OTAY WATER DISTRICT
ENGINEERING, OPERATIONS & WATER RESOURCES COMMITTEE MEETING
and
SPECIAL MEETING OF THE BOARD OF DIRECTORS

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA
Board Room

MONDAY
March 17, 2014
7:30 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. AWARD A CONTRACT TO LAYFIELD ENVIRONMENTAL SYSTEMS CORPORATION FOR THE MAINTENANCE OF FLOATING COVERS IN AN AMOUNT NOT-TO-EXCEED $108,800. THE CONTRACT WILL BE FOR ONE YEAR, WITH FOUR (4) ONE-YEAR OPTIONS FOR RENEWAL AT THE DISTRICT'S DISCRETION (STALKER) [5 minutes]

4. FY 2013-2014 MID-YEAR STRATEGIC PLAN UPDATE REPORT (STEVENS) [15 minutes]

5. SAN DIEGO COUNTY WATER AUTHORITY UPDATE (WATTON) [10 minutes]

6. ADJOURNMENT

BOARD MEMBERS ATTENDING:
David Gonzalez, Chair
Gary Croucher

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

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

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

Certification of Posting

I certify that on March 14, 2014 I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of Otay Water District, said time being at least 24 hours in advance of the meeting of the Board of Directors (Government Code Section §54954.2).

Executed at Spring Valley, California on March 14, 2014.

/s/ Susan Cruz, District Secretary

AGENDA ITEM 3

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 2, 2014
SUBMITTED BY:	Gary Stalker System Operations Manager	PROJECT:	DIV. NO. 5
APPROVED BY:	☒ Pedro Porras, Chief of Water Operations ☒ German Alvarez, Assistant General Manager ☒ Mark Watton, General Manager		
SUBJECT:	Award of Contract for Reservoir Floating Cover Maintenance		

GENERAL MANAGER'S RECOMMENDATION:

That the Board awards a contract to Layfield Environmental Systems Corporation for the maintenance of the floating covers on four potable and two recycled reservoirs for an amount not-to-exceed $108,800. The contract will be for one year, with four (4) one-year options for renewal at the Districts discretion.

COMMITTEE ACTION:

Please see attachment A.

PURPOSE:

To meet requirements by the California Department of Public Health (CDPH) for periodic maintenance of floating covers, and per the American Water Works Association (AWWA) guidelines.

ANALYSIS:

The CDPH requires agencies that have potable water reservoirs with floating covers to maintain the covers according to "AWWA's California/Nevada Section Reservoir Floating Cover Guidelines." The maintenance involves cleaning the entire cover, repairing

holes and tears, adjusting tensioning devices, and maintaining the rainwater removal system. The District has four potable reservoirs with floating covers that need to be maintained twice a year. The District also has two recycled reservoirs with floating covers that will be included in the contract to be maintained once a year. The recycled reservoir cover maintenance is not required by CDPH, but will be done as a "Best Management Practice" to extend the useful life of the covers."

Description of Reservoirs

Reservoir Name	Type	Reservoir Surface Area*	Capacity (MG)
571-1(Roll Res.)	Potable	195,000	36.7
711-3	Potable	157,000	16.0
624-1(Patzig Res.)	Potable	110,000	12.0
870-1(Upper Res.)	Potable	97,000	10.9
927-1	Recycled	163,000	16.3
944-1	Recycled	102,000	12.0

* = In square feet, approximate area at high water level

The Invitation to Bid on the contract was sent to four (4) prospective bidders on February 26, 2014. Two bids were received. The bids were opened, non-publicly, on March 10, 2014, with the following results:

CONTRACTOR	TOTAL AMOUNT
1. Layfield Environmental Systems Corp., Spring Valley, CA	$108,800
2. Erosion Control Applications, Inc., Orange, CA	$114,000

Layfield Environmental Systems Corporation (Layfield) has cleaned and maintained the District's floating covers for the past five years. They also replaced the cover and liner on the 624-1 potable reservoir last year and are presently replacing the cover and liner on the 927-1 recycled reservoir. Layfield is an industry leader in the design, installation, and maintenance of reservoir floating covers. District staff have found them to be a reliable, responsible, and accommodating company.

Staff is recommending the award of this maintenance contract to Layfield Environmental Systems Corporation in the amount not-to-

exceed $108,800 for one year. The contract will be for one year, with four (4) one-year options for renewal at the Districts discretion. The maximum price increase for the four option years would be based on the San Diego Consumer Price Index for the previous year.

FISCAL IMPACT: ☒ Joe Beachem, Chief Financial Officer

$117,000 is budgeted in Fiscal Year 2014 and the same amount has been submitted for the Fiscal Year 2015 budget for this contract to cover all work related to this maintenance. The additional money is budgeted for repairs to the cover or equipment that is outside of the scope of this maintenance contract.

STRATEGIC GOAL:

This contract supports the Strategic Goal to "Minimize the District's total life cycle asset costs" by maximizing the useful life of the reservoir floating covers. Properly maintained covers also protect the water quality within our District.

LEGAL IMPACT:
None.

Attachment A: Committee Action Form

ATTACHMENT A

SUBJECT/PROJECT:	Award of Contract for Reservoir Floating Cover Maintenance

COMMITTEE ACTION:

This item will be presented to the Engineering, Operations, and Water Resources Committee on March 17, 2014.

NOTE:

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

AGENDA ITEM 4

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 2, 2014
		PROJECT: Various	DIV. NO.: ALL
SUBMITTED BY:	Geoffrey Stevens Chief Information Officer		
APPROVED BY:	☒ German Alvarez, Assistant General Manager ☒ Mark Watton, General Manager		
SUBJECT:	FY 2014 MID-YEAR STRATEGIC PLAN AND PERFORMANCE MEASURES REPORT		

GENERAL MANAGER'S RECOMMENDATION:

No recommendation -- informational item only.

COMMITTEE ACTION:

See "Attachment A".

PURPOSE:

To provide a mid-year report on the District's Strategic Performance Plan for FY 2014.

ANALYSIS:

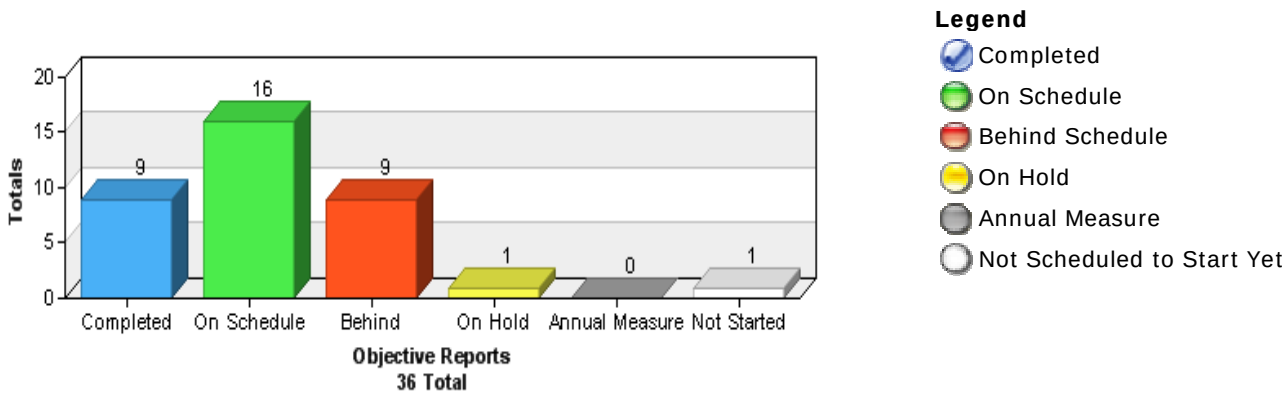
The District is in the final year of the three-year Strategic Plan for Fiscal Years 2012-2014. At the end of the 2nd quarter, FY 2014 results for the objectives are below target averages, and the performance measures exceed the target averages of 90% and 75%, respectively.

