSE:**

To inform to the Board of the investment procedures followed by staff under the direction of management and the Chief Financial Officer.

**BACKGROUND:**

In the Committee Meeting dated July 11, 2012, the Board requested that staff prepare written procedures for investing moneys subject to the control of Otay Water District under the authority of the Chief Financial Officer. The item being presented is in response to that request. The District prepares written procedures as a part of a continuing effort to document financial processes and procedures, and to improve safeguards and efficiencies. The written investment procedures provide guidelines for staff and document the existing segregation of duties and internal controls in the investment process.

**FISCAL IMPACT:** \_\_\_\_\_

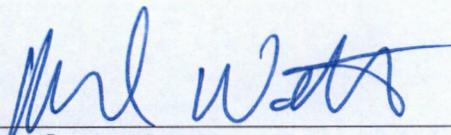
None.

**STRATEGIC GOAL:**

The District ensures its continued financial health through sound policies and procedures.

**LEGAL IMPACT:** \_\_\_\_\_

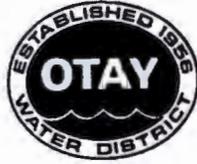
None.

A handwritten signature in blue ink, appearing to read "Mark Watts", is written over a light blue rectangular background. The signature is cursive and somewhat stylized.

\_\_\_\_\_  
**General Manager**

Attachments:

- A) Committee Action Form
- B) Proposed Copy of Investment Procedures



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Investment Procedures
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**COMMITTEE ACTION:**

This item is an informational item only.

**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.

OTAY WATER DISTRICT  
INVESTMENT PROCEDURES  
September 13, 2012

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**SCOPE:**

This Finance Procedure outlines the process for investing all moneys that are subject to the control of Otay Water District within the guidelines approved by the Board of Directors in the District's Investment Policy (Policy 27).

**PROCEDURE:**

The District actively maintains investments in the Local Agency Investment Fund (LAIF), the San Diego County Pool, Certificate of Deposits, and in Federal Agency Issues. Investments in each of the aforementioned are closely monitored and kept below the maximum amounts, as stated in the District's Investment Policy (Policy 27). Staff monitors investments by reviewing them and evaluating the levels on a daily basis to keep an appropriate amount in each type of investment as determined by management.

The District currently has four approved broker/dealers who are authorized to provide investment services to the District. A file is kept on each broker/dealer and is updated annually with the requirements outlined in the District's Investment Policy. Listings of new Agency issues are provided by the broker/dealers on a daily basis. A Senior Accountant reviews the new Agency issues listings and selects investments to recommend for purchase as follows:

- Investments are first selected based on a maturity of less than 3 years. The District's Investment Policy allows for the investment in Agencies with maturities of 5 years or less. Staff further limits the maturity to 3 years to limit the exposure of the portfolio to interest rate risk.
- Rates of return on Agencies with maturities of less than 3 years are reviewed and compared to LAIF and the County Pool. This comparison may, on a very short term, influence the investment timing. However, to maintain the diversification of the overall investments and not have too much exposure to potential liquidity risk with the pools, staff maintains the greater investment levels within the agency issues. Due to their significant presence in the markets agency issues maintain a return that reflects a reasonable or market rate of return.
- The maturity date and call dates of potential Agency investments are reviewed to make sure that they fit into the District's ladder portfolio. If the investment meets all of these criteria it is then brought to the CFO for approval.

Once approval is obtained from the CFO, a Senior Accountant calls the broker/dealer and orders the purchase. An email is also sent to the broker/dealer with both the CFO and the Finance Manager copied on the email confirming the purchase. After receiving the trade ticket information from the

OTAY WATER DISTRICT  
INVESTMENT PROCEDURES  
September 13, 2012

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broker/dealer, the Senior Accountant enters the information into the District's investment system (Sympro) and generates a trade ticket. The trade ticket from Sympro and the trade ticket from the broker/dealer are then given to the Finance Manager and the CFO for review and approval. Next, the Sympro trade ticket is faxed over to the District's Trust and Custody account with Union Bank to notify them of the purchase. The signature of the CFO is required on the trade ticket in order for funds to be transferred and delivery to be made. On the date of the purchase, funds are automatically drawn from the District's Money Market account held at Union Bank to the Trust and Custody account at Union Bank, and the purchase is made. The security is then delivered to the Trust and Custody account at Union Bank to be held until it is called, matures, or sold by the District.

Staff uses a "buy and hold" investment strategy, which means securities are typically, if not always, held to maturity. Staff does not actively trade its investments, which would require a significant amount of staff time, and a substantial investment in software to obtain timely and detailed market and economic information. With the District's low risk investments and with the efficient market, especially with agencies, there is very limited ability to have sizable and low risk benefits from active trading.

Union Bank sends monthly statements to the District with a list of all securities being held in the Trust and Custody account on behalf of the District. A Senior Accountant uses these statements to update market prices in Sympro and prepares the Portfolio Management Report on a monthly basis to be included in the board packet for approval. Next, an Accountant, not involved in the investment purchase, reconciles the Portfolio Management Report to the Trust and Custody statements to ensure accuracy and completeness. Finally, the Portfolio Management Report is sent to the Finance Manager and CFO for review before it goes to the Board.

# AGENDA ITEM 6



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 9, 2012
		PROJECT:	Various DIV. NO. ALL
SUBMITTED BY:	William Granger Water Conservation Manager	WG	
APPROVED BY:	<input checked="" type="checkbox"/> Rom Sarno, Chief of Administrative Services		
	<input checked="" type="checkbox"/> German Alvarez, Assistant General Manager		
	<input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	ADOPTION OF ORDINANCE NO. 532, REVISING SECTION 72, PENALTIES AND DAMAGES, AND APPENDIX A OF THE OTAY WATER DISTRICT'S CODE OF ORDINANCES, AND CLARIFYING CUSTOMER REQUEST FOR BOARD REVIEW		

### GENERAL MANAGER'S RECOMMENDATION:

That the Board adopt Ordinance No. 532, approving the revisions to Section 72, Penalties and Damages, and Appendix A of the District's Code of Ordinances, and clarifying the process for customer request for Board review.

### COMMITTEE ACTION:

Please see "Attachment A".

### PURPOSE:

To adopt Ordinance No. 532, which adds clarifying language in Section 72, Penalties and Damages, and Appendix A of the District's Code of Ordinances, and clarifies the process for customer request for Board review.

### ANALYSIS:

District staff periodically reviews the District's Policies and Procedures to ensure they are updated and consistent with District practices. Staff has reviewed Section 72 and Appendix A of the Code of Ordinances and recommends revisions to clarify the current practice related to Board review of any administrative fines or penalties imposed for violations of the Code of Ordinances.

The proposed revisions to the Code are intended to clarify the current practice and eliminate any ambiguities regarding the process for customer request for Board review. Specifically, that Board review typically is only for any administrative fines that may be imposed by the General Manager and that if a review by the Board is requested, that it is not intended to be a full judicial-type hearing, where such matters as sworn testimony or cross examination of witnesses is allowed.

Revisions to Appendix A will clarify Type I and II violations and eliminate types III and IV.

#### Investigative Procedure

If a possible violation of Section 72 is identified, observed, or reported, the District will investigate and document the findings. The investigation will include contacting the allegedly responsible party and/or property owner to investigate the alleged violation(s). The responsible party will be given ample opportunity to provide verbal, written, and pictorial exculpatory evidence as part of the District's investigation. If the evidence does not exonerate the responsible parties, the District may assess cost and penalties, and administrative fines, and may take any other action or pursue any remedy to maintain the integrity of the system or protect the health and safety of our customers. When deemed necessary, immediate corrective action will be taken including reduction, suspension, or termination of service to the extent permitted by law.

#### Recovering the District's Costs (Assessment of Damages)

At the conclusion of its investigation, the District will send a Notice of Violation to the responsible party along with any pertinent documentation. This notice will include a Summary of Damages incurred by the District in connection with investigating and remedying the violation. This may include costs for stolen water, broken/damaged facilities, staff time, attorney fees, and other related administrative costs. These costs and damages are assessed on to the customer's regular water bill. If these charges are not paid when due or other arrangements have not been made with Customer Service such as a payment plan, the customer's water service will be locked, pursuant to our standard process under Section 35 of the District's Code of Ordinance.

#### Assessment of Fines and Penalties

In addition to recovering District costs, the General Manager may also impose an administrative fine. For the most severe violations (Type II), the fine amount may be up to \$5,000. Type II violations include any violation that has the potential to endanger the health or safety of the public, including but not limited to, meter tampering; water theft; unauthorized connection, use, disabling,

circumventing, or operation of District facilities; or knowingly filing a false report or statement required by a local health officer. The fine amount will be determined based upon the severity, duration, and reoccurrence of the violation.

Board Review

The General Manager will send a Notice of Administrative Fine to the responsible party. This notice will specify that should the customer wish to appeal the fine to the Board, a request must be made in writing to the District's Board Secretary within ten (10) days from the date of the notice. Should the customer request Board review, the item will be agendized for consideration by the Board and the parties will be notified.

The revisions to Section 72 makes it clear that Board review is not a full judicial-type hearing and will not allow for such matters as sworn testimony or cross examination of witnesses. The Board decision is final.

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

N/A.

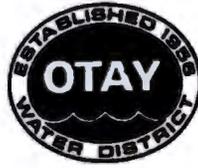
**STRATEGIC GOAL:**

N/A.

**LEGAL IMPACT:**

The proposed changes to Section 72 were submitted by the District's Legal Counsel.

Attachments:    Attachment A - Committee Action Report  
                  Attachment B - Ordinance No. 532  
                  Exhibit 1 - Revisions to Section 72  
                  Exhibit 2 - Clean Copy of Section 72  
                  Exhibit 3 - Revisions to Appendix A  
                  Exhibit 4 - Clean Copy of Appendix A



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	ADOPTION OF ORDINANCE NO. 532, REVISING SECTION 72, PENALTIES AND DAMAGES, AND APPENDIX A OF THE OTAY WATER DISTRICT'S CODE OF ORDINANCES, AND CLARIFYING CUSTOMER REQUEST FOR BOARD REVIEW
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### COMMITTEE ACTION:

The Finance, Administration, and Communications Committee met on September 17, 2012 to review this item. The Committee supports presentation to the full Board for their review.

### 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.

ORDINANCE NO. 532

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE OTAY WATER DISTRICT AMENDING THE DISTRICT'S CODE OF ORDINANCES, SECTION 72, PENALTIES AND DAMAGES; APPENDIX A, SECTION 72.05.D.A WITH REFERENCE TO TYPE I AND TYPE II FINES; AND CLARIFYING CUSTOMER REQUESTS FOR BOARD REVIEW

BE IT ORDAINED by the Board of Directors of Otay Water District that the District's Code of Ordinances, Section 72, Penalties and Damages; Appendix A, Section 72.05.D.A with reference to Type I and Type II fines; and clarifying customer requests for board review; be amended as per Exhibits I, II and III attached to this Ordinance.

NOW, THEREFORE, BE IT RESOLVED that the new proposed Section 72, Penalties and Damages; Appendix A, Section 72.05.D.A with reference to Type I and Type II fines; and language clarifying customer requests for board review; of the District's Code of Ordinances shall become effective October 9, 2012.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting duly held this 9<sup>th</sup> day of October 2012, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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President

ATTEST:

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District Secretary

SECTION 72 PENALTIES AND DAMAGES

72.01 GENERAL [Type a quote from the document or the summary of an interesting point. You can position the text box anywhere in the document. Use the Text Box Tools tab to change the formatting of the pull quote text box.]

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

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

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

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

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

E: 72.02 VIOLATIONS AND GENERAL PENALTIES FOR VIOLATIONS

F.A. Notice of Violation. Notice and a reasonable period of time to correct a violation will be given prior to the termination, reduction or suspension of service or the imposition of any administrative fine. However, the District may, without notice, correct any condition or violation that endangers the health or safety or impairs

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any District service, facility or property or is otherwise determined by the District to require immediate action.

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

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

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

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

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

1. Notice Prior to Termination, Suspension or Reduction of Service. Except as provided in Paragraph AF, above, or in other provisions of this Code or applicable law, not less than ten (10) days notice will be given prior to the date service is reduced, suspended or terminated; provided that, where service is terminated due to

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failure to comply with the terms of an amortization agreement, under Section 34 of this Code, only forty-eight (48) hours prior notice is required. The notice will be delivered to the affected parcel and, if the owner of record does not reside in the affected parcel, a copy of the notice will be forwarded to the owner's address on record with the assessor's office via any available means, such as personal delivery, certified mail return receipt requested, email, fax or fed-ex.

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

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

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

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

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

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

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

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

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refuses to comply with the terms of payment arrangements with the District four (4) times, the District reserves the right to demand that the property owner take responsibility for services to the tenant-occupied parcel. The General Manager or a designee shall develop procedures to implement these requirements.

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

K.F. Other Remedies. In addition to the actions contemplated in this Section, the District may seek other remedies authorized or required by any applicable law, including imposing an administrative fine, pursuant to Section 72.06~~5~~, or pursuing other available civil or criminal remedies.

#### 72.03~~2~~ CERTAIN SPECIFIC OPERATIONAL VIOLATIONS

A. Unauthorized Connections. The District shall bear no cost or liability for any unauthorized connection. In addition to other remedies, any unauthorized connection is subject to a Type II administrative \$ \_\_\_\_\_ fine, pursuant to Section 72.06 ranging between \$500 and \$1000 depending upon the severity, duration and reoccurrence of the violation and any other factors the District may reasonably take into consideration..and, at the option of the District, an administrative fine pursuant to Section 72.06. Further, the Further, the District may demand that the unauthorized connection be immediately disconnected. In the alternative, ~~or~~ if the customer refuses to take immediate action, or if immediate actions is necessary as set forth in Section 72.02(A)(3), above, tThe District may immediately disconnect, remove, confiscate, destroy or dispose of any parts installed or used for the unauthorized connection, all at the expense of the customer and any other responsible party. To the extent allowed by law, the District may also, immediately or as otherwise deemed advisable by the District, terminate service to any parcel and any person that allows, uses or benefits from such unauthorized connection.

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

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

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

2.3. If the water waste is due to a condition within the customer's property or facilities, the District may (i) require the customer to repair or replace the affected facilities, immediately or within a reasonable time, depending on the situation; or (ii) if necessary to prevent further waste, adjust, lock or remove the meter. If any repair or replacement required is not ~~timely~~ completed in a timely manner, the District may perform the repair or replacement at the cost of the customer or may terminate service without further notice.

C. Meter Tampering. In addition to other remedies, tampering is subject to a Type II administrative fine pursuant to Section 72.06 in the amount of up to \$500 to \$5,100, depending upon the severity, duration and reoccurrence of the violation and any other factors the District may reasonably take into consideration. ~~— in addition to the fees set forth in Appendix A and, at the option of the District, an administrative fine pursuant to Section 72.06.~~ Additionally, tampering may be prosecuted as a crime under Section 498 of the California Penal Code, as set forth in Section 73.01 of this Code.

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

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

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

**Comment [r1]:** Could there be a health/safety risk from such violations? If not, perhaps it should be either Type I or Type II

**Comment [r2]:** See prior comment

**Comment [r3]:** See prior comment

G. Violation Concerning Sewer Service. In addition to any other remedy, fine or penalty provided by this Code or applicable law, failure to comply with any requirements of sewer service, including requirements for the preservation of public health, safety and welfare and including, but not limited to, the requirements established under Article II, Chapter 2, Sections 50 to 56.04 of this Code, as hereafter amended or as supplemented by other District Rules and Regulations for Sewer Service, the California Health and Safety Code, the California Code of Regulations, Titles 17 and 22, and Water Agency Standards. Furthermore, may be prosecuted as set forth in Section 73.01 of this Code. Additionally, any violation concerning sewer service is subject to a Type I or Type II fine, at the option of the District, pursuant to Section 72.06, below.

Comment [r4]: See prior comment

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

Comment [r5]: See prior comment

#### 72.043 VIOLATIONS OF CONSERVATION OR OTHER WATER USE RESTRICTION PROVISIONS

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

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

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

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

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

B. Prosecution for violations of conservation measures. Pursuant to Section 377 and 71644 of the California Water Code, each violation of the District's Conservation Ordinance, set fort in Section 39 of this Code, may be prosecuted as a

misdemeanor, punishable by imprisonment in the County jail for no more than thirty (30) days or by a fine, as set forth in subsection (C)Section 72.05, below.

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

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#### 72.054 VIOLATIONS INVOLVING DISTRICT REAL PROPERTY

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

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

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

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

C. No noticeImmediate action. In connection with any improvement that constitutes a health hazard or interferes with the District's use of any District property, the District will take any immediate action deemed necessary by the General Manager.

D. Fines. In addition to all other remedies provided under this Article or under applicable law, the District may impose a fine as provided in Section 72.065. Additionally, the District may impose a fine up to either the amount specified on any sign, or a Type I or Type II fine, at the option of the District, in connection with any

trespass on District property in violation of a sign prohibiting trespassing, pursuant to Section 72.06, below.

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

#### 72.065 ADMINISTRATIVE FINES

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

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

~~A. — Assessment of Fines for Violations of Conservation or Water Use Restriction Provisions. Any responsible party who fails to comply with any conservation or use restriction measure is subject to the assessment of an administrative Type I fine, added to account.~~

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

~~C.B. Assessment of Separate Fines for Other Violations. If a higher limit is not otherwise specified in this Code or allowed by law, any act or omission with respect to any District service, system, facility or property, is subject to the following administrative fines:~~

~~1. — A Type I or Type II fine, at the option of the District, for a violation involving theft, fraud or misappropriation of District water, services or property;~~

~~2. — A Type II or Type III fine, at the option of the District, for a violation concerning sewer service;~~

~~3. — Up to Type II or Type IV fine, at the option of the District, for a violation concerning recycled water service; and~~

~~4. Up to the amount specified on any sign or a Type I or Type II fine, at the option of the District, in connection with any trespass on District property in violation of a sign prohibiting trespassing.~~

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

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

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

2. Type II Fine. Any violation that has the potential to endanger the health or safety, including, but not limited to, unauthorized or illegal connections, meter tampering, water theft, violations concerning sewer service (except those subject to a Type III fine, as set forth below), or water theft or pursuant to section 116820 of the Health and Safety Code, violates a backflow requirement, or knowingly filinges a false statement or report required by a local health officer. The fine will not exceed the amount specified on Appendix A per each day the violation is identified or continues.

~~3. Type III Fine. Pursuant to §Section 5411 of the Health and Safety Code, any person who without a discharge permit, or in violation thereof, causes or permits a discharge of sewage or other waste in a manner resulting in contamination, pollution or nuisance, and fails to immediately notify the local health officer of the discharge, is subject to a fine up to the amount specified on Appendix A per each day the violation is identified or continues.~~

~~4. Type IV Fine. Pursuant to §Section 116820 of the Health and Safety Code, a person who violates a backflow requirement, or knowingly files a false statement or report required by a local health officer, is subject to a fine up to the amount specified on Appendix A per each day the violation is identified or continues.~~

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

F.E. Notice of Administrative Fine; Content. Notice of an administrative fine pursuant to this section will contain the following information: (i) a brief description of the violation(s); (ii) the date and location of the violation(s); (iii) a brief description of corrective action(s) required, as appropriate; (iv) a statement explaining that each day the violation continues constitutes a new violation; (v) in the case of violations creating an immediate danger to health or safety, the amount of civil penalty assessed or, in all other cases, the amount of civil penalty to be assessed if the violation(s) are not corrected within the time provided by the notice; (vi) a statement of the procedure for payment and the consequences of failure to pay; (vii) contact information for the District employee that should be contacted to discuss the notice and provide evidence of compliance; and (viii) a brief statement describing the responsible party's right to request further evaluationreview within ten (10) calendar days from the date of the notice, consideration, pursuant to subsection (FG), below.

G.F. Option Process for Option for Administrative Board Review and Recommendation to the Board to Request Board Consideration. Current process: Staff reviews investigation and makes a recommendation to the Board. The customer is notified via the District Secretary and is invited to attend either the Board Committee or Board meeting and given the opportunity to address the Board. The Board will consider the matter and will have the final authority for review. Persons receiving a Notice of Administrative Fine may request Board considerationreview. The request for Board consideration must be in writing, must be received by the District Secretary within ten (10) calendar days from the date of the notice and must include contact information, an explanation of the basis for the request, and any supporting documentation said person(s) wish to provide to the Board for review and consideration. District staff will review the petitioner's request and will make a recommendation to the Board in light of its investigation. The District will provide notice of the date, time and place for Board consideration review by electronic means, facsimile or first class mail sent to the return addressee indicated on the written request.

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

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

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## Exhibit II

### SECTION 72 PENALTIES AND DAMAGES

#### 72.01 GENERAL

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

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

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

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

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

#### 72.02 VIOLATIONS AND GENERAL PENALTIES FOR VIOLATIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### 72.03 CERTAIN SPECIFIC OPERATIONAL VIOLATIONS

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

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

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

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

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

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

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

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

**Comment [r1]:** Could there be a health/safety risk from such violations? If not, perhaps it should be either Type I or Type II

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

**Comment [r2]:** See prior comment

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

**Comment [r3]:** See prior comment

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

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

Comment [r4]: See prior comment

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

Comment [r5]: See prior comment

#### 72.04 VIOLATIONS OF CONSERVATION OR OTHER WATER USE RESTRICTION PROVISIONS

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

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

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

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

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

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

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

72.05 VIOLATIONS INVOLVING DISTRICT REAL  
PROPERTY

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

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

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

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

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

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

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

## 72.06 ADMINISTRATIVE FINES

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

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

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

B. Assessment of Separate Fines.

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

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

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

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

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

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

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

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

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

Otay Water District							
Appendix A							
Section #	Code #	Fee Description	Meter Size		Charges		
9	9.04 A.1.	District Annexation Processing Fee			\$744.00		
	9.04 B.	Annexation Fees for Water Annexations into Otay Water District Boundaries			District-wide Annexation Fee		
			3/4"		\$1,556.00		
			1"		\$3,890.00		
			1-1/2"		\$7,780.00		
			2"		\$12,448.00		
			3"		\$24,896.00		
			4"		\$38,900.00		
			6"		\$77,800.00		
			8"		\$124,480.00		
			10"		\$178,940.00		
	9.04 C.4.	Annexation Fees for Annexations to Sewer Improvement Districts			\$5,741.00		
10	10.01	Filing of Petition			\$50.00		
23	23.04	Backflow Certification					
		- Second Notification			\$10.00		
		- Third Notification			\$25.00		
		- Reconnection (service resumed)			\$50.00		
		- Initial Filing Fee (New applicants for addition to the list of approved backflow prevention device testers)			\$25.00		
		- Renewal Filing Fee (to remain on list of approved backflow prevention device testers)		Annually	\$10.00		
25	25.03 A.	Set-up Fees for Accounts			\$10.00		

Section #	Code #	Fee Description	Meter Size	Charges		
25	25.03 C.	Monthly Fixed System Charges, MWD & CWA Charges <sup>(1)</sup>	Meter Size	System Charge	MWD & CWA Fixed Charge	Total Fixed Charge
			3/4"	\$14.58	\$14.01	\$28.59
			1"	\$18.52	\$23.33	\$41.85
			1-1/2"	\$28.37	\$46.74	\$75.11
			2"	\$40.18	\$74.74	\$114.92
			3"	\$71.68	\$149.48	\$221.16
			4"	\$107.13	\$233.58	\$340.71
			6"	\$205.59	\$467.09	\$672.68
			8"	\$323.73	\$747.39	\$1,071.12
			10"	\$461.57	\$1,070.74	\$1,532.31
25	25.03 E.1.(b)	Domestic Residential Water Rates <sup>(1)</sup>		Unit	Charge	
				0 - 5	\$1.58	
				6-10	\$2.45	
				11-22	\$3.19	
				23 or more	\$4.92	
25	25.03 E.2.(b)	Multiple Residential Water Rates - Per Dwelling Unit <sup>(1)</sup>		0-4	\$2.43	
				5-9	\$3.15	
				10 or more	\$4.85	
25	25.03 E.3.(b)	Business and Publicly-Owned Water Rates <sup>(1)</sup>	under 10"	0-173	\$2.59	
				174-831	\$2.66	
				832 or more	\$2.70	
			10" & larger	0-7,426	\$2.59	
				7,427-14,616	\$2.66	
				14,617 or more	\$2.70	
25	25.03 E.4.(c)	Irrigation and Commercial Agricultural Using Potable Water Rates <sup>(1)</sup>	1" & smaller	0-49	\$3.53	
				50-132	\$3.60	
				133 or more	\$3.66	

<sup>(1)</sup> Water rates on all billing cycles beginning in calendar year 2012

Section #	Code #	Fee Description	Meter Size	Charges					
25	25.03 E.4.(c)	Irrigation and Commercial Agricultural Using Potable Water Rates (continued) <sup>(1)</sup>	1.5" & 2"	0-144	\$3.53				
				145-355	\$3.60				
				356 or more	\$3.66				
			3" & larger	0-1,044	\$3.53				
				1,045-8,067	\$3.60				
				8,068 or more	\$3.66				
			25	25.03 E.5.(c)	Recycled Water Rates <sup>(1)</sup>	3/4" - 1"	0-42	\$3.02	
							43-97	\$3.06	
							98 or more	\$3.12	
1.5" & 2"	0-168	\$3.02							
	169-402	\$3.06							
	403 or more	\$3.12							
3" & 4"	0-403	\$3.02							
	404-820	\$3.06							
	821 or more	\$3.12							
6" & larger	0-7,916	\$3.02							
	7,917-16,357	\$3.06							
	16,358 or more	\$3.12							
25	25.03 E.6.(b)	Temporary and Construction Water Service Rates <sup>(1)</sup>				1" & smaller	0-49	\$7.06	
							50-132	\$7.20	
							133 or more	\$7.32	
			1.5" & 2"	0-144	\$7.06				
				145-355	\$7.20				
				356 or more	\$7.32				
			3" & larger	0-1,044	\$7.06				
				1,045-8,067	\$7.20				
				8,068 or more	\$7.32				

<sup>(1)</sup> Water rates on all billing cycles beginning in calendar year 2012

Section #	Code #	Fee Description	Meter Size	Charges	
25	25.03 E.8.(b)	Tank Trucks Water Rates <sup>(1)</sup>	1" & smaller	0-49	\$7.06
				50-132	\$7.20
				133 or more	\$7.32
			1.5" & 2"	0-144	\$7.06
				145-355	\$7.20
				356 or more	\$7.32
			3" & larger	0-1,044	\$7.06
				1,045-8,067	\$7.20
				8,068 or more	\$7.32
25	25.03 E.9.(c)	Application Fee for Water Service Outside District Boundaries			\$500.00
25	25.03 E.9.(d)	Water Rate for Service Outside District Boundaries <sup>(1)</sup>	1" & smaller	0-49	\$7.06
				50-132	\$7.20
				133 or more	\$7.32
			1.5" & 2"	0-144	\$7.06
				145-355	\$7.20
				356 or more	\$7.32
			3" & larger	0-1,044	\$7.06
				1,045-8,067	\$7.20
				8,068 or more	\$7.32
25	25.03 E.10.(b)	Application Fee for Water Service Outside an Improvement District			\$275.00
25	25.03 E.10.(c)	Water Rate for Service Outside Improvement District <sup>(1)</sup>	1" & smaller	0-49	\$7.06
				50-132	\$7.20
				133 or more	\$7.32
			1.5" & 2"	0-144	\$7.06
				145-355	\$7.20
				356 or more	\$7.32

<sup>(1)</sup> Water rates on all billing cycles beginning in calendar year 2012

Section #	Code #	Fee Description	Meter Size	Charges	
25	25.03 E.10.(c)	Water Rate for Service Outside Improvement District (continued) <sup>(1)</sup>	3" & larger	0-1,044	\$7.06
				1,045-8,067	\$7.20
				8,068 or more	\$7.32
25	25.03 E.11.(c)	Fire Service Monthly Charge			\$30.11
25	25.03 E.12.(b)	Additional Water Service for Property Not Subject to District Taxes		per unit	\$0.293
25	25.03 E.13.(b)	Interim Service Water Rate in Improvement District 7 <sup>(1)</sup>	1" & smaller	0-49	\$7.06
				50-132	\$7.20
				133 or more	\$7.32
			1.5" & 2"	0-144	\$7.06
				145-355	\$7.20
				356 or more	\$7.32
			3" & larger	0-1,044	\$7.06
				1,045-8,067	\$7.20
				8,068 or more	\$7.32
25	25.03 F.	Energy Charges for Pumping Water <sup>(1)</sup>		Per 100 ft of lift over 450 ft per unit	\$0.045
25	25.03 G.1.	Additional Water Charge for Service in the North District		Per unit charge except for the first 5 units of residential	\$0.08
25	25.03 H.1.	Additional Water Charges for Service in the Improvement District 9 Water Service Zone		Per unit charge except for the first 5 units of residential	\$0.27
25	25.03 H.2.	Additional Monthly System Fee for Improvement District 9			\$2.00

<sup>(1)</sup> Water rates on all billing cycles beginning in calendar year 2012

Section #	Code #	Fee Description	Meter Size	Charges		
				Per unit charge except for the first 5 units of residential		Effective
25	25.03 I.1.(a)	Additional Water Charges for Services in Improvement District 3		0.19 per H.C.F.		Jan 1, 2011
				"	0.20 per H.C.F.	Effective Jan 1, 2012
				"	0.21 per H.C.F.	Effective Jan 1, 2013
25	25.03 I.1.(b)	Additional Water Charges for Services in Improvement District 10		0.27 per H.C.F.		Effective Jan 1st 2011-2018
25	25.03 I.1.(c)	Additional Water Charges for Services in La Presa		0.08 per H.C.F.		Effective Jan 1st 2011-2013
25	25.04 A.	Deposits for Non-Property Owners	3/4"		\$75.00	
			1"		\$150.00	
			1-1/2"		\$200.00	
			2"		\$360.00	
			3"		\$800.00	
			4"		\$1,350.00	
			6"		\$3,300.00	
			8"		\$4,400.00	
			10"		\$5,500.00	
28	28.01 B.1.	Capacity Fees and Zone Charge			District-wide Capacity Fee	
		- I.D.'s 1,2,3,5,7,9,10,19,20,22,22/27 (excluding Triad), and 25 (only I.D.'s 5,7,10,19,22, and 22/27 require reclaimed irrigation meters).	3/4"		\$7,900.00	
			1"		\$19,750.00	
			1-1/2"		\$39,500.00	
			2"		\$63,200.00	
			3"		\$126,400.00	
			4"		\$197,500.00	
			6"		\$395,000.00	
			8"		\$632,000.00	
			10"		\$908,500.00	