Strategic Plan Objectives

Strategic Plan Objectives are designed to ensure we are making the appropriate high-level changes necessary to move the agency in the planned direction to meet new challenges and opportunities. Objective results were below target at 74% complete, ahead, or on schedule (target is 90%). These results are lower than the previous year-end report.

The lower rating appears to be attributed to timing issues with several projects where deliverables are delayed into the next quarter.

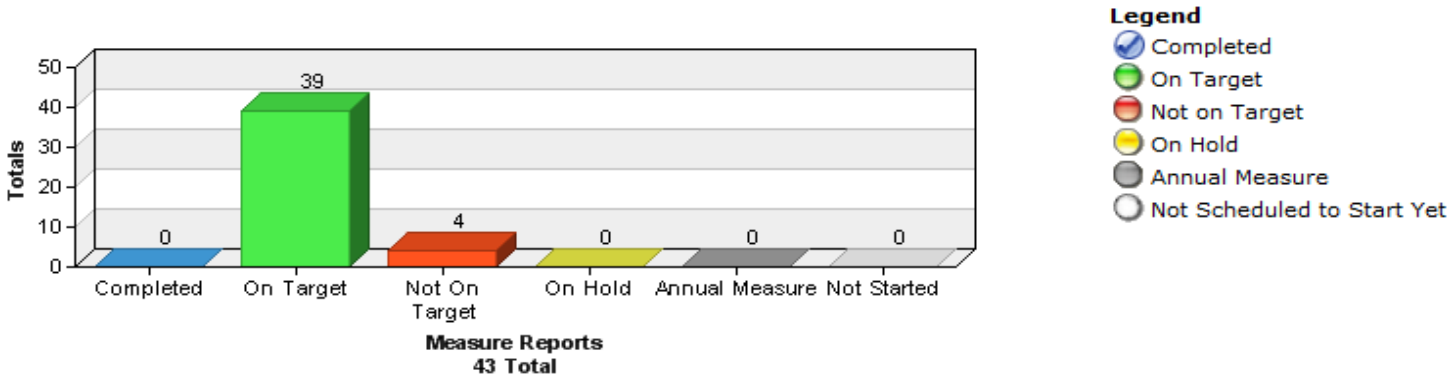
74% of Strategic Plan Objectives (25 of 34) Completed or On Schedule



Performance Measures

Performance measures are designed to track the day-to-day performance of the District. These items measure the effectiveness and efficiency of daily operations, and where possible, we utilize the AWWA QualServe Benchmarks as the basis for comparison. The overall goal is that at least 75% of these measures be rated “on target”. Mid-year FY 2014 District results exceed the goal of 75%, with 39 of 43 (91%) items achieving the desired target or above.

91% of Performance Measures (39 of 43) On or Above Target



Next Steps

Staff briefed the Board last month on the District's progress towards development of the FY 15-18 Strategic Plan, which will be presented with the FY 15 Budget in May 2014.

Committee Reports – Slideshow

The Strategic Plan results are presented to both the Finance, Administrative, and Communications Committee and the Engineering and Operations Committee with a specific focus on the most relevant information for each Committee.

Strategic Plan Available to Board Online

All of the strategic plan results and associated details are provided in a real-time, interactive web-based application available to the Board via a VPN connection, available from the District Secretary.

FISCAL IMPACT: ☒ Joe Beachem, Chief Financial Officer

None -- informational item only.

STRATEGIC GOAL:

Strategic Plan objectives and performance measures 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 – FY 14 Mid-Year Strategic Plan Results

ATTACHMENT A

SUBJECT/PROJECT:	FY 2014 MID-YEAR STRATEGIC PLAN AND PERFORMANCE MEASURES REPORT

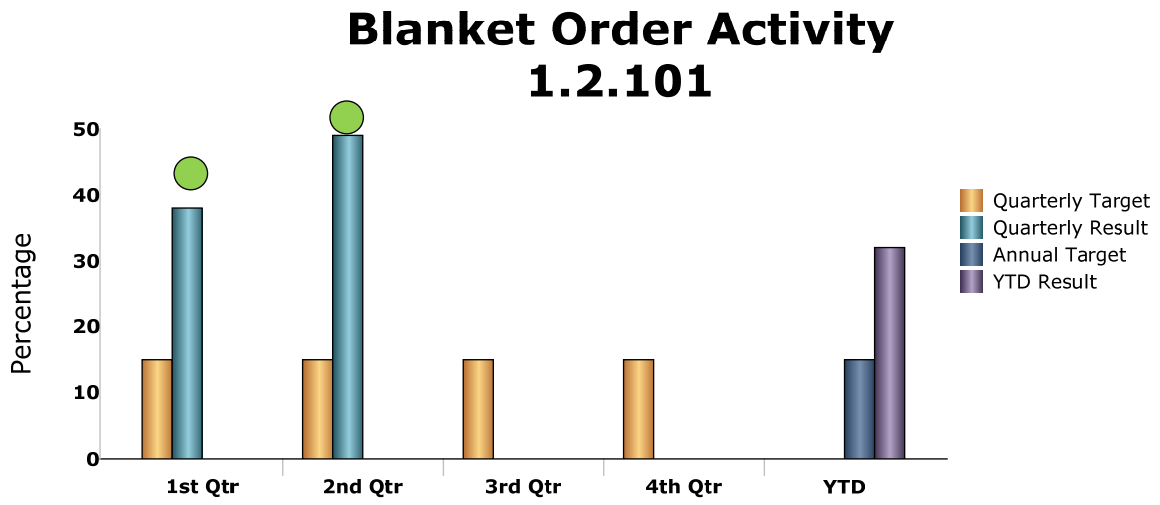
COMMITTEE ACTION:

Both the Engineering and Operations Committee and the Finance, Administration, and Communications Committee met on March 17 and 18, respectively, and reviewed this item. Based upon this discussion, the Committees recommend that the Board receive the attached information.