Section #	Code #	Fee Description	Meter Size	Charges			
28	28.01 B.1.	- 22/27 TRIAD	3/4"		\$5,912.00		
			1"		\$14,780.00		
			1 -1/2"		\$29,560.00		
			2"		\$47,296.00		
			3"		\$94,592.00		
			4"		\$147,800.00		
			6"		\$295,600.00		
			8"		\$472,960.00		
			10"		\$679,880.00		
28	28.01 B.2.	New Water Supply Fee	3/4"		\$910.00		
		- All IDs including Triad	1"		\$2,275.00		
			1-1/2"		\$4,550.00		
			2"		\$7,280.00		
			3"		\$14,560.00		
			4"		\$22,750.00		
			6"		\$45,500.00		
			8"		\$72,800.00		
			10"		\$104,650.00		
28	28.02	Installation Charges for Water Meter and Water Service Laterals	Meter Size	Meter Cost	Installation	Total	Meter Box/Vault (if Needed)
		Potable (Non-Irrigation)	3/4" x 7.5"	\$202.30	\$96.00	\$298.30	\$81.50
			3/4" x 9"	\$215.39	\$96.00	\$311.39	\$81.50
			1"	\$261.05	\$96.00	\$357.05	\$81.50
			1.5"	\$424.31	\$96.00	\$520.31	\$184.76
			2"	\$607.99	\$96.00	\$703.99	\$184.76
			3"	\$1,894.74	\$578.00	\$2,472.74	\$3,295.81
			4"	\$3,290.86	\$578.00	\$3,868.86	\$3,295.81
			6"	\$5,684.21	\$913.00	\$6,597.21	\$3,295.81
			8"	\$7,102.00	\$1,400.00	\$8,502.00	\$4,728.07
			10"	\$10,214.00	\$1,400.00	\$11,614.00	\$4,728.07
		Potable/Recycled Irrigation	3/4" x 7.5"	\$202.30	\$96.00	\$298.30	\$207.70
			3/4" x 9"	\$215.39	\$96.00	\$311.39	\$207.70
			1"	\$261.05	\$96.00	\$357.05	\$207.70
			1.5"	\$424.31	\$96.00	\$520.31	\$207.70
			2"	\$607.99	\$96.00	\$703.99	\$207.70
			3"	\$1,311.35	\$578.00	\$1,889.35	\$3,295.81
			4"	\$2,553.00	\$578.00	\$3,131.00	\$3,295.81

Section #	Code #	Fee Description	Meter Size	Charges			
		Potable/Recycled Irrigation (continued)	6"	\$4,596.23	\$913.00	\$5,509.23	\$3,295.81
			8"	\$6,123.00	\$1,400.00	\$7,523.00	\$4,728.07
			10"	\$8,689.00	\$1,400.00	\$10,089.00	\$4,728.07
		Combined Fire and Domestic	4"	\$7,829.25	\$578.00	\$8,407.25	\$3,295.81
			6"	\$10,420.05	\$913.00	\$11,333.05	\$3,295.81
			8"	\$15,150.00	\$1,400.00	\$16,550.00	\$4,728.07
			10"	\$20,674.74	\$1,400.00	\$22,074.74	\$4,728.07
31	31.02 D.1.	Requirement of Temporary Meter for Service		minimum/per day	\$25.00		
31	31.03 A.1.	Requirement of Deposit for Temporary Meters					
			2"		\$2,046.00		
			4"		\$1,986.00		
			6"		\$2,465.00		
		- Construction Trailer Temporary Meter	2"		\$2,046.00		
		- Tank Truck Temporary Meter (Ordinance No. 372)	2"		\$850.00		
31	31.03 A.4.	Temporary Meter Install & Removal			\$128.00		
31	31.03 A.5.	Temporary Meter Move Fee (includes backflow certification)	3/4" - 2"		\$64.00		
			3" and larger	No backflow test	\$64.00		
33	33.07 A.	Customer Request for Meter Test (Deposit)	5/8", 3/4" & 1"		\$25.00		
			1-1/2" & 2 "		\$50.00		
			3" & Larger		\$125.00		
34	34.01 D.2.	Returned Check Charges			\$25.00		
34	34.02 B.	Late Payment Charge			5% of Delinquent Balance		
34	34.02 G.1.(d)	Delinquency Tag			\$10.00		

Section #	Code #	Fee Description	Meter Size	Charges		
34	34.02 G.3.(a)	Meter "Turn-On" Charge		During regular business hours	\$35.00	
34	34.02 G.3.(b)	Meter "Turn-On" Charge		After regular business hours	\$65.00	
53	53.04 C.1.	Sewer Connection Fee - Russell Square			\$7,500.00	
53	53.04 C.2.	Monthly Sewer Service Charge - Russell Square			\$200.00	
53	53.11 A.	Set-up Fees for Accounts			\$10.00	
53	53.11 B.2.	Residential Sewer Charges <sup>(2)</sup>		Rate multiplied by winter average units	\$1.77	
53	53.11 B.3.	Residential Sewer Charges Base Fee <sup>(2)</sup>	5/8" & 3/4"		\$12.26	
			1" & larger		\$17.88	
53	53.11 B.4.	Monthly Residential Sewer Rate Without Consumption History <sup>(2)</sup>	5/8" & 3/4"		\$34.83	
			1" & larger		\$40.45	
53	53.11.C.4.	Winter Averaging - Sewer				
		- Single Residential		15 units - 15% discount = 12.75 units		
		- Multi-Residential		6 units - 15% discount = 5.1 units		
53	53.11 D.2.	Multi-Residential Rate Charges - Sewer <sup>(2)</sup>		Rate multiplied by winter average units	\$1.77	
53	53.11 E.6.	Public Schools Sewer Rate <sup>(2)</sup>		Per ASU (Based on Student Count)	\$41.75	
53	53.11 F.1.	Monthly Service Charge for Commercial and Institutional Sewer <sup>(2)</sup>		Per ASU	\$41.75	

<sup>(2)</sup> Sewer rates on all billing cycles beginning in calendar year 2012

Section #	Code #	Fee Description	Meter Size	Charges
60	60.03	Issuance of Availability Letters for Water and/or Sewer Service		\$75.00
72	72.04 A.1.	Locking or Removing Damaged or Tampered Meters		
		- To Pull and Reset Meter	3/4" - 2"	\$170.00
		- Broken Curbstop or Tabs	3/4" - 1"	\$192.00
		- If Customer uses Jumper	3/4" - 1"	\$149.00
		- Broken Lock/Locking Device	3/4" - 1"	\$56.00
		- Cap Lock (Welded)	3/4" - 1"	\$158.00
		- Broken Curbstop or Tabs	1.5" - 2"	\$265.00
		- To Pull and Reset Meter	3"	\$351.00
		- To Pull and Reset Meter	4"	\$454.00
		- To Pull and Reset Meter	6"	\$454.00
		- To Pull and Reset Meter	8"	\$600.00
		- To Pull and Reset Meter	10"	\$600.00
72	72.05 D. A.	Type I Fine		
		- First Violation		\$100.00
		- Second Violations		\$200.00
		- Third or each additional violation of that same ordinance or requirement within a twelve-month period		\$500.00
		Type II Fine	Will not exceed per each day the violation is identified or continues.	\$5,000.00
		Type III Fine-	Fine up to amount specified per each day the violation is identified or continues.	\$500.00
		Type IV Fine-	Fine up to amount specified per each day the violation is identified or continues.	\$500.00

<sup>(2)</sup> Sewer rates on all billing cycles beginning in calendar year 2012

Section #	Code #	Fee Description	Meter Size	Charges
State Water Code	#71630 & Annual Board Resolution #4142	Water Availability/Standby Annual Special Assessment Charge	Less than one-acre all I.D.s & Outside an I.D.	\$10.00
			Per acre in I.D. 1, 5, & Outside an I.D.	\$10.00
			Per acre in I.D. 2,3,7,9,10,19,20,22,25,& 27	\$30.00
			Less than one-acre Outside I.D. and greater than one mile from District facilities.	\$3.00
			Per acre for outside I.D. & greater than one mile from District facilities.	\$3.00
State Water Code	#71630 & Annual Board Resolution #4142	Sewer Availability/Standby Annual Special Assessment Charge	Less than one acre I.D. 4, 14, & 18	\$10.00
			Per acre I.D. 4, 14, & 18	\$30.00
Annual Board Resolution		General Obligation Bond Annual Tax Assessment	Per \$1000 of assessed value for I.D. 27	\$0.005
<b>Policies</b>				
5		Copies of Identifiable Public Records		\$0.10/page
		Cassette Tape Duplication		\$2.00/tape
		Yearly Subscription Service for Agendas and Ratified Minutes		\$20.00/year or \$0.50/meeting
		Yearly Subscription Service for Board Packet and Ratified Minutes		\$100.00/year for first copy and \$200.00/year for each copy thereafter

Otay Water District							
Appendix A							
Section #	Code #	Fee Description	Meter Size		Charges		
9	9.04 A.1.	District Annexation Processing Fee			\$744.00		
	9.04 B.	Annexation Fees for Water Annexations into Otay Water District Boundaries			District-wide Annexation Fee		
			3/4"		\$1,556.00		
			1"		\$3,890.00		
			1-1/2"		\$7,780.00		
			2"		\$12,448.00		
			3"		\$24,896.00		
			4"		\$38,900.00		
			6"		\$77,800.00		
			8"		\$124,480.00		
			10"		\$178,940.00		
	9.04 C.4.	Annexation Fees for Annexations to Sewer Improvement Districts			\$5,741.00		
10	10.01	Filing of Petition			\$50.00		
23	23.04	Backflow Certification					
		- Second Notification			\$10.00		
		- Third Notification			\$25.00		
		- Reconnection (service resumed)			\$50.00		
		- Initial Filing Fee (New applicants for addition to the list of approved backflow prevention device testers)			\$25.00		
		- Renewal Filing Fee (to remain on list of approved backflow prevention device testers)		Annually	\$10.00		
25	25.03 A.	Set-up Fees for Accounts			\$10.00		

Section #	Code #	Fee Description	Meter Size	Charges		
		Monthly Fixed System Charges, MWD & CWA Charges <sup>(1)</sup>	Meter Size	System Charge	MWD & CWA Fixed Charge	Total Fixed Charge
25	25.03 C.		3/4"	\$14.58	\$14.01	\$28.59
			1"	\$18.52	\$23.33	\$41.85
			1-1/2"	\$28.37	\$46.74	\$75.11
			2"	\$40.18	\$74.74	\$114.92
			3"	\$71.68	\$149.48	\$221.16
			4"	\$107.13	\$233.58	\$340.71
			6"	\$205.59	\$467.09	\$672.68
			8"	\$323.73	\$747.39	\$1,071.12
			10"	\$461.57	\$1,070.74	\$1,532.31
25	25.03 E.1.(b)	Domestic Residential Water Rates <sup>(1)</sup>		Unit	Charge	
				0 - 5	\$1.58	
				6-10	\$2.45	
				11-22	\$3.19	
				23 or more	\$4.92	
25	25.03 E.2.(b)	Multiple Residential Water Rates - Per Dwelling Unit <sup>(1)</sup>		0-4	\$2.43	
				5-9	\$3.15	
				10 or more	\$4.85	
25	25.03 E.3.(b)	Business and Publicly-Owned Water Rates <sup>(1)</sup>	under 10"	0-173	\$2.59	
				174-831	\$2.66	
				832 or more	\$2.70	
			10" & larger	0-7,426	\$2.59	
				7,427-14,616	\$2.66	
				14,617 or more	\$2.70	
25	25.03 E.4.(c)	Irrigation and Commercial Agricultural Using Potable Water Rates <sup>(1)</sup>	1" & smaller	0-49	\$3.53	
				50-132	\$3.60	
				133 or more	\$3.66	

<sup>(1)</sup> Water rates on all billing cycles beginning in calendar year 2012

Section #	Code #	Fee Description	Meter Size	Charges					
25	25.03 E.4.(c)	Irrigation and Commercial Agricultural Using Potable Water Rates <sup>(1)</sup>	1.5" & 2"	0-144	\$3.53				
				145-355	\$3.60				
				356 or more	\$3.66				
			3" & larger	0-1,044	\$3.53				
				1,045-8,067	\$3.60				
				8,068 or more	\$3.66				
			25	25.03 E.5.(c)	Recycled Water Rates <sup>(1)</sup>	3/4" - 1"	0-42	\$3.02	
							43-97	\$3.06	
							98 or more	\$3.12	
1.5" & 2"	0-168	\$3.02							
	169-402	\$3.06							
	403 or more	\$3.12							
3" & 4"	0-403	\$3.02							
	404-820	\$3.06							
	821 or more	\$3.12							
6" & larger	0-7,916	\$3.02							
	7,917-16,357	\$3.06							
	16,358 or more	\$3.12							
25	25.03 E.6.(b)	Temporary and Construction Water Service Rates <sup>(1)</sup>				1" & smaller	0-49	\$7.06	
							50-132	\$7.20	
							133 or more	\$7.32	
			1.5" & 2"	0-144	\$7.06				
				145-355	\$7.20				
				356 or more	\$7.32				
			3" & larger	0-1,044	\$7.06				
				1,045-8,067	\$7.20				
				8,068 or more	\$7.32				

<sup>(1)</sup> Water rates on all billing cycles beginning in calendar year 2012

Section #	Code #	Fee Description	Meter Size	Charges	
25	25.03 E.8.(b)	Tank Trucks Water Rates <sup>(1)</sup>	1" & smaller	0-49	\$7.06
				50-132	\$7.20
				133 or more	\$7.32
			1.5" & 2"	0-144	\$7.06
				145-355	\$7.20
				356 or more	\$7.32
			3" & larger	0-1,044	\$7.06
				1,045-8,067	\$7.20
				8,068 or more	\$7.32
25	25.03 E.9.(c)	Application Fee for Water Service Outside District Boundaries			\$500.00
25	25.03 E.9.(d)	Water Rate for Service Outside District Boundaries <sup>(1)</sup>	1" & smaller	0-49	\$7.06
				50-132	\$7.20
				133 or more	\$7.32
			1.5" & 2"	0-144	\$7.06
				145-355	\$7.20
				356 or more	\$7.32
			3" & larger	0-1,044	\$7.06
				1,045-8,067	\$7.20
				8,068 or more	\$7.32
25	25.03 E.10.(b)	Application Fee for Water Service Outside an Improvement District			\$275.00
25	25.03 E.10.(c)	Water Rate for Service Outside Improvement District <sup>(1)</sup>	1" & smaller	0-49	\$7.06
				50-132	\$7.20
				133 or more	\$7.32
			1.5" & 2"	0-144	\$7.06
				145-355	\$7.20
				356 or more	\$7.32

<sup>(1)</sup> Water rates on all billing cycles beginning in calendar year 2012

Section #	Code #	Fee Description	Meter Size	Charges		
25	25.03 E.10.(c)	Water Rate for Service Outside Improvement District (continued) <sup>(1)</sup>	3" & larger	0-1,044	\$7.06	
				1,045-8,067	\$7.20	
				8,068 or more	\$7.32	
25	25.03 E.11.(c)	Fire Service Monthly Charge			\$30.11	
25	25.03 E.12.(b)	Additional Water Service for Property Not Subject to District Taxes		per unit	\$0.293	
25	25.03 E.13.(b)	Interim Service Water Rate in Improvement District 7 <sup>(1)</sup>	1" & smaller	0-49	\$7.06	
				50-132	\$7.20	
				133 or more	\$7.32	
			1.5" & 2"	0-144	\$7.06	
				145-355	\$7.20	
				356 or more	\$7.32	
			3" & larger	0-1,044	\$7.06	
				1,045-8,067	\$7.20	
				8,068 or more	\$7.32	
25	25.03 F.	Energy Charges for Pumping Water <sup>(1)</sup>		Per 100 ft of lift over 450 ft per unit	\$0.045	
25	25.03 G.1.	Additional Water Charge for Service in the North District		Per unit charge except for the first 5 units of residential	\$0.08	
25	25.03 H.1.	Additional Water Charges for Service in the Improvement District 9 Water Service Zone		Per unit charge except for the first 5 units of residential	\$0.27	
25	25.03 H.2.	Additional Monthly System Fee for Improvement District 9			\$2.00	

<sup>(1)</sup> Water rates on all billing cycles beginning in calendar year 2012

Section #	Code #	Fee Description	Meter Size	Charges		
25	25.03 I.1.(a)	Additional Water Charges for Services in Improvement District 3		Per unit charge except for the first 5 units of residential	0.19 per H.C.F.	Effective Jan 1, 2011
				"	0.20 per H.C.F.	Effective Jan 1, 2012
				"	0.21 per H.C.F.	Effective Jan 1, 2013
25	25.03 I.1.(b)	Additional Water Charges for Services in Improvement District 10		Per unit charge except for the first 5 units of residential	0.27 per H.C.F.	Effective Jan 1st 2011-2018
25	25.03 I.1.(c)	Additional Water Charges for Services in La Presa		Per unit charge except for the first 5 units of residential	0.08 per H.C.F.	Effective Jan 1st 2011-2013
25	25.04 A.	Deposits for Non-Property Owners	3/4"		\$75.00	
			1"		\$150.00	
			1-1/2"		\$200.00	
			2"		\$360.00	
			3"		\$800.00	
			4"		\$1,350.00	
			6"		\$3,300.00	
			8"		\$4,400.00	
			10"		\$5,500.00	
28	28.01 B.1.	Capacity Fees and Zone Charge			District-wide Capacity Fee	
		- I.D.'s 1,2,3,5,7,9,10,19,20,22,22/27 (excluding Triad), and 25 (only I.D.'s 5,7,10,19,22, and 22/27 require reclaimed irrigation meters).	3/4"		\$7,900.00	
			1"		\$19,750.00	
			1-1/2"		\$39,500.00	
			2"		\$63,200.00	
			3"		\$126,400.00	
			4"		\$197,500.00	
			6"		\$395,000.00	
			8"		\$632,000.00	
			10"		\$908,500.00	

Section #	Code #	Fee Description	Meter Size	Charges			
28	28.01 B.1.	- 22/27 TRIAD	3/4"		\$5,912.00		
			1"		\$14,780.00		
			1 -1/2"		\$29,560.00		
			2"		\$47,296.00		
			3"		\$94,592.00		
			4"		\$147,800.00		
			6"		\$295,600.00		
			8"		\$472,960.00		
			10"		\$679,880.00		
28	28.01 B.2.	New Water Supply Fee	3/4"		\$910.00		
		- All IDs including Triad	1"		\$2,275.00		
			1-1/2"		\$4,550.00		
			2"		\$7,280.00		
			3"		\$14,560.00		
			4"		\$22,750.00		
			6"		\$45,500.00		
			8"		\$72,800.00		
			10"		\$104,650.00		
28	28.02	Installation Charges for Water Meter and Water Service Laterals	Meter Size	Meter Cost	Installation	Total	Meter Box/Vault (if Needed)
		Potable (Non-Irrigation)	3/4" x 7.5"	\$202.30	\$96.00	\$298.30	\$81.50
			3/4" x 9"	\$215.39	\$96.00	\$311.39	\$81.50
			1"	\$261.05	\$96.00	\$357.05	\$81.50
			1.5"	\$424.31	\$96.00	\$520.31	\$184.76
			2"	\$607.99	\$96.00	\$703.99	\$184.76
			3"	\$1,894.74	\$578.00	\$2,472.74	\$3,295.81
			4"	\$3,290.86	\$578.00	\$3,868.86	\$3,295.81
			6"	\$5,684.21	\$913.00	\$6,597.21	\$3,295.81
			8"	\$7,102.00	\$1,400.00	\$8,502.00	\$4,728.07
			10"	\$10,214.00	\$1,400.00	\$11,614.00	\$4,728.07
		Potable/Recycled Irrigation	3/4" x 7.5"	\$202.30	\$96.00	\$298.30	\$207.70
			3/4" x 9"	\$215.39	\$96.00	\$311.39	\$207.70
			1"	\$261.05	\$96.00	\$357.05	\$207.70
			1.5"	\$424.31	\$96.00	\$520.31	\$207.70
			2"	\$607.99	\$96.00	\$703.99	\$207.70
			3"	\$1,311.35	\$578.00	\$1,889.35	\$3,295.81
			4"	\$2,553.00	\$578.00	\$3,131.00	\$3,295.81

Section #	Code #	Fee Description	Meter Size	Charges			
		Potable/Recycled Irrigation (continued)	6"	\$4,596.23	\$913.00	\$5,509.23	\$3,295.81
			8"	\$6,123.00	\$1,400.00	\$7,523.00	\$4,728.07
			10"	\$8,689.00	\$1,400.00	\$10,089.00	\$4,728.07
		Combined Fire and Domestic	4"	\$7,829.25	\$578.00	\$8,407.25	\$3,295.81
			6"	\$10,420.05	\$913.00	\$11,333.05	\$3,295.81
			8"	\$15,150.00	\$1,400.00	\$16,550.00	\$4,728.07
			10"	\$20,674.74	\$1,400.00	\$22,074.74	\$4,728.07
31	31.02 D.1.	Requirement of Temporary Meter for Service		minimum/per day	\$25.00		
31	31.03 A.1.	Requirement of Deposit for Temporary Meters	2"		\$2,046.00		
			4"		\$1,986.00		
			6"		\$2,465.00		
		- Construction Trailer Temporary Meter	2"		\$2,046.00		
		- Tank Truck Temporary Meter (Ordinance No. 372)	2"		\$850.00		
31	31.03 A.4.	Temporary Meter Install & Removal			\$128.00		
31	31.03 A.5.	Temporary Meter Move Fee (includes backflow certification)	3/4" - 2"		\$64.00		
			3" and larger	No backflow test	\$64.00		
33	33.07 A.	Customer Request for Meter Test (Deposit)	5/8", 3/4" & 1"		\$25.00		
			1-1/2" & 2"		\$50.00		
			3" & Larger		\$125.00		
34	34.01 D.2.	Returned Check Charges			\$25.00		
34	34.02 B.	Late Payment Charge			5% of Delinquent Balance		
34	34.02 G.1.(d)	Delinquency Tag			\$10.00		

Section #	Code #	Fee Description	Meter Size	Charges		
34	34.02 G.3.(a)	Meter "Turn-On" Charge		During regular business hours	\$35.00	
34	34.02 G.3.(b)	Meter "Turn-On" Charge		After regular business hours	\$65.00	
53	53.04 C.1.	Sewer Connection Fee - Russell Square			\$7,500.00	
53	53.04 C.2.	Monthly Sewer Service Charge - Russell Square			\$200.00	
53	53.11 A.	Set-up Fees for Accounts			\$10.00	
53	53.11 B.2.	Residential Sewer Charges <sup>(2)</sup>		Rate multiplied by winter average units	\$1.77	
53	53.11 B.3.	Residential Sewer Charges Base Fee <sup>(2)</sup>	5/8" & 3/4"		\$12.26	
			1" & larger		\$17.88	
53	53.11 B.4.	Monthly Residential Sewer Rate Without Consumption History <sup>(2)</sup>	5/8" & 3/4"		\$34.83	
			1" & larger		\$40.45	
53	53.11.C.4.	Winter Averaging - Sewer				
		- Single Residential		15 units - 15% discount = 12.75 units		
		- Multi-Residential		6 units - 15% discount = 5.1 units		
53	53.11 D.2.	Multi-Residential Rate Charges - Sewer <sup>(2)</sup>		Rate multiplied by winter average units	\$1.77	
53	53.11 E.6.	Public Schools Sewer Rate <sup>(2)</sup>		Per ASU (Based on Student Count)	\$41.75	
53	53.11 F.1.	Monthly Service Charge for Commercial and Institutional Sewer <sup>(2)</sup>		Per ASU	\$41.75	

<sup>(2)</sup> Sewer rates on all billing cycles beginning in calendar year 2012

Section #	Code #	Fee Description	Meter Size	Charges
60	60.03	Issuance of Availability Letters for Water and/or Sewer Service		\$75.00
72	72.04 A.1.	Locking or Removing Damaged or Tampered Meters		
		- To Pull and Reset Meter	3/4" - 2"	\$170.00
		- Broken Curbstop or Tabs	3/4" - 1"	\$192.00
		- If Customer uses Jumper	3/4" - 1"	\$149.00
		- Broken Lock/Locking Device	3/4" - 1"	\$56.00
		- Cap Lock (Welded)	3/4" - 1"	\$158.00
		- Broken Curbstop or Tabs	1.5" - 2"	\$265.00
		- To Pull and Reset Meter	3"	\$351.00
		- To Pull and Reset Meter	4"	\$454.00
		- To Pull and Reset Meter	6"	\$454.00
		- To Pull and Reset Meter	8"	\$600.00
		- To Pull and Reset Meter	10"	\$600.00
72	72.05 D. A.	Type I Fine		
		- First Violation		\$100.00
		- Second Violations		\$200.00
		- Third or each additional violation of that same ordinance or requirement within a twelve-month period		\$500.00
		Type II Fine	Will not exceed per each day the violation is identified or continues.	\$5,000.00

<sup>(2)</sup> Sewer rates on all billing cycles beginning in calendar year 2012

Section #	Code #	Fee Description	Meter Size	Charges
State Water Code	#71630 & Annual Board Resolution #4142	Water Availability/Standby Annual Special Assessment Charge	Less than one-acre all I.D.s & Outside an I.D.	\$10.00
			Per acre in I.D. 1, 5, & Outside an I.D.	\$10.00
			Per acre in I.D. 2,3,7,9,10,19,20,22,25,& 27	\$30.00
			Less than one-acre Outside I.D. and greater than one mile from District facilities.	\$3.00
			Per acre for outside I.D. & greater than one mile from District facilities.	\$3.00
State Water Code	#71630 & Annual Board Resolution #4142	Sewer Availability/Standby Annual Special Assessment Charge	Less than one acre I.D. 4, 14, & 18	\$10.00
			Per acre I.D. 4, 14, & 18	\$30.00
Annual Board Resolution		General Obligation Bond Annual Tax Assessment	Per \$1000 of assessed value for I.D. 27	\$0.005
<b>Policies</b>				
5		Copies of Identifiable Public Records		\$0.10/page
		Cassette Tape Duplication		\$2.00/tape
		Yearly Subscription Service for Agendas and Ratified Minutes		\$20.00/year or \$0.50/meeting
		Yearly Subscription Service for Board Packet and Ratified Minutes		\$100.00/year for first copy and \$200.00/year for each copy thereafter



# AGENDA ITEM 7

## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 9, 2012
SUBMITTED BY:	Mark Watton General Manager	PROJECT:	Various DIV. NO. ALL
APPROVED BY:	<input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	ADOPT ORDINANCE NO. 535 AMENDING SECTION 6, CONFLICT OF INTEREST CODE, OF THE DISTRICT'S CODE OF ORDINANCES		

### GENERAL COUNSEL'S RECOMMENDATION:

That the Board adopt Ordinance No. 535 amending Section 6, Conflict of Interest Code, of the District's Code of Ordinances to update the gift limit, the definition of prohibited incompatible activities, expand the list of positions required to file a Form 700, update/delete position titles that no longer exist and amend the disclosure categories. The updates and amendments are reflected in Exhibit A of Attachment B.

### COMMITTEE ACTION: \_\_\_\_\_

Please see attachment A.

### PURPOSE:

To amend the District's Conflict of Interest Code contained within the District's Code of Ordinances to update the gift limit, the definition of prohibited incompatible activities, expand the list of positions required to file a Form 700, update/delete position titles that no longer exist and amend the disclosure categories.

### ANALYSIS:

As required by the Political Reform Act ("Act"), General Counsel has conducted a biennial review of the District's Conflict of Interest Code ("COI Code") and indicated that the body of the code requires two minor updates to reflect changes in California law. Specifically, the gift limit was increased from \$390 to \$420 and the definition of prohibited incompatible activities under Government Code section 1126 was expanded to include acts outside one's official capacity that may later be subject to control, inspection, review, audit, or enforcement by one's agency or agency personnel. In addition, Counsel suggested that

the District amend Categories 4, 6 and 7 of the Appendix of the District's COI Code to include "business positions" in Category 4 and expand the description of reportable items in Categories 6 and 7. The District also desires to expand the list of positions required to file a Form 700 to include the *Safety and Security Administrator* and *Customer Service Manager* as these positions participate in the making of decisions that may have a material affect on financial interests as established by the District's COI Code. Lastly, position titles within the code are being updated or deleted as they no longer exist. The proposed changes to the COI Code are relected in Exhibit A to Attachment B of this staff report.

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

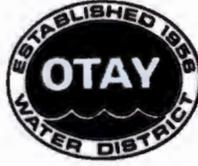
None.

**LEGAL IMPACT:**

None.

Attachments:

Attachment A: Committee Action  
Attachment B: Ordinance No. 535, Amending Conflict of  
Interest Code



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	ADOPT ORDINANCE NO. 535 AMENDING THE APPENDIX OF SECTION 6, CONFLICT OF INTEREST CODE, OF THE DISTRICT'S CODE OF ORDINANCES
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### COMMITTEE ACTION:

The Finance, Administration, and Communications Committee is scheduled to review this item at a meeting to be held on September 17, 2012. This attachment will be updated with notes from the committee's discussion.

ORDINANCE NO. 535

AN ORDINANCE OF THE BOARD OF DIRECTORS  
OF THE OTAY WATER DISTRICT  
AMENDING SECTION 6,  
CONFLICT OF INTEREST CODE,  
OF THE DISTRICT'S CODE OF ORDINANCE

BE IT ORDAINED by the Board of Directors of Otay Water District that the District's Code of Ordinances, Section 6, Conflict of Interest Code, be amended to update the gift limit, the definition of prohibited incompatible activities, expand the list of positions required to file a Form 700, update/delete position titles that no longer exist and amend the disclosure categories. The amendments are presented in Exhibit A attached to this ordinance.

NOW, THEREFORE, BE IT RESOLVED that the amendments to Section 6, Conflict of Interest Code, to the District's Code of Ordinances shall become effective immediately upon adoption.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting duly held this 9<sup>th</sup> day of October 2012, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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President

ATTEST:

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District Secretary

DIVISION I        DISTRICT ADMINISTRATION  
CHAPTER 5        PERSONNEL PRACTICES  
SECTION 6        CONFLICT OF INTEREST CODE

6.01        DEFINITIONS

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. Sections 18100, *et seq.*), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

6.02        DESIGNATED EMPLOYEES

The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on financial interests.

6.03        DISCLOSURE CATEGORIES

This Code does not establish any disclosure obligation for those designated employees who are also specified in Government Code Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their financial interest pursuant to Article 2 of Chapter 2 of the Political Reform Act, Government Code Sections 87200, *et seq.*<sup>1</sup> In addition, this code does not establish any disclosure obligation for any designated public officials who are designated in a conflict of interest code for another agency, if all of the following apply:

(A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;

(B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Government Code Section 87200; and

(C) The filing officer is the same for both agencies.

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<sup>1</sup> Designated employees who are required to file statements of economic interest under any other agency's Conflict of Interest Code or under Article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interest in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and district statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code Section 81004.

Such persons are covered by this Code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of financial interest are reportable. Such a designated employee shall disclose in his or her statement of economic interest those financial interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the financial interests set forth in a designated employee's disclosure categories are the kinds of financial interest which he or she foreseeably can affect materially through the conduct of his or her office.