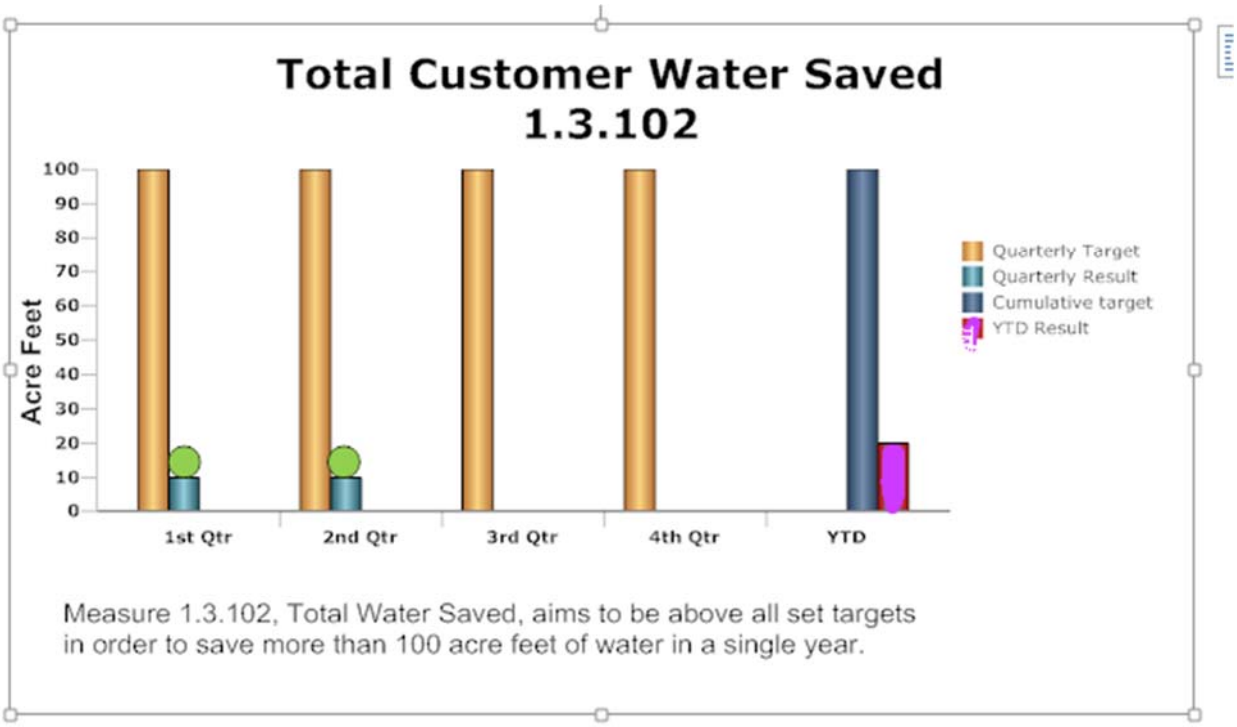
NOTE:

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

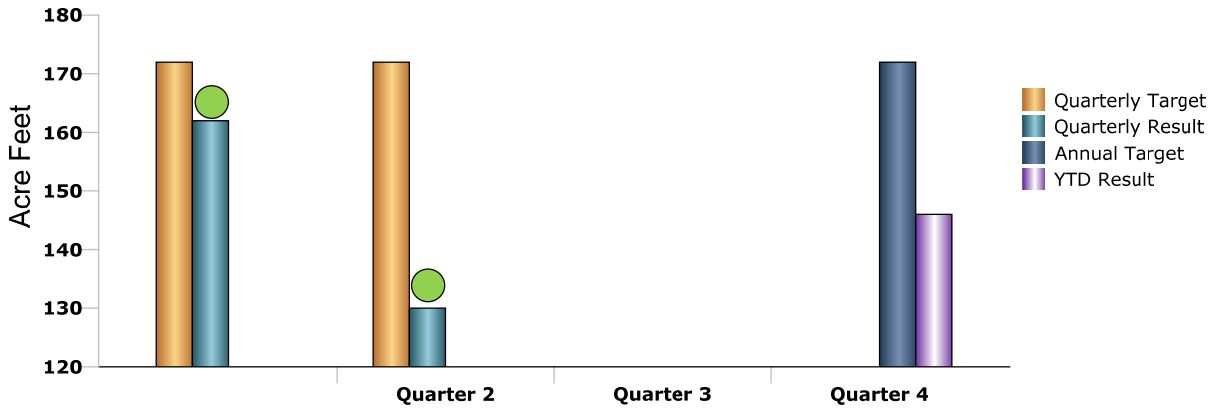
ATTACHMENT B



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

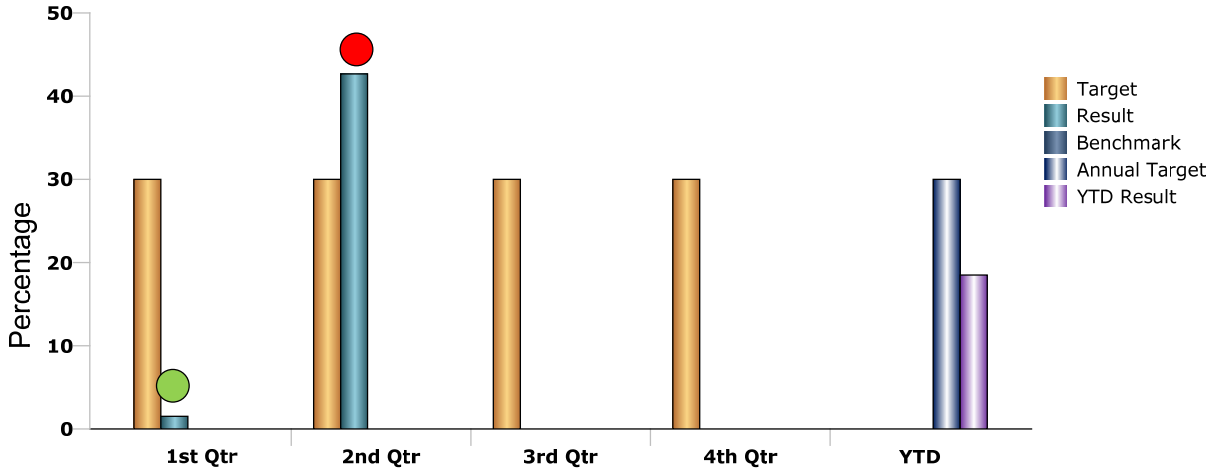


Gallons Per Capita Per Day
1.3.103



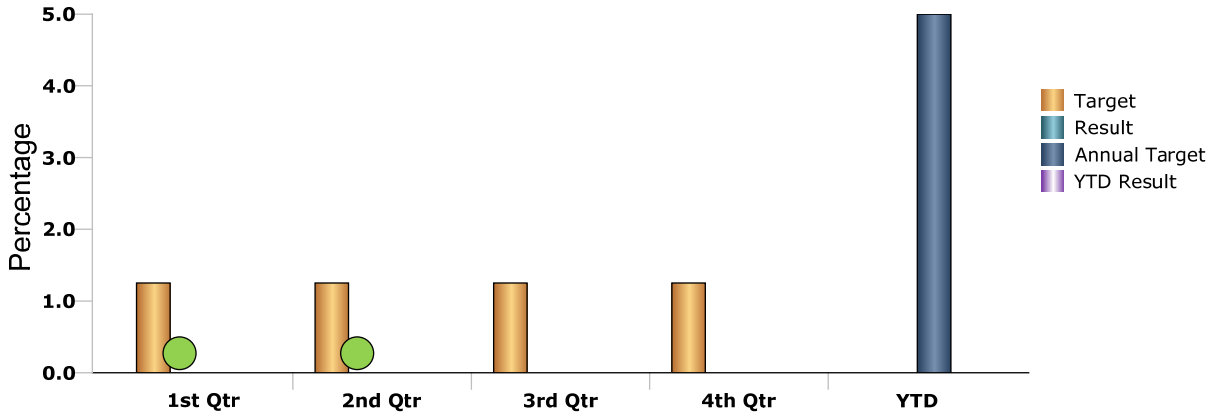
Measure 1.3.103, Otay Water Use, aims to be below 172 Gallons Per Day

Health & Safety Severity Rate (Qualserve)
1.4.104



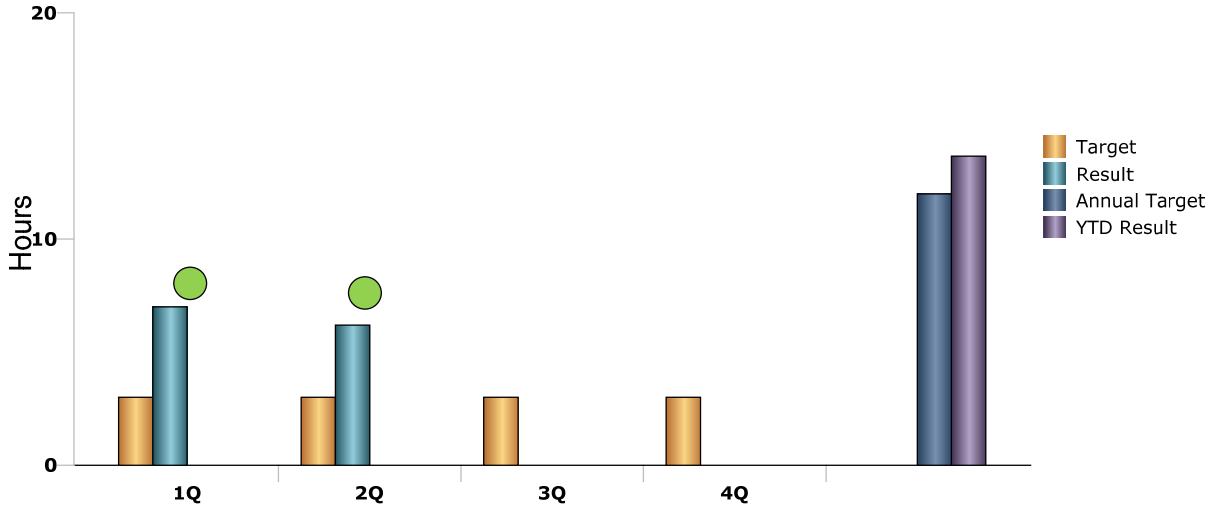
Measure 1.4.104, Health & Safety Severity Rate, aims to be below all set targets in order to have no more than 30% severity rate per quarter in a single year.

Employee Turnover Rate
1.4.105



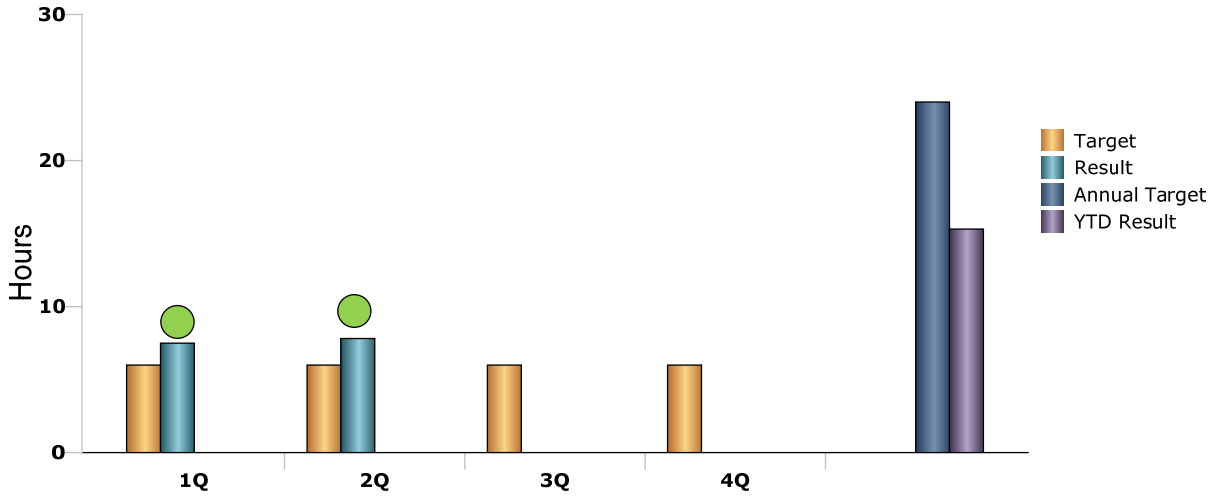
Measure 1.4.105, Turnover Rate, aims to be below all set targets in order to have less than 5% turnover in a single year.

Training Hours Per Employee
1.4.106



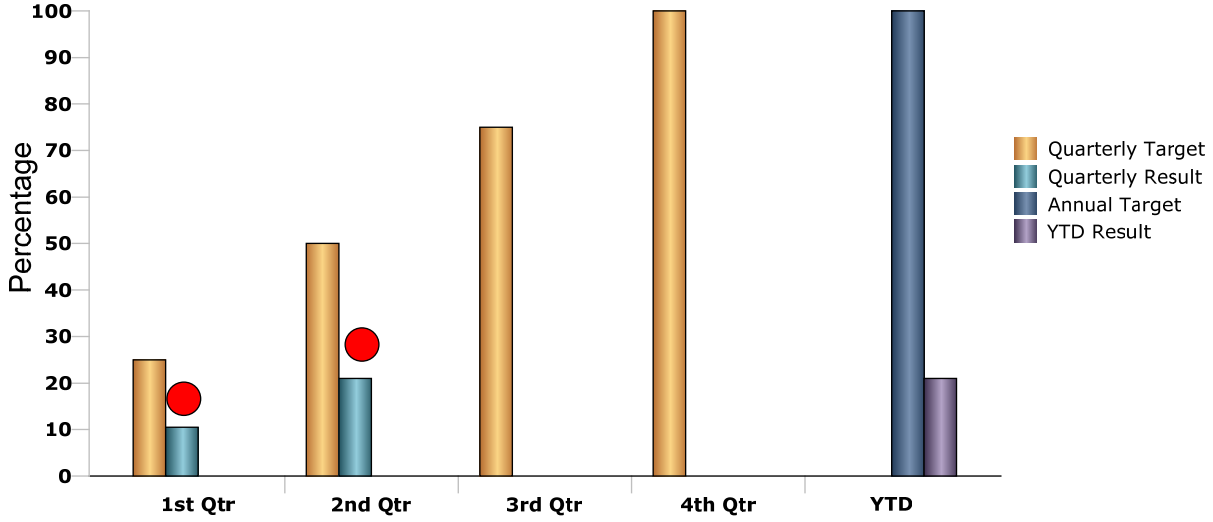
Measure 1.4.106, Training Hours per Employee, aims to be above all set targets in order to have more than 24 hours of training per employee in a single year.