6.04        STATEMENTS OF ECONOMIC INTERESTS: PLACE OF FILING

All officials and employees required to submit a statement of economic interest (employees in Designated Positions) shall file their statements with the General Manager, or his or her designee. The District shall make and retain a copy of all statements filed by Designated Positions and forward the originals of such statements to the Executive Office of the Board of Supervisors of San Diego County. All retained statements, originals or copies shall be available for public inspection and reproduction. (Cal. Gov't Code § 81008)<sup>2</sup>

6.05        STATEMENTS OF ECONOMIC INTERESTS: TIME OF FILING

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

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<sup>2</sup> See Government Code section 81010 and 2 Cal. Code of Regs. section 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

6.06      STATEMENTS FOR PERSONS WHO RESIGN PRIOR TO ASSUMING OFFICE

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or a leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

1. File a written resignation with the appointing power; and
2. File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

6.07      CONTENTS OF AND PERIOD COVERED BY STATEMENTS OF ECONOMIC INTERESTS

(A) Contents of Initial Statements

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or on the date of appointment, and income received during the 12 months prior to the date of assuming office or the date of being appointed, respectively.

(C) Contents of Annual Statements

Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office, whichever is later.

(D) Contents of Leaving Office Statements

Leaving office statements shall disclose reportable investments, interest in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

6.08 MANNER OF REPORTING

Statements of economic interest shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investments and Real Property Disclosure

When an investment or an interest in real property<sup>3</sup> is required to be reported<sup>4</sup>, the statement shall contain the following:

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).

(B) Personal Income Disclosure

When personal income is required to be reported<sup>5</sup>, the statement shall contain:

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<sup>3</sup> For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

<sup>4</sup> Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

<sup>5</sup> A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

1. The name and address of each source of income aggregating \$500 or more in value or \$50 or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000);
3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;
5. File In the case of a loan, the annual interest rate and the security, if any, given for the loan.

(C) Business Entity Income Disclosure

When income of a business entity, including income of a sole proprietorship is required to be reported<sup>6</sup>, the statement shall contain:

1. The name, address and a general description of the business activity of the business entity;
2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than \$10,000.

(D) Business Position Disclosure

When business positions are required to be reported, a designated employee shall list the name and address of each business entity in

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<sup>6</sup> Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

which he or she is a director, officer, partner, trustee, employee or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period

In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

6.09 PROHIBITION ON RECEIPT OF HONORARIA

A. No designated public official shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

Subdivisions (a), (b), and (c) of Government Code Section 89501 shall apply to the prohibitions in this section.

This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code section 89506.

6.10 PROHIBITION ON RECEIPT OF GIFTS IN EXCESS OF AMOUNT ESTABLISHED BY LAW<sup>7</sup>

A. No designated public official shall accept gifts with a total value of more than the maximum amount established by law, in any calendar year, from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

Subdivisions (e), (f), and (g) of Government Code section 89503 shall apply to the prohibitions in this section.

6.11 LOANS TO PUBLIC OFFICIALS

A. No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government

<sup>7</sup> Designated Persons are prohibited from accepting gifts from any single source in a calendar year with a total value in excess of designated amounts. See Govt. Code § 89503, sub-divisions (e), (f) and (g). [Note: Pursuant to 2 CCR § 18940.2 (b), the FPPC adjusts the gift limit every odd-numbered year to reflect changes in the Consumer Price Index; therefore, the ~~\$390-420~~ limit adopted by the FPPC in January of ~~2007-2011~~ will be updated in January ~~2009-2013~~ and every odd year thereafter, until further notice.]

agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

B. No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

C. No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

D. No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

E. This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.

2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the

loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$500) at any given time.

4. Loans made, or offered in writing, before January 1, 1998.

#### 6.12 LOAN TERMS

A. Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

B. This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.

2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans made, or offered in writing, before January 1, 1998.

4. Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

#### 6.13 PERSONAL LOANS

A. Except as set forth in subdivision (B), a personal loan received by any designated public official shall become a gift to the designated public official for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

a. The date the loan was made.

b. The date the last payment of one hundred dollars (\$100) or more was made on the loan.

c. The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.

B. This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.

2. A loan that would otherwise not be a gift as defined in this title.

3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.

4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

C. Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

#### 6.14 DISQUALIFICATION

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth \$2,000 or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth \$2,000 or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to

official status, aggregating \$500 or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

- (D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or
- (E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating to the maximum amount established by law, or more, in value provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

#### 6.15 LEGALLY REQUIRED PARTICIPATION

No designated public official shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated public official who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

#### 6.16 DISQUALIFICATION OF STATE OFFICERS AND EMPLOYEES

In addition to the general disqualification provisions of Section 6.14, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

- (A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or
- (B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value \$1000 or more.

#### 6.17 DISCLOSURE OF DISQUALIFYING INTEREST

When a designated public official determines that he or she should not make a governmental decision because he or she has a

disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

6.18 ASSISTANCE OF THE COMMISSION AND COUNSEL

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code Section 83114 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

6.19 VIOLATIONS

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code Sections 81000 - 91015. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code Section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code Section 91003.

6.20 PROHIBITED TRANSACTIONS

Members of the Board of Directors and Designated Employees shall comply with the Prohibited Transactions policy, annexed hereto as Exhibit A, pursuant to California Government Code Sections 1090, *et seq.*

6.21 INCOMPATIBLE ACTIVITIES

Members of the Board of Directors, District officers, and all other District employees shall comply with the Incompatible Activities policy, annexed hereto as Exhibit B, pursuant to California Government Code Sections 1126, *et seq.*

**APPENDIX**

**OTAY WATER DISTRICT  
CONFLICT OF INTEREST CODE  
DESIGNATED POSITIONS**

The Treasurer and all District Officials who manage the investment of public funds are included in and governed by this Conflict of Interest Code only with respect to its disqualification provisions. For purposes of disclosure, the Treasurer and all District Officials who manage the investment of public funds are governed by the statutory conflict of interest provisions of Article 2 of Chapter 7 of the Political Reform Act of 1974. (Government Code Sections 87200, et seq.)

DESIGNATED EMPLOYEES'

<u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES ASSIGNED</u>
Members of the Board of Directors	1, 2, 3, 4, 5, 6
General Manager	1, 2, 3, 4, 5, 6
<del>Secretary of District</del> <u>Secretary</u>	6
<del>Asst. General Manager,</del> <del>Finance and Administration</del>	1, 2, 3, 4, 5, <del>6</del> , <del>7</del>
<del>Asst. General Manager,</del> <del>Engineering and Operations</del>	<del>1, 2, 3, 4, 6, 7</del>
Chief of Administrative Services	1, 2, 3, 4, 5, <del>6</del> , <u>7</u>
Chief Financial Officer	1, 2, 5, 7
Chief Information Officer	1, 3, 7
Chief of Engineering	1, 2, 3, 4, 7
Chief of Water Operations	1, 2, 3, 4, 7
Associate Civil Engineer	1, 2, 3, 4, 7
Communications Officer	6
<u>Customer Service Manager</u>	<u>2, 5, 7</u>
Environmental Compliance Specialist	1, 2, 3, 4, 7

Engineering Manager/ <del>Design,</del>	<u>1, 2, 3, 4, 7</u>
<del>Construction, and Planning</del>	<del>1, 2, 3, 4, 7</del>
<del>Engineering Manager/Water</del>	
<del>Resources</del>	<del>1, 2, 3, 4, 7</del>
Finance Manager, Controller, and Budget	2, 5, 7
Finance Manager, Treasury, and Accounting	2, 5, 7
GIS Manager	3, <del>6, 7</del>
Human Resources Manager	3, 6
<del>IT Operations Manager</del>	<del>3, 6, 7</del>
Network Engineer	3, <del>6, 7</del>
<del>Public Services Manager</del>	<del>1, 2, 3, 4, 7</del>
Purchasing and Facilities Manager	2, 6
<u>Safety and Security Administrator</u>	<u>1, 2, 3, 4, 6</u>
Senior Buyer	6
Senior Civil Engineer	1, 2, 3, 4, 7
System Operations Manager	1, 2, 3, 4, 7
Utility Services Manager	1, 2, 3, 4, 7
Water Conservation Manager	2, 3, 4, 6
Consultant <sup>8</sup>	1, 2, 3, 4, 5, 6

<sup>8</sup> Consultants are required to file disclosure statements where they: (a) conduct research and arrive at conclusions with respect to rendition of information, advice, recommendation or counsel independent of control and direction of the agency or any agency official other than normal contract monitoring; and (b) possess no authority with respect to any agency decision beyond the rendition of information, advice, recommendation or counsel. The determination as to whether a consultant shall be required to file a disclosure statement shall be made by the General Manager or his or her designee.

## APPENDIX, CONTINUED

### DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of investments, business entities, sources of income, or real property which the designated employee must disclose for each disclosure category to which he or she is assigned.

Category 1: All investments and business positions in, and sources of income from, all business entities that do business or own real property in the District, plan to do business or own real property in the District within the next year or have done business or owned real property in the District within the past two years.

Category 2: All interests in real property which are located in whole or in part within, or not more than two (2) miles outside the boundaries of the District.

Category 3: All investments and business positions in, and sources of income from, business entities subject to the regulatory, permit or licensing authority of the Designated Employee's Department, will be subject to such authority within the next year or have been subject to such authority within the past two years.

Category 4: All investments, ~~in~~ business positions, and sources of income from, business entities that are engaged in land development, construction or the acquisition or sale of real property in the District, plan to engage in such activities in the District within the next year or have engaged in such activities in the District within the past two years.

Category 5: All investments and business positions in, and sources of income from, business entities that are banking, savings and loan or other financial institutions.

Category 6: All investments and business positions in, and sources of income from, business entities that provide services, supplies, materials, machinery or equipment of a type ~~purchased~~, leased, used, or administered by the District.

Category 7: All investments and business positions in, and sources of income from business entities that provide services, supplies, materials, machinery or equipment of a type purchased, leased, used, or administered by the Designated Employee's Department.

## EXHIBIT A

### Prohibited Transactions for Specified Personnel

Members of the Board of Directors ("Members") shall comply with this Prohibited Transactions policy pursuant to California Government Code §§ 1090, et seq.

Members shall not be financially interested in any contract made by them in their official capacity, or by any body or board of which they are members. Members shall not be purchasers at any sale or vendors at any purchase made by them in their official capacity. Members shall not be deemed to be interested in a contract entered into by a body or board of which they are members if the Member has only a remote interest in the contract and if the fact of that interest is disclosed to the body or board of which the Member is a member and noted in its official records, and thereafter the body or board authorizes, approves, or ratifies the contract in good faith by a vote of its membership sufficient for the purpose without counting the vote or votes of the Board of Directors member with the remote interest. "Remote interest" shall be defined as in California Government Code § 1091(b).

Members shall not be considered to be financially interested in a contract if their interest is including, but not limited to, any of the following (Government Code § 1091.5):

1. That of an officer in being reimbursed for his/her actual and necessary expenses incurred in the performance of an official duty;
2. That of a recipient of public services generally provided by the public body or board of which he/she is a member, on the same terms and conditions as if he or she were not a member of the board;
3. That of a landlord or tenant of the contracting party if such contracting party is the federal government or any federal department or agency, this state or an adjoining state, any department or agency of this state or an adjoining state, any county or city of this state or an adjoining state, or an public corporation or special, judicial or other public district of this state or an adjoining state unless the subject matter of such contract is the property in which such officer or employee has such interest as landlord or tenant in which even his/her interest shall be deemed a remote interest within the meaning of, and subject to, the provisions of Government Code 1091;
4. That of a spouse of an officer or employee of a public agency if his/her spouse's employment or office-holding has

existed for at least one year prior to his/her election or appointment;

5. That of a non-salaried member of a nonprofit corporation, provided that such interest is disclosed to the board at the time of the first consideration of the contract, and provided further that such interest is noted in its official records;
6. That of a non-compensated officer of a nonprofit, tax-exempt corporation, which, as one of its primary purposes, supports the functions of the board or to which the board has legal obligation to give particular consideration, and provided further that such interest is noted in its official records;
7. That of compensation for employment with a governmental agency, other than the governmental agency that employs the officer or employee, provided that the interest is disclosed to the board at the time of consideration of the contract, and provided further that the interest is noted in its official records;
8. That of an attorney of the contracting party or that of an owner, officer, employee or agent of a firm which renders, or has rendered, service to the contracting party in the capacity of stockbroker, insurance agent, insurance broker, real estate agent, or real estate broker if these individuals have not received and will not receive remuneration, consideration, or a commission as a result of the contract and if these individuals have an ownership interest of less than 10 percent in the law practice or firm, stock brokerage firm, insurance firm or real estate firm.

In addition, Members shall not be deemed to be interested in a contract made pursuant to competitive bidding under a procedure established by law if their sole interest is that of an officer, director, or employee of a bank or savings and loan association with which a party to the contract has the relationship of borrower or depositor, debtor or creditor (Government Code § 1091.5).

**Authority:**

California Government Code §§ 1090, *et seq.*

## EXHIBIT B

### Incompatible Activities Policy

District officers, members of the Board of Directors, and all other District employees (collectively, "district personnel") shall comply with this Incompatible Activities policy pursuant to California Government Code §§ 1126, *et seq.*

District personnel shall not engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible, in conflict with, or inimical to his or her duties as a member of the Board of Directors, or with the duties, functions, or responsibilities of his or her appointing power or the agency by which he or she is employed.

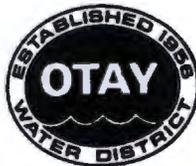
The outside employment, activity, or enterprise of district personnel is prohibited if it: (1) involves the use for private gain or advantage of his or her local District time, facilities, equipment and supplies; or the badge, uniform, prestige, or influence of his or her local District office or employment or, (2) involves receipt or acceptance by district personnel of any money or other consideration from anyone other than the District for the performance of an act which district personnel, if not performing such act, would be required or expected to render in the regular course or hours of their local District employment or as a part of their duties as a local District officer or employee or, (3) involves the performance of an act in other than his or her capacity as a local agency officer or employee which act may later be subject directly or indirectly to the control, inspection, review, audit, or enforcement of any other officer or employee or the agency by which he or she is employed, or (4) involves the time demands as would render performance of his or her duties as a local district personnel member less efficient.

Nothing in this policy shall be interpreted to prohibit any outside employment, activity, counsel, or enterprise on behalf of another governmental entity, subject to common law and professional conflict of interest rules.

Copies of this regulation shall be posted in prominent places at the District Office. District personnel who violate this regulation may be subject to discipline as set forth in the applicable Code of Ordinances and Policies. Board of Directors members who violate this section may be subject to censure. Disciplinary appeals by district personnel shall be handled pursuant to applicable Code of Ordinances and Policies.

#### Authority:

| California Government Code §§ 1125, *et seq.*



# AGENDA ITEM 8

## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 9, 2012
SUBMITTED BY:	Mark Watton, General Manager	PROJECT:	Various DIV.NO. ALL
APPROVED BY:	<input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Local Area Formation Commission (LAFCO) Special Districts 2012 Election		

### GENERAL MANAGER'S RECOMMENDATION:

That the Board consider casting votes for a Regular District Member on LAFCO's Commission and eight (8) Special Districts Advisory Committee members in the LAFCO Special Districts 2012 Election.

### COMMITTEE ACTION:

See Attachment A.

### PURPOSE:

To present for the Board's consideration the LAFCO Special Districts 2012 Election ballots.