Safety Training Hours Per Employee
1.4.107

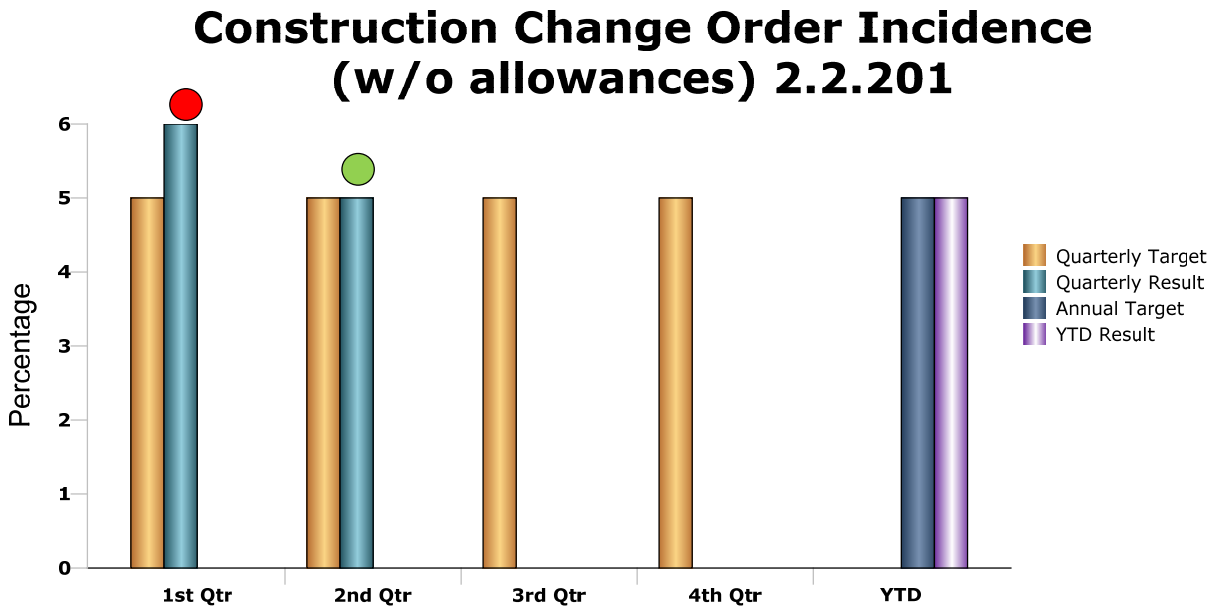


Measure 1.4.106, Training Hours per Employee, aims to be above all set targets in order to have more than 24 hours of training per employee in a single year.

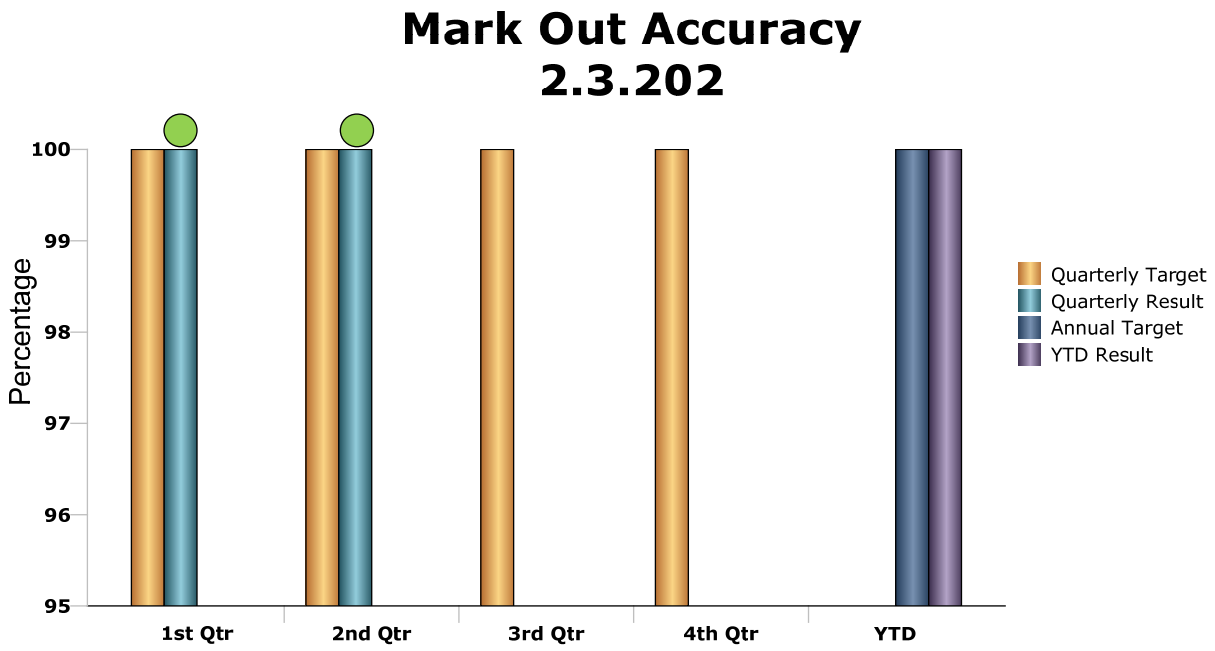
CIP Project Expenditure vs. Budget 2.2.200



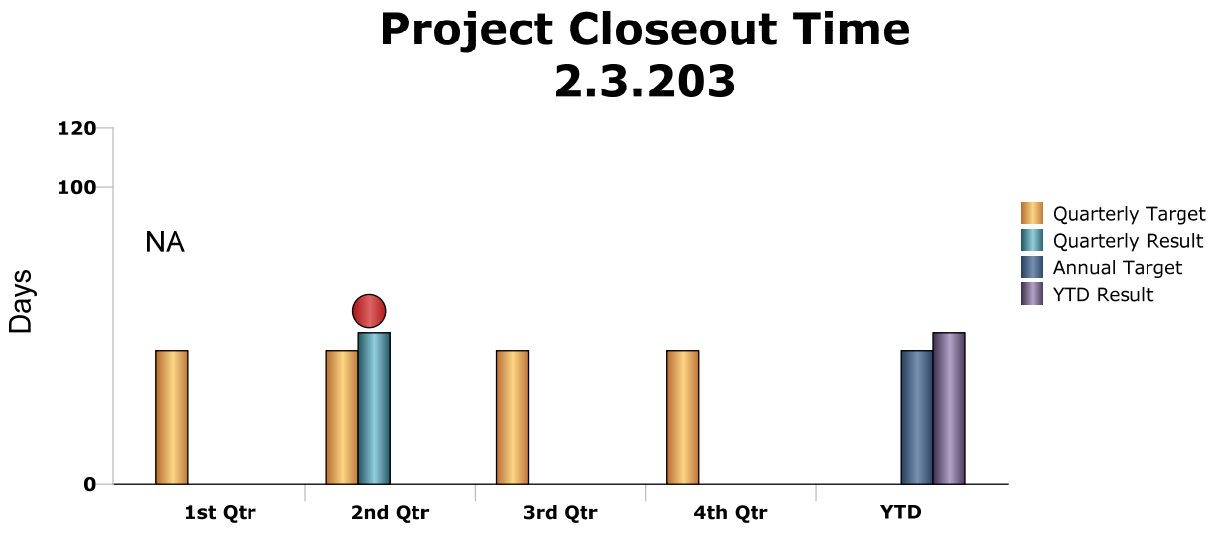
Measure 2.2.200, CIP Project Expenditure vs. Budget, aims to be below all set targets in order to keep expenditures below 100% of the budgeted amount for a single year. Note: Annual result aims to be between 95-100% but is not to exceed 100%. Being significantly below target also gives the measure a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



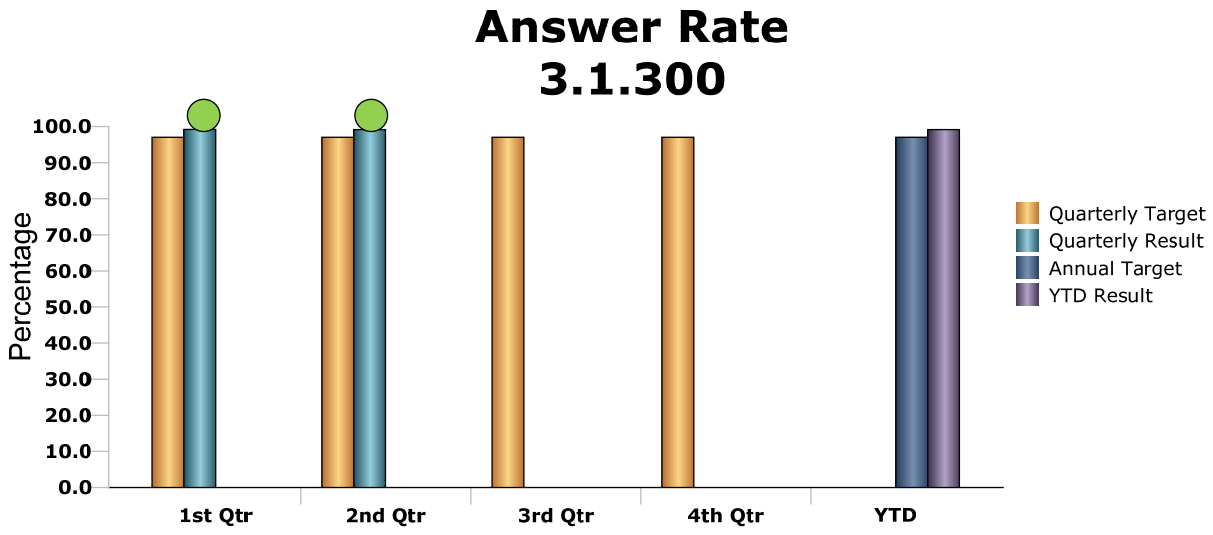
Measure 2.2.201, Construction Change Order Incidence, aims to be below all set targets in order to have no more than 2 % in one year
% rate of change orders in a single year.



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

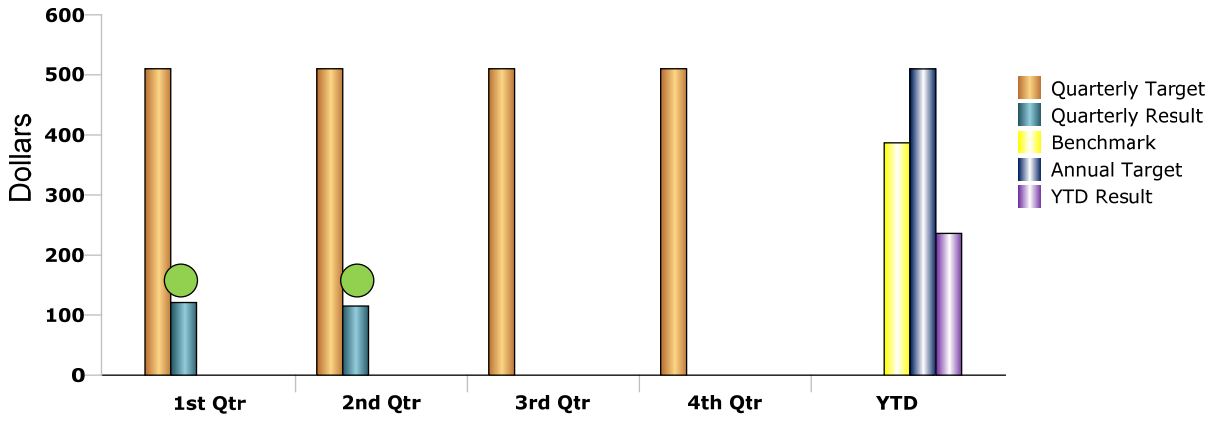


Measure 2.3.203, Project Closeout Time, aims to be below all set targets in order to have an average closeout time of no more than 45 days in a single year. Note: No projects closed out in the 1st quarter 2013.



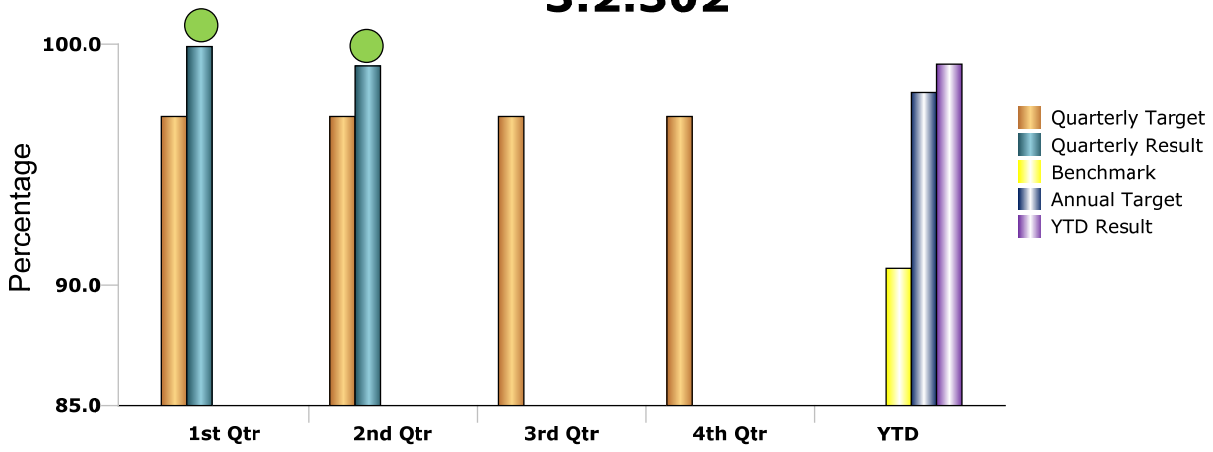
Measure 3.1.300, Answer Rate, aims to be above all set targets in order to have an average answer rate of no less than 97%.

O&M Cost Per Account (Qualserve) 3.2.301

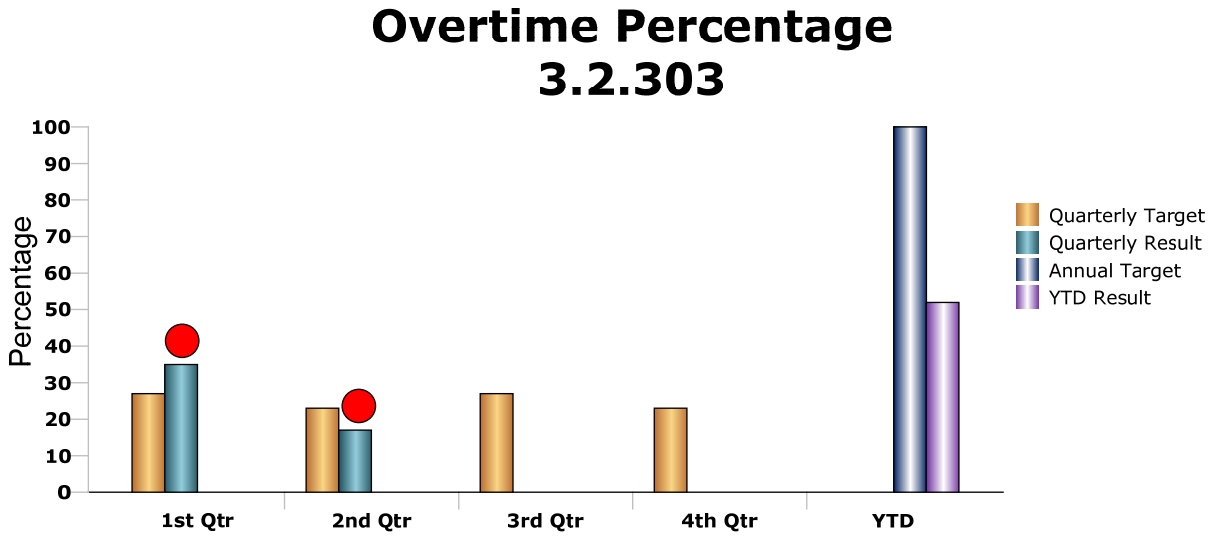


Measure 3.2.301, O&M Cost Per Account, aims to be below all set targets in order to keep O&M cost per account less than $510.40 in a single year.