### ANALYSIS:

In April of this year, LAFCO solicited nominations for a Regular District Member on their Commission and eight (8) Special Districts Advisory Committee members. They received two (2) nominations for the Regular Member and nine(9) nominations for the eight (8) positions on their Sepcial Districts Advisory Committee. Mr. Bud Pocklington, South Bay Irrigation District, is the current Regular Member incumbent and he is running for re-election. Of the nine (9) candidates for the Special Districts Advisory Committee seats, seven (7) are current incumbents.

The District has received the ballots for the elections along with the Nominating Committee's report and recommendations, and the candidates' nomination forms (please see attached). The incumbents names appear in *italics* on the ballots. Also attached is a letter from Mr. Jim Archer, Alpine Fire Protection District, who is requesting the District's support for his nomination to the LAFCO Special District's Advisory Committee.

Ballots must be submitted to LAFCO by October 10, 2012.

**FISCAL IMPACT:**

Joe Beachem, Chief Financial Officer

None.

**STRATEGIC GOAL:**

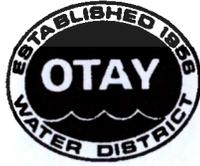
Participating would support the strategic goal of maintaining effective communications with other cities, special districts, State and Federal governments, community organizations and Mexico.

**LEGAL IMPACT:**

None.

Attachments:

- LAFCO Correspondence
- LAFCO Nominating Committee Report and Ballots
- Candidates' Nomination Forms
- James Archers Correspondence



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Local Area Formation Commission (LAFCO) Special Districts 2012 Election
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### **COMMITTEE ACTION:**

The Finance, Administration, and Communications Committee is scheduled to review this item at a meeting to be held on September 17, 2012. This attachment will be updated with notes from the committee's discussion.



9335 Hazard Way • Suite 200 • San Diego, CA 92123  
Phone (858) 614-7755 • Fax (858) 614-7766

San Diego Local Agency Formation Commission

Website: www.sdlafco.org

**Chairwoman**

Dianne Jacob  
County Board of  
Supervisors

August 29, 2012

**Vice Chairman**

Andrew L. Vanderlaan  
Public Member

TO: Independent Special Districts of San Diego County

FROM: Executive Officer  
Local Agency Formation Commission

**Members**

Bill Horn  
County Board of  
Supervisors

SUBJECT: 2012 Special Districts Election

Bud Pocklington  
South Bay  
Irrigation District

Mark Lewis  
Mayor  
City of El Cajon

John Ingalls  
Santa Fe  
Irrigation District

Lorie Zapf  
Councilmember  
City of San Diego

Jim Janney  
Mayor  
City of Imperial Beach

**Alternate Members**

Greg Cox  
County Board of  
Supervisors

Sherri Lightner  
Councilmember  
City of San Diego

Sam Abed  
Mayor  
City of Escondido

Jo MacKenzie  
Vista Irrigation District

Harry Mathis  
Public Member

**Executive Officer**

Michael D. Ott

**Counsel**

Thomas Bosworth

By our letter of April 27, 2012, we solicited nominations for one regular district commission position on the Local Agency Formation Commission (LAFCO), and eight positions on LAFCO's Special Districts Advisory Committee. By the deadline of June 8, 2012, two nominations for the regular Commission member, and nine nominations for eight positions on the Advisory Committee were received. As required by the Selection Committee Rules, all eligible nominations were forwarded to the Nominating Committee. The 2012 Nominating Committee was comprised of Gary Croucher (Otay Water District), Judy Hanson (Leucadia Wastewater District), and Kimberly Thorner (Olivenhain Municipal Water District). After the Candidates Forum held on August 16, 2012 at the San Diego Chapter of the California Special District Association's Quarterly Dinner Meeting, LAFCO Consultant Harry Ehrlich met with the Nominating Committee on August 22, 2012 to discuss a recommended slate of nominees for the open positions. A copy of the Nominating Committee's Report and Recommendations is attached (**Attachment 1**). Special District Election Ballots and Vote Certification forms on which to record your votes are also attached (**Attachment 2**). A list of the eligible independent special districts is provided for your convenience (**Attachment 3**). Please note that LAFCO staff has not included any of the candidates' promotional materials with the election materials. Lastly, attached are the Special District Summary of Nominations and copies of Nomination Forms (**Attachment 4**).

With respect to ballots, there is a separate ballot for each position: **yellow** for the LAFCO regular special district member, and **blue** for the advisory committee members. **Be sure each ballot is marked only for the number of positions to be voted for in that category. A ballot that is cast for more than the indicated number of positions will be disregarded.**

The ballots should be considered by your full district board. State Law and the Selection Committee Rules require a district's vote to be cast by its presiding officer, or an alternate member of the legislative body appointed by the other members. Therefore, the certification form has been incorporated with the ballot forms to be signed by the person who casts your district's votes. **A ballot received without a signed certification form will not be counted.**

All nominees are listed on the respective ballot. An asterisk indicates the nominating committee recommendations, and incumbents have been *italicized*. Write-in candidates are permitted, and spaces have been provided for that purpose.

The deadline for receipt of the ballots by LAFCO is **October 10, 2012**. The Selection Committee Rules require that marked ballots be returned **by certified mail, return receipt requested**. Facsimile (FAX) ballots and certification forms will be accepted, **if necessary to meet the ballot deadline**, but originals must be submitted as soon as possible thereafter.

The Selection Committee Rules stipulate that a majority of the districts shall constitute a quorum for the conduct of committee business. There are 61 independent special districts in the county; therefore, a minimum of **31** ballots must be received to certify that a legal election was conducted. A candidate for the LAFCO member position must receive at least a majority of the votes cast to be elected. Election to the Special Districts Advisory Committee requires only a plurality vote. The ballots will be kept on file in this office, and will be made available upon request.

Please call me or Tamaron Luckett if you have any questions.



MICHAEL D. OTT  
Executive Officer

MDO:trl

Attachments:

- (1) Nominating Committee Report and Recommendations
- (2) Special District Election Ballot and Vote Certification Form
- (3) Independent Special District List
- (4) Independent Special District Summary of Nominations and Copies of Nomination Forms



**Chairwoman**

Dianne Jacob  
County Board of  
Supervisors

August 29, 2012

**Vice Chairman**

Andrew L. Vanderlaan  
Public Member

TO: Independent Special Districts in San Diego County

**Members**

Bill Horn  
County Board of  
Supervisors

FROM: 2012 Special Districts Election Nominating Committee

Bud Pocklington  
South Bay  
Irrigation District

Mark Lewis  
Mayor  
City of El Cajon

SUBJECT: Nominating Committee Report and Recommendations

John Ingalls  
Santa Fe  
Irrigation District

In 2012, independent special district nominations were solicited for: (1) one Regular District member on the Local Agency Formation Commission (LAFCO) Commission with a term expiring in 2016, and (2) eight Special Districts Advisory Committee members with eight terms expiring in 2016. By the deadline of June 8, 2012, our office received two nominations for the LAFCO regular member position, and nine nominations for the eight Special Districts Advisory Committee positions.

Lorie Zapf  
Councilmember  
City of San Diego

As required by the Selection Committee Rules, a nominating committee was appointed to review the nominations submitted, and to prepare a list of recommended candidates. According to the Selection Committee Rules, the nominating committee is appointed by the chairperson or vice chair of the Special Districts Advisory Committee. A Candidates Forum, moderated by LAFCO Consultant Harry Ehrlich was scheduled on August 16<sup>th</sup> as part of the quarterly dinner meeting of the San Diego Chapter, California Special Districts Association. All candidates were invited to attend and present a brief statement of qualifications. In the interest of impartiality, the Nominating Committee decided to conclude its deliberations after the Candidates Forum. In evaluating the nominations, the committee considered special district experience, interest, and knowledge of LAFCO issues. For those nominees who are incumbents, the committee further considered attendance records and meeting participation. The committee also wanted to ensure representation from those types of districts that most often are involved in making recommendations to LAFCO. The nominating committee's recommendation for each category follows:

Jim Janney  
Mayor  
City of Imperial Beach

**Alternate Members**

Greg Cox  
County Board of  
Supervisors

Sherri Lightner  
Councilmember  
City of San Diego

Sam Abed  
Mayor  
City of Escondido

Jo MacKenzie  
Vista Irrigation District

Harry Mathis  
Public Member

**Executive Officer**

Michael D. Ott

**Counsel**

Thomas Bosworth

## NOMINATING COMMITTEE RECOMMENDATIONS

### LAFCO Regular Member

The Nominating Committee recommended **Bud Pocklington** (South Bay Irrigation District.)

### Special Districts Advisory Committee Members

The Nominating Committee recommended the following nominees for the Advisory Committee (incumbents are *italicized*):

**James Archer** (Alpine Fire Protection District)

*Dennis Shepard* (North County Cemetery District)

*Augie Scalzitti* (Padre Dam Municipal Water District)

*Douglas Humphrey* (Resource Conservation District of Greater San Diego County)

**Teresa Thomas** (South Bay Irrigation District)

*Gary Arant* (Valley Center Municipal Water District)

*Tom Bumgardner* (Valley Center Parks and Recreation District)

*Margarette Morgan* (Vista Fire Protection District)

Copies of all nominations are attached following this report.

## 2012 NOMINATING COMMITTEE

**GARY CROUCHER**  
**OTAY WATER DISTRICT**

**JUDY HANSON**  
**LEUCADIA WASTEWATER DISTRICT**

**KIMBERLY THORNER**  
**OLIVENHAIN MUNICIPAL WATER DISTRICT**

**2012 SPECIAL DISTRICTS ELECTION  
BALLOT and VOTE CERTIFICATION  
FOR REGULAR LAFCO SPECIAL DISTRICT MEMBER**

**VOTE FOR ONLY ONE**

\* **Bud Pocklington** [ ]  
(South Bay Irrigation District)

**Jon J. Lorenz** [ ]  
(Lakeside Fire Protection District)

**Write-Ins**

\_\_\_\_\_ [ ]

\_\_\_\_\_ [ ]

I hereby certify that I cast the votes of the \_\_\_\_\_  
(Name of District)  
at the 2012 Special Districts Selection Committee Election as:

[ ] the presiding officer, or

[ ] the duly-appointed alternate board member.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

*Please note: The order in which the candidates' names are listed was determined by random selection.*

\* = Nominating Committee's Recommendation

**2012 SPECIAL DISTRICTS ELECTION  
BALLOT and VOTE CERTIFICATION  
FOR SPECIAL DISTRICTS ADVISORY COMMITTEE MEMBER**

**VOTE FOR ONLY EIGHT** (Incumbents are *italicized*)

- \* ***Dennis Shepard*** (North County Cemetery District) [   ]
- William Haynor*** (Whispering Palms Community Services District) [   ]
- \* **James Archer** (Alpine Fire Protection District) [   ]
- \* ***Douglas Humphrey*** (Resource Conservation District Greater San Diego County) [   ]
- \* ***Gary Arant*** (Valley Center Municipal Water District) [   ]
- \* ***Augie Scalzitti*** (Padre Dam Municipal Water District) [   ]
- \* ***Margarette Morgan*** (Vista Fire Protection District) [   ]
- \* ***Tom Bumgardner*** (Valley Center Parks and Recreation District) [   ]
- \* **Teresa Thomas** (South Bay Irrigation District) [   ]

\*\* **Write-Ins**

\_\_\_\_\_ [   ]

\_\_\_\_\_ [   ]

I hereby certify that I cast the votes of the \_\_\_\_\_  
(Name of District)  
at the 2012 Special Districts Selection Committee Election as:

- [   ]      the presiding officer, or
- [   ]      the duly-appointed alternate board member.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

*Please note: The order in which the candidates' names are listed was determined by random selection.*

\* = Nominating Committee's Recommendation

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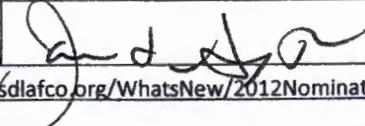
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2012 LAFCO AND SPECIAL DISTRICTS  
NOMINATION / RESUME

(Office Use)

SAN DIEGO LAFCO

<b>NOMINATED BY:</b>	
District Name:	South Bay Irrigation District
District Phone:	(619) 427-0868
<b>NAME OF NOMINEE:</b>	
Name:	Bud Pocklington
Address:	505 Garrett Avenue, Chula Vista, CA 91910
Phone:	(619) 409-6703
<b>NOMINATED FOR:</b>	
<i>Please mark only one</i>	LAFCO REGULAR (X) ADVISORY COMMITTEE ( )
DISTRICT EXPERIENCE:	Bud was elected to the South Bay Irrigation District and Sweetwater Authority in 1986. He has served many times as President of South Bay Irrigation District and as Chair of the Sweetwater Authority. Bud has also served on the Board of Directors of the San Diego County Water Authority for over ten years and on the Board of Directors of the Metropolitan Water District for six years.
LAFCO EXPERIENCE:	Bud was elected in 1989 to LAFCO's Special District Advisory Committee. While serving as Chairman of the Advisory Committee, he was elected as the Alternate District Member of LAFCO in 1997 and became a LAFCO Regular Member in 2000. He is very knowledgeable and supportive of special districts and has frequently demonstrated this when reviewing proposals to advise and/or make recommendations to the Commission.
ADDITIONAL INFORMATION:	In the past four years, the LAFCO Commission has elected Bud to be its LAFCO Vice Chair and Chair. Bud is an enthusiastic supporter of special district government and knowledgeable of its role and function in local government. The Directors of South Bay Irrigation District urge your support in reelecting Bud to serve as the LAFCO Regular Member.
Authorized Signature: 	

This form can be downloaded at the following link: <http://www.sdlafco.org/WhatsNew/2012Nomination.doc>

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2012 LAFCO AND SPECIAL DISTRICTS  
NOMINATION / RESUME

SAN DIEGO LAFCO

(Office Use)

<b>NOMINATED BY:</b>	
District Name:	Lakeside Fire Protection District
District Phone:	(619) 390-2350
<b>NAME OF NOMINEE:</b>	
Name:	Jon J. Lorenz
Address:	8031 Winter Gardens Blvd. #13
Phone:	(619) 733-3012
<b>NOMINATED FOR:</b>	
<i>Please mark only one</i>	LAFCO REGULAR <input checked="" type="checkbox"/> ADVISORY COMMITTEE ( )
DISTRICT EXPERIENCE:	Director - Lakeside Fire Board. Elected Nov. 2010. Regional Fire Advisory Committee - Since Feb. 2011. Heartland Communications Facility Authority - Feb. 2011. CSA-69 Ambulance District Advisory Committee - Feb. 2011. LAFCO Special Districts Advisory Committee- Oct. 2011
LAFCO EXPERIENCE:	LAFCO Special Districts Advisory Committee.
ADDITIONAL INFORMATION:	Mr. Lorenz currently serves as Lead Manager in the U.S. Navy.
Authorized Signature: 	

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2012 LAFCO AND SPECIAL DISTRICTS  
NOMINATION / RESUME

(Office Use)

SAN DIEGO LAFCO

NOMINATED BY:	
District Name:	Valley Center Municipal Water District
District Phone:	(760)735-4515
NAME OF NOMINEE:	
Name:	Gary Arant
Address:	P.O. Box 67, Valley Center, CA 92082
Phone:	760-735-4515
NOMINATED FOR:	
<i>Please mark only one</i>	LAFCO REGULAR ( ) ADVISORY COMMITTEE ( x )
DISTRICT EXPERIENCE:	Assistant to the General Manager, Walnut Valley Water District (Los Angeles County) 1973-1980.  General Manager, Rincon del Diablo MWD, 1980-1989.  General Manager, Valley Center MWD, 1989 to Present.
LAFCO EXPERIENCE:	Member, LAFCO Special District Advisory Committee Member, 1981 to Present.
ADDITIONAL INFORMATION:	Masters of Public Administration, CSU Fullerton.  Member, California Regional Water Quality Control Board, San Diego, Region, 1983-1997  Member, SDCWA Board of Directors (currently).  Member, ACWA, Board of Directors (currently)
	Authorized Signature:  President, Board of Directors