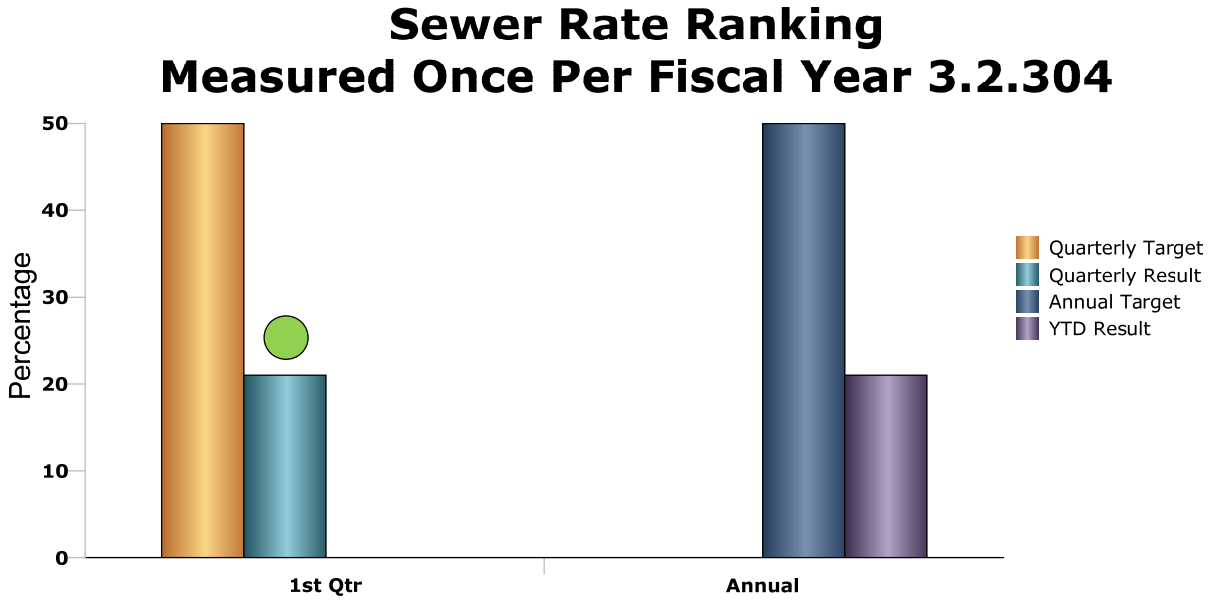
Bill Accuracy (Qualserve) 3.2.302



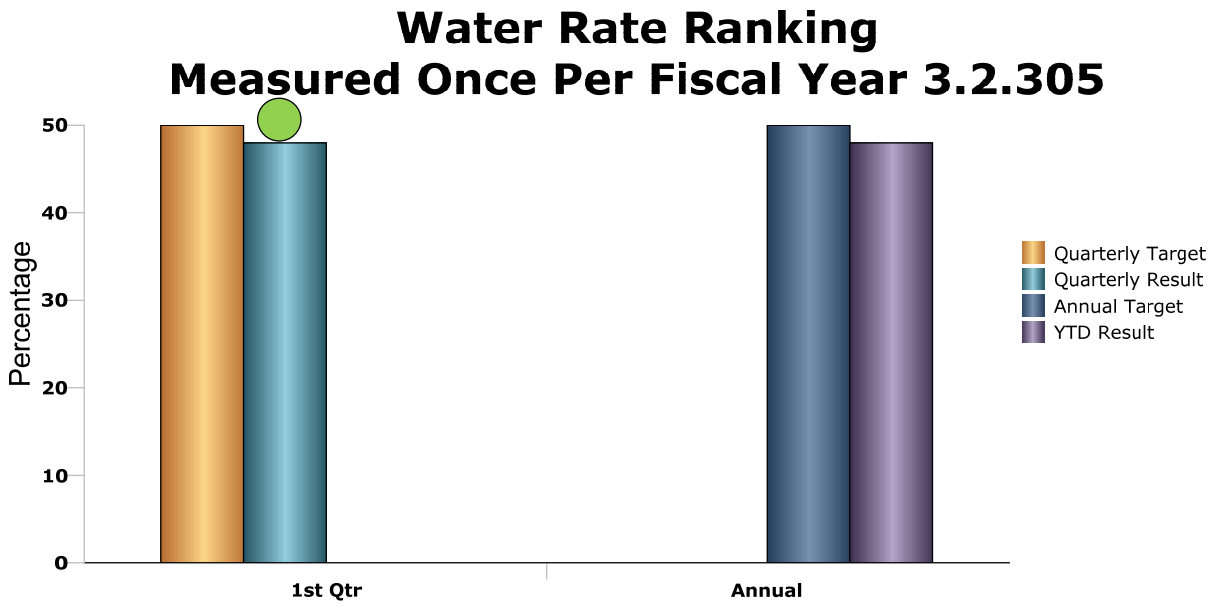
Measure 3.2.302, Billing Accuracy, aims to be above all set targets in order to have no less than 99.8% billing accuracy per quarter in a single year.



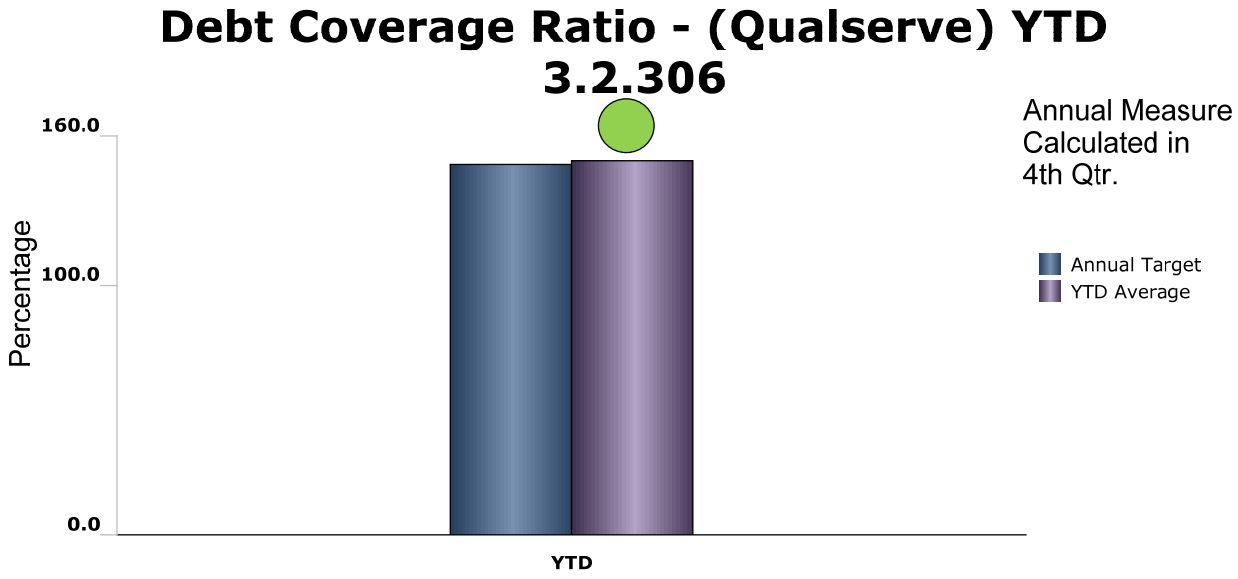
Measure 3.2.303, Overtime Percentage, aims to be between 23 and 27 percent per quarter. In total, less than 100% by the end of the year.