This form can be downloaded at the following link: <http://www.sdlafo.org/WhatsNew/2012Nomination.doc>

ATTACHMENT 2

(Office Use)

SAN DIEGO LAFCO

<b>NOMINATED BY:</b>	
District Name:	Alpine Fire Protection District
District Phone:	(619) 445-2635
<b>NAME OF NOMINEE:</b>	
Name:	James (Jim) Archer
Address:	1461 Alpine Grove Lane, Alpine California 91901
Phone:	(619) 722-1358
<b>NOMINATED FOR:</b>	
<i>Please mark only one</i>	LAFCO REGULAR ( ) ADVISORY COMMITTEE ( X )
DISTRICT EXPERIENCE:	Sitting member of the Alpine Fire Protection District Sitting member of the Alpine Planning Group Sitting Member of the Alpine Fire District Board of Directors Chairman of the Alpine Parks and Recs subcommittee Sitting Member of three Homeowners Associations; President of two. Overseeing Three million dollar per year budget.
LAFCO EXPERIENCE:	Dealt with planning and zoning as a Building and Electrical Contractor.
ADDITIONAL INFORMATION:	Retired Electrical Contractor Retired Labor Consultant Studied Economics at the University of Southern Illinois For six years I was a sitting member of two HMO State public policy advisory committees, PDS and Vista Hills. Member of the Alpine Kiwanis and The Knights of Columbus
Authorized Signature: 	

This form can be downloaded at the following link: <http://www.sdlafco.org/WhatsNew/2012Nomination.doc>

ATTACHMENT 2

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BY LAFCO:

JUN - 8 2012

2012 LAFCO AND SPECIAL DISTRICTS  
NOMINATION / RESUME

SAN DIEGO LAFCO

(Office Use)

<b>NOMINATED BY:</b>	
District Name:	Whispering Palms Community Services District
District Phone:	760-942-5147
<b>NAME OF NOMINEE:</b>	
Name:	Bill Haynor
Address:	PO Box 9911, Rancho Santa Fe, CA 92067
Phone:	858-229-5451
<b>NOMINATED FOR:</b>	
<i>Please mark only one</i>	LAFCO REGULAR ( ) ADVISORY COMMITTEE (X)
<b>DISTRICT EXPERIENCE:</b>	<p>1. Whispering palms Community Services District, San Diego County CA Board Member since November 2010. The District is responsible for providing wastewater collection and treatment services to the Whispering Palms community, as well as landscape maintenance services for several areas within the Whispering Palms community.</p> <p>2. Strawberry Recreation District, Marin County, CA. Board Member for 6 years. Worked with LAFCO and the County Planning Department on the potential incorporation of Strawberry which was put on hold.</p> <p>3. Chairman of a committee of the Richardson Bay Development Committee, Marin County, CA. responsible for permit approval of development along the waterfront including the Cities of Sausalito, Tiburon, Mill Valley, and Belvedere.</p> <p>4. Marin Municipal Water District, Marin County, CA. Elected as the Southern Marin County Representative.</p>
<b>LAFCO EXPERIENCE:</b>	<p>Appointed as a member of the LAFCO Advisory Committee in February 2012.</p> <p>As a board member of the Strawberry Recreation District, Marin County, CA, worked with LAFCO and the County Planning Department on the potential incorporation of Strawberry, which was eventually put on hold.</p>
<b>ADDITIONAL INFORMATION:</b>	<p>Education: BS in Biology, Denison University; MS in Aerospace Systems Management and MBA, USC; Military: Captain in the USAF as an Avionics Officer. Corporate experience: VP Corporate Financial Planning, Bank of America; Executive VP and Chief Administrative Officer, Bank of San Francisco; Founding Director of Selectquote Insurance Services, Inc; Founding Bank Director of the STAR System; Past Vice Chairman of the UCSD Cancer Center Board.</p>
Authorized Signature: <i>William W. Agnew</i>	

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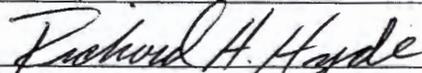
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2012 LAFCO AND SPECIAL DISTRICTS  
NOMINATION / RESUME

(Office Use)

SAN DIEGO LAFCO

NOMINATED BY:	
District Name:	North County Cemetery District
District Phone:	760*745*1781
NAME OF NOMINEE:	
Name:	Dennis L. Shepard
Address:	2640 Glen Ridge Road, Escondido, CA 92027-4532
Phone:	760*745*1781
NOMINATED FOR:	
<i>Please mark only one</i>	LAFCO REGULAR ( ) ADVISORY COMMITTEE (XX)
DISTRICT EXPERIENCE:	Dennis served as Trustee of the District for 15 years. In 2006, he left the Board and took a management job in the District. He has served as the District General Manager since 2007.
LAFCO EXPERIENCE:	Dennis has served on the Advisory Committee since 1995.
ADDITIONAL INFORMATION:	Dennis earned his Special District Administrator Certification from California Special Districts Association in 2010.
Authorized Signature:	 Chair of the Board, North County Cemetery District

This form can be downloaded at the following link: <http://www.sdlafco.org/WhatsNew/2012Nomination.doc>

ATTACHMENT 2

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BY LAFCO:

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2012 LAFCO AND SPECIAL DISTRICTS  
NOMINATION / RESUME

JUN 07 2012

(Office Use)

SAN DIEGO LAFCO

<b>NOMINATED BY:</b>	
District Name:	Resource Conservation District of Greater San Diego County
District Phone:	619-562-0096
<b>NAME OF NOMINEE:</b>	
Name:	Douglas Humphrey, Director, RCD of Greater San Diego County
Address:	2732 Lange Ave., San Diego, CA 92122
Phone:	(w) 858-674-5411
<b>NOMINATED FOR:</b>	
<i>Please mark only one</i>	LAFCO REGULAR ( ) ADVISORY COMMITTEE ( X )
DISTRICT EXPERIENCE:	Mr. Humphrey has been a member of the RCD of GSDC Board of Directors Since 2001 and had prior experience on another RCD board for several Years prior to that. He has served on several committees and is Committed to the RCD's mission.
LAFCO EXPERIENCE:	Mr. Humphrey has served on the LAFCO Advisory Board since 2008.

DATE RECEIVED  
BY LAFCO:

2012 LAFCO AND SPECIAL DISTRICTS  
NOMINATION / RESUME

(Office Use)

ADDITIONAL INFORMATION:	Mr. Humphrey is a licensed Architect, currently employed as Senior Principal Architect with the California Division of State Architect and is a lifetime resident of San Diego County.
Authorized Signature: 	

This form can be downloaded at the following link: <http://www.sdlafco.org/WhatsNew/2012Nomination.doc>

ATTACHMENT 2

DATE RECEIVED  
BY LAFCO:

RECEIVED  
JUN 04 2012

2012 LAFCO AND SPECIAL DISTRICTS  
NOMINATION / RESUME

(Office Use)

SAN DIEGO LAFCO

<b>NOMINATED BY:</b>	
District Name:	Padre Dam Municipal Water District
District Phone:	(619) 448-3111
<b>NAME OF NOMINEE:</b>	
Name:	Augie Scalzitti
Address:	P.O. Box 719003, Santee, CA 92072
Phone:	(619) 258-4614
<b>NOMINATED FOR:</b>	
<i>Please mark only one</i>	LAFCO REGULAR ( ) ADVISORY COMMITTEE ( X )
DISTRICT EXPERIENCE:	Member of the Padre Dam MWD Board of Directors. During his 14 years on the Board he has served on the following Board Committees: Public Affairs, Finance, Facilities Development, Personnel, Park, Customer Appeals, and the Employee Involvement Team (part of the District's Workforce Partnership). He has also served as the District's representative on the Metro Commission/Metro Wastewater Joint Powers Authority, San Diego Area Wastewater Management District, and the Upper San Diego River Improvement Committee.
LAFCO EXPERIENCE:	Has served on the Advisory Committee since July 2003.
ADDITIONAL INFORMATION:	Philosophically, Director Scalzitti believes in local control and is a strong advocate for special districts, which have historically proven to be effective service providers. He is a strong believer in regional partnerships and joint ventures; recycled water optimization; local government accountability to the customers served; and agency consolidation where appropriate. Director Scalzitti represents the District at various special meetings and conferences, including Association of California Water Agencies; California Special District Association, San Diego Chapter; Water; Council of Water Utilities; and the Santee Chamber of Commerce.
Authorized Signature: 	

This form can be downloaded at the following link: <http://www.sdlafco.org/WhatsNew/2012Nomination.doc>

ATTACHMENT 2

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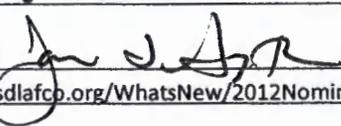
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2012 LAFCO AND SPECIAL DISTRICTS  
NOMINATION / RESUME

(Office Use)

SAN DIEGO LAFCO

<b>NOMINATED BY:</b>	
District Name:	<u>South Bay Irrigation District</u>
District Phone:	<u>(619) 409-6703</u>
<b>NAME OF NOMINEE:</b>	
Name:	Teresa "Terry" Thomas
Address:	1339 Second Avenue, Chula Vista, CA 91911-4404
Phone:	(619) 427-3181      FAX (619) 422-4686 <u>Terrythomas4water@cox.net</u>
<b>NOMINATED FOR:</b>	
<i>Please mark only one</i>	LAFCO REGULAR ( ) ADVISORY COMMITTEE ( X )
DISTRICT EXPERIENCE:	Director, Gov. Board, South Bay Irrigation District 2006-2014, Past President 2009, 2010 Director, Gov. Board, Sweetwater Authority, 2006-2014, Chair, Sweetwater Authority Operations Committee since 2008. Serves on Association of California Water Agencies, Water Quality Committee, 2009-14 Serves on ACWA Groundwater Committee, 2012-2014. Served on the local Community Colleges "Project Water Works" Advisory Board. Awarded Recognition in Special District Governance by the California Special District Assoc. Leadership Fdn.
LAFCO EXPERIENCE:	Served on San Diego LAFCO Special Districts Advisory Committee 2008-2010 International Boundary and Water Commission Citizens Forum Board for the San Diego/ Tijuana Region two terms. Served on the San Diego County Solid Waste Hearing Panel for two terms. Served on the Chula Vista General Plan Update Steering Committee until 2005, representing the CV GPU Environment, Open Space and Sustainable Development GPU Subcommittee, Served on the Chula Vista Resource Conservation Committee for 9 years and two terms as Chairperson, & Ethics Board. Served on the San Diego Unified Port District/ City of Chula Vista Master Plan Committee representing the CV. GPU Steering Committee first as GPU ALT & delegate.
ADDITIONAL INFORMATION:	Prof. Emeritus, Microbiology/Env. Biol., Southwestern College, Chula Vista, CA. Member, Chula Vista Chamber of Commerce, Bonita Business and Professional Assoc. Chula Vista Southwest Civic Association, Crossroads II, Sister Cities International, Chula Vista Charitable Foundation Founding Board Member (part of SD Fdn.) Southwest San Diego County LIONS Past president, Melvin Jones Humanitarian Fellow, past International Director District 4-L6, and SW Lions LION of YEAR twice. Highly involved in Sister Cities people-to-people programs with Mexico, Japan, and Cebu Philippines for three decades on local, regional and national level.
Authorized Signature: 	

This form can be downloaded at the following link: <http://www.sdlafco.org/WhatsNew/2012Nomination.doc>

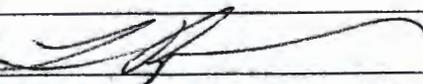
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BY LAFCO:

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JUN 04 2012

2012 LAFCO AND SPECIAL DISTRICTS  
NOMINATION / RESUME

(Office Use)

SAN DIEGO LAFCO

NOMINATED BY:	
District Name:	Valley Center Parks + Rec.
District Phone:	1-760
NAME OF NOMINEE	
Name:	Tom Bumgardner
Address:	P.O. Box 2213 Valley Center, Cal 92082-2213
Phone:	1-760-419-2717
NOMINATED FOR:	
<i>Please mark only one</i>	LAFCO REGULAR ( ) ADVISORY COMMITTEE (X)
DISTRICT EXPERIENCE:	Board Member V.C. Parks + Rec. 10 yrs + V.P. Board Member Deer Springs Fire 10 yrs (Past)
LAFCO EXPERIENCE:	Fire + Emergency Medical committee 2003 Fire.
ADDITIONAL INFORMATION:	Chamber President for 2 yrs. Western Burg Community 25 yrs. Area Senior Transport 501c3 Valley Ctr.
Authorized Signature: 	

This form can be downloaded at the following link: <http://www.sdlafco.org/WhatsNew/2012Nomination.doc>

DATE RECEIVED  
BY LAFCO:

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2012 LAFCO AND SPECIAL DISTRICTS  
NOMINATION / RESUME

(Office Use)

SAN DIEGO LAFCO

NOMINATED BY:	
District Name:	VISTA Fire Protection District
District Phone:	760-758-3815
NAME OF NOMINEE:	
Name:	Margarette Morgan
Address:	2056 Camino Cantera Vista, CA 92084
Phone:	760-630-7070
NOMINATED FOR:	
<i>Please mark only one</i>	LAFCO REGULAR ( ) ADVISORY COMMITTEE (X)
DISTRICT EXPERIENCE:	Board member since Dec, 2008 up for reelection Nov., 2012.
LAFCO EXPERIENCE:	Current Committee member.
ADDITIONAL INFORMATION:	
<i>John D. Sherman</i>	Authorized Signature: <i>Clerk of the Board</i>

This form can be downloaded at the following link: <http://www.sdlafco.org/WhatsNew/2012Nomination.doc>

Dear Special Districts Board Members;

My name is **Jim Archer**: I am married to my wife of 47 years, Glenda;

After leaving the Navy in 1960, I went to school on the GI Bill and studied Economics

I am a Retired Electrical Contractor.

The last 10 years prior to retirement, I was the Asst. Business Manager for the International Brotherhood of Electrical Workers.

For several years I sat on The IBEW Health and Welfare Trust with assets of 160, Million Dollars.

I served on the Public Policy Advisory Board for Personal Dental Services a California HMO

I served on the Public Policy Advisory Board for Vista Hill Health Care a California HMO.

I am a Director for the Alpine Fire Board.

A member of the Alpine Planning Group.

Chairman of the Alpine Parks and Recs subcommittee.

A member of the Alpine Kiwanis club.

A member of the Knights of Columbus.

I serve on 3 Home Owners Association boards, two in which, I serve as president.

I volunteer a minimum of 500 hours per year to the community of Alpine and the community of Lakeside.

**I would like your Vote and the ability to gain your trust and respect.**

Regards, **Jim Archer**



# AGENDA ITEM 9



## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	October 9, 2012		
SUBMITTED BY:	Geoffrey Stevens Chief, Information Technology and Strategic Planning	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:	FY 2012 YEAR-END STRATEGIC PLAN AND PERFORMANCE MEASURES REPORT				

### GENERAL MANAGER'S RECOMMENDATION:

No recommendation. This is an informational item only.

### COMMITTEE ACTION:

Please see "Attachment A".

### PURPOSE:

To provide a fiscal year-end report on the District's Strategic Performance Plan.

### ANALYSIS:

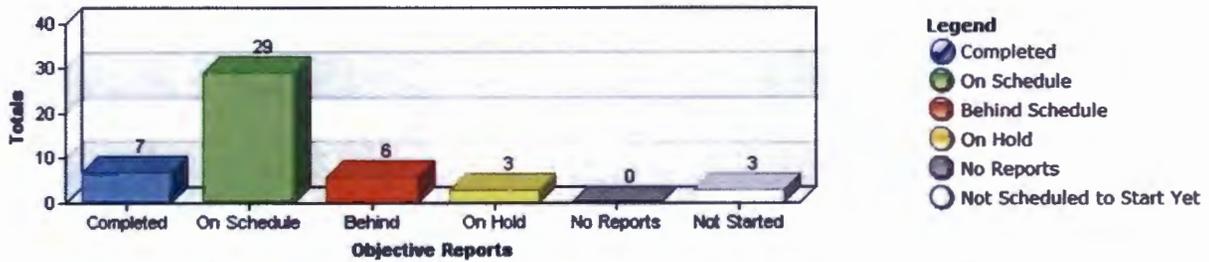
The District has completed the first year of the FY 2012-2014 Strategic Plan. Overall, results are positive with the District very close to its target for strategic plan objectives and above target for performance measures. In addition, on average over the last five years, the District is on or above target for both objectives and performance measures. Detailed information on each year's outcome is available electronically on the Board Extranet.

### Strategic Plan Objectives

Strategic plan objectives are designed to ensure staff is making the appropriate high-level changes necessary to move the District in the

planned direction to meet new challenges and opportunities. Overall performance of strategic plan objectives is positive with 36 of 42 objectives (86%) complete, ahead, or on schedule, and two items behind schedule. Of the objectives that were behind, such as implementing billing functionality or financial planning work, several are now on schedule. Some projects may need to be reassessed as the environment has changed. Three items are on hold because they are out of our control, such as negotiations with the City of San Diego on the South Bay Reclamation Plant. Consequently, on-hold items are excluded from the overall performance calculation.

### Objectives: All Departments

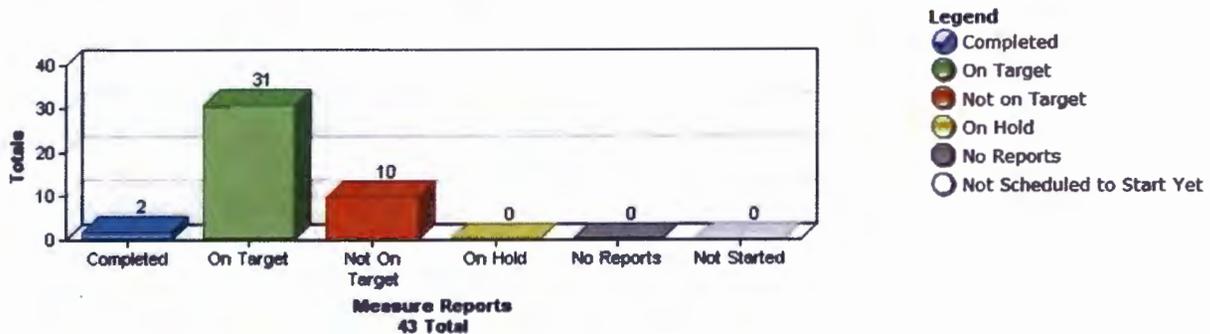


36/42 strategic objectives are on or ahead of schedule (86%)

### Performance Measures: Monitoring Day-To-Day Performance

Performance measures are designed to track the day-to-day performance of the District. These items measure the effectiveness and efficiency of daily operations. The overall goal is that at least 75% of these measures be rated "on target". District results in this area are also positive with 33 of 43 (77%) items achieving the desired level or better.

### YTD Measures: All Departments

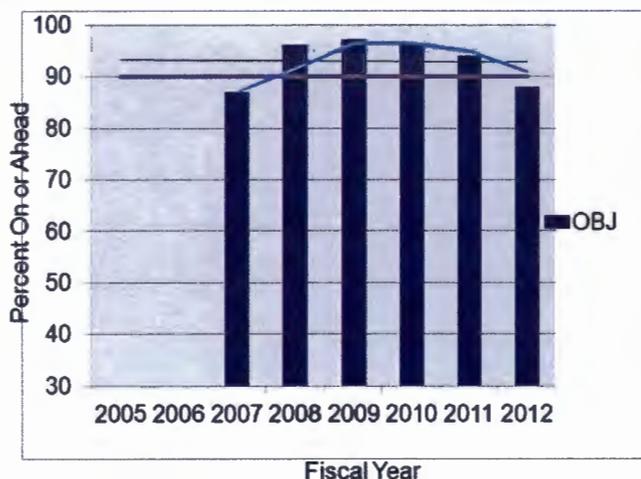


33/43 Measures on or ahead of schedule (77%) -- Target is 75%

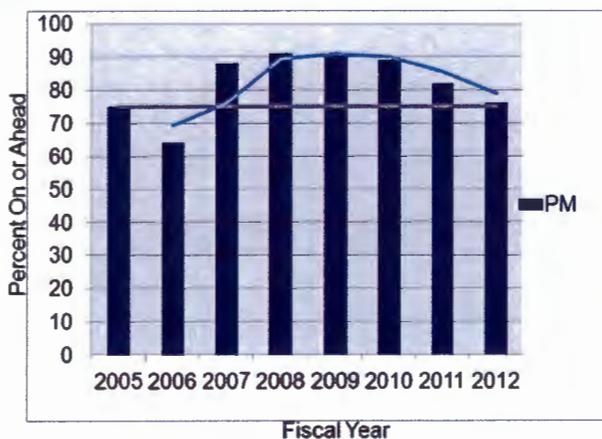
## Trend Analysis

This year we have begun to accumulate enough data to examine our plan performance over time. Staff is pleased that the plan performance has been very consistent in meeting the overall targets. On average, over the last six to eight years, the plan is above target for both objectives and measures.

### Trend 6 Year Average – Strategic Objectives On Target



### Trend - 8 Year Average - Performance Measures



## Next Steps

Staff is currently focused on implementing year two of the Board approved FY12-FY14 Strategic Plan. We will continue to review and communicate the plan at the department and enterprise levels. Staff

will also examine current targets and measures to see if they can be improved. In conclusion, staff anticipates further refinement of District initiatives to ensure that plans and schedules are properly coordinated and integrated. Staff appreciates the high level of support that the Board provides for this effort.

**FISCAL IMPACT:**

Joe Beachem, Chief Financial Officer

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.

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



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	FY 2012 YEAR-END STRATEGIC PLAN AND PERFORMANCE MEASURES REPORT
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### COMMITTEE ACTION:

The Finance, Administration, and Communications Committee met on September 17, 2012, to review items pertaining to the Finance, Administrative, and Information Technology departments. The Engineering, Operations, and Water Resources Committee met on September 19, 2012, to review items pertaining to the Engineering and Operations departments. Both committees support presentation to the full Board for their review.

### NOTE:

The "Committee Action" is written in anticipation of the Committees 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 committees prior to presentation to the full Board.

# **Strategic Planning**

**FY 2012 - End of Year Report**

**(Year One of 2012 – 2014 Plan)**



2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014



We are here

FY 2003 - 2005  
**PLAN**

FY 2006 - 2008  
**BUILD**

FY 2009 - 2011  
**LEVERAGE**

FY 2012 - 2014  
**OPTIMIZE**

**New  
Plan**

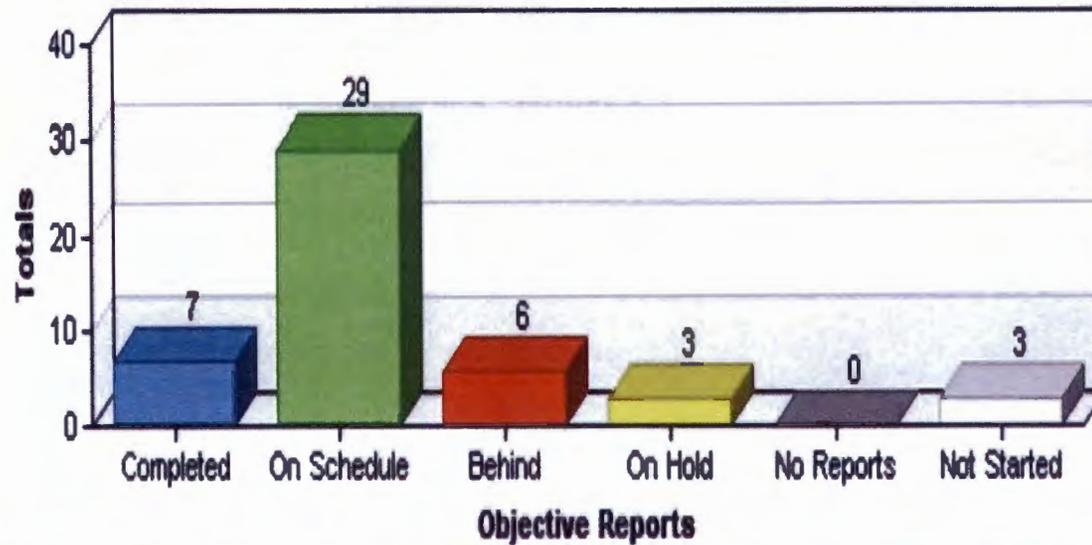


# FY2012 Objectives

36 of 42 objectives complete, ahead or on target (86%)

Target is 90%

## Objectives: All Departments



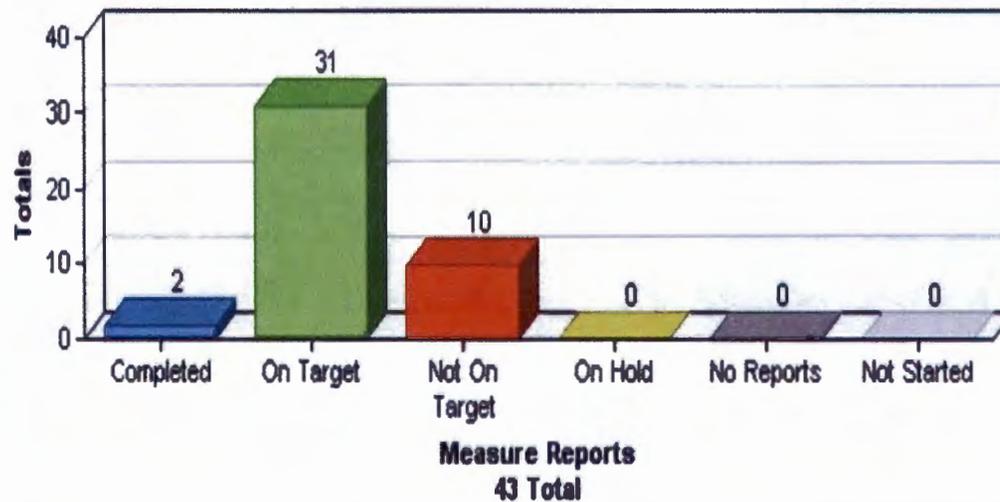
### Legend

- Completed
- On Schedule
- Behind Schedule
- On Hold
- No Reports
- Not Scheduled to Start Yet

# FY2012 Performance Measures

33 of 43 performance measures complete, ahead or on target (77%)  
Target is 75%

## YTD Measures: All Departments



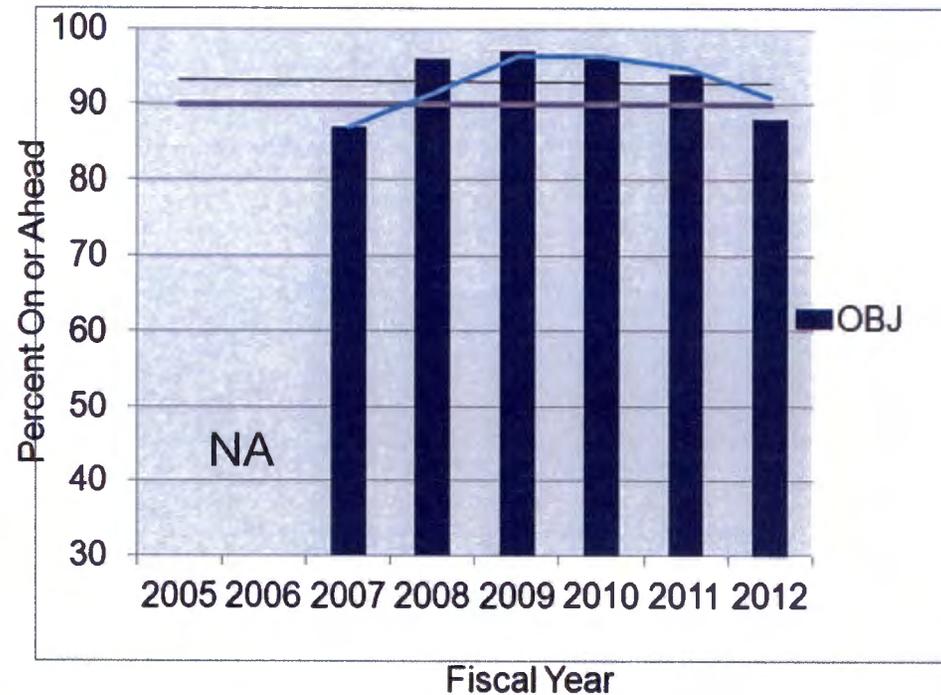
### Legend

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

# Trend Analysis -- Plan Objectives

## 2007 - 2012

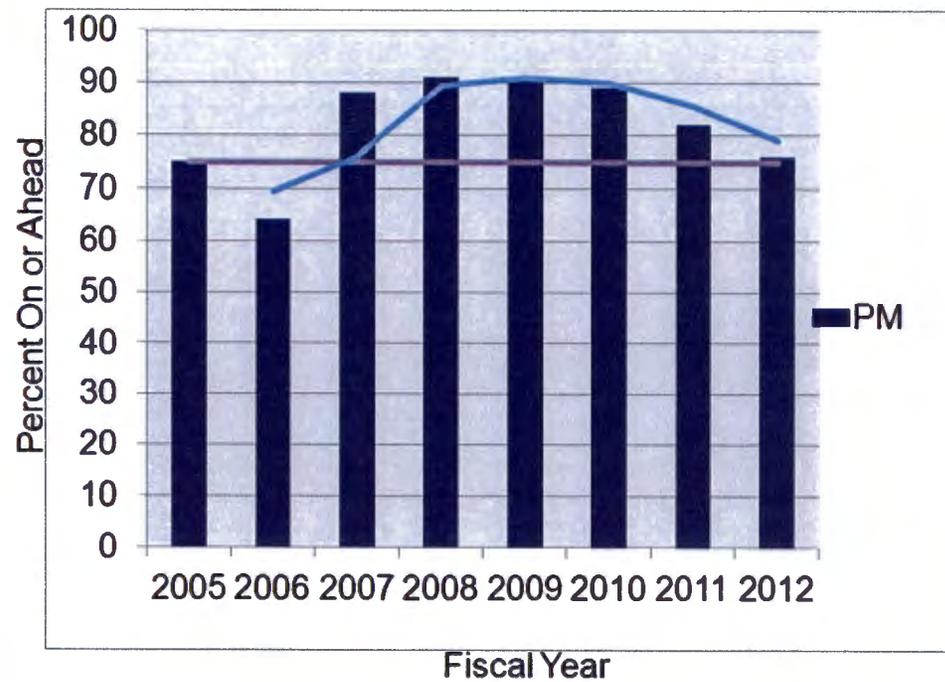
Trend 6 Year Average – Strategic Objectives On Target



# Trend Analysis -- Performance Measures

## 2005 - 2012

Trend - 8 Year Average - Performance Measures



# What's New/Next

- Strategy Maps – Leverage and Coordinate
- Improving Measures and Targets
- Communications and Teamwork