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

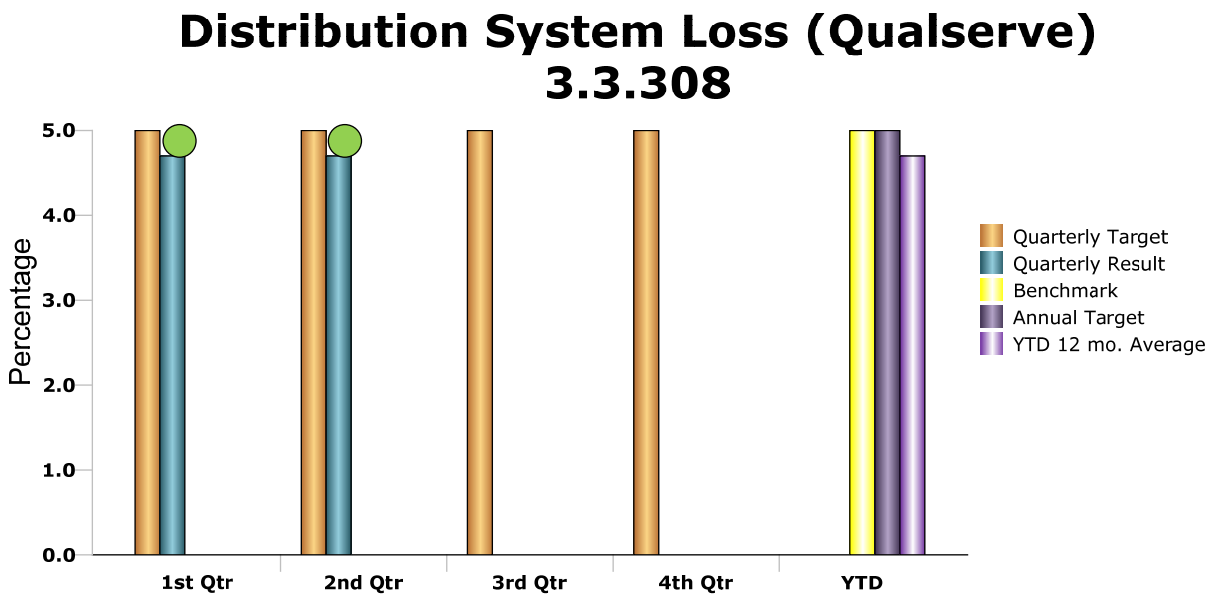


Measure 3.2.305, Water Rate Ranking, is a once yearly survey that is reported on annually in the first quarter and represents the results for the given fiscal year. The District's goal was to be in the top 50



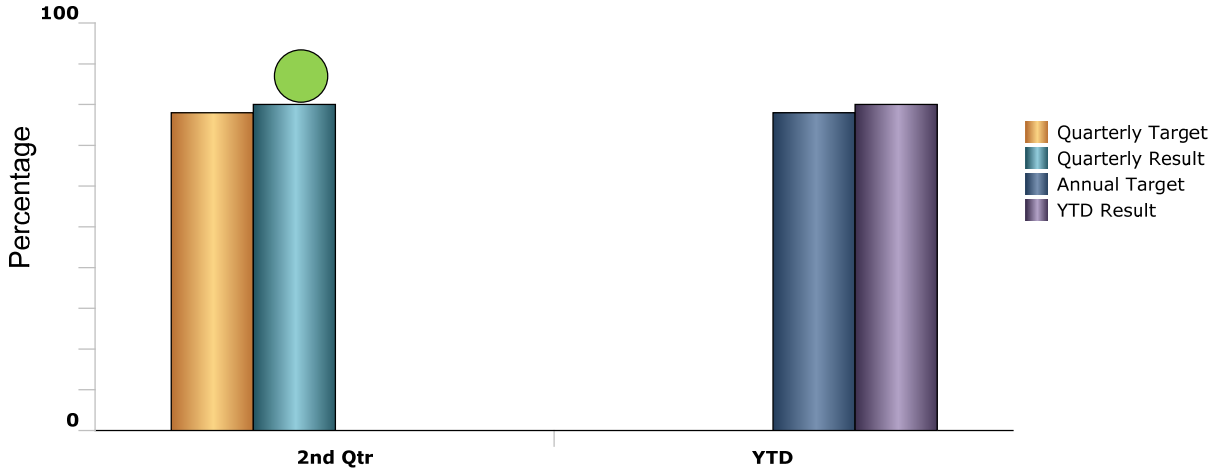
Measure 3.2.306, Debt Coverage Ration aims to be greater than 148%. It is measured annually.

Measure 3.2.307, Reserve Level, aims to be no less than 85%. It is measured annually.



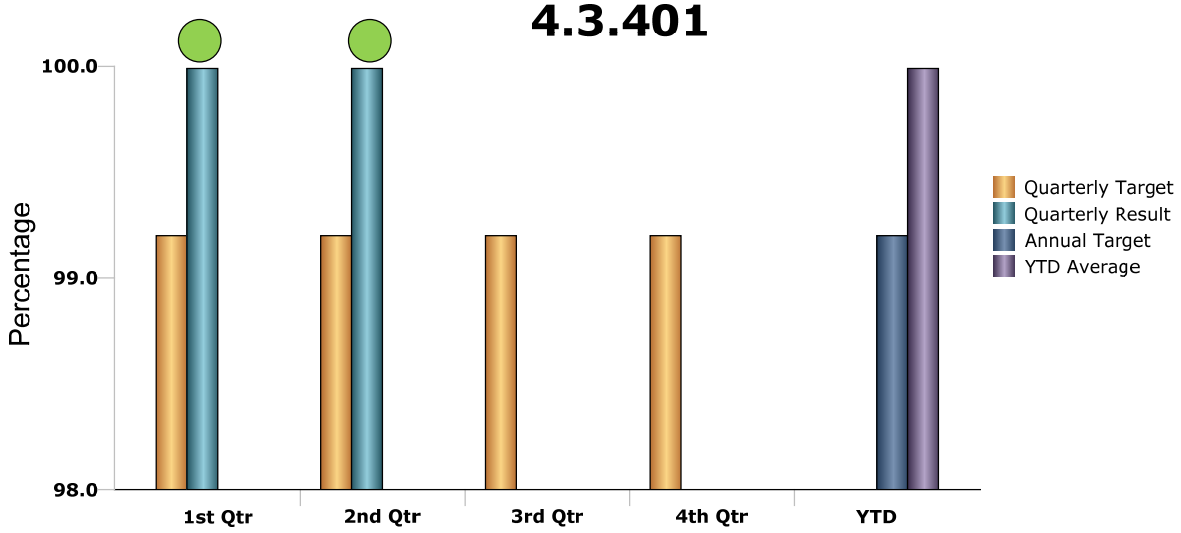
Measure 3.3.308, Distribution System Loss, aims to be below all set targets in order to ensure less than 5% of unaccounted water in a single year.
*The calculation is a year-to-date calculation, so Qtr Result = YTD Result.

Customer Satisfaction Website Measured Once Per Year 4.1.400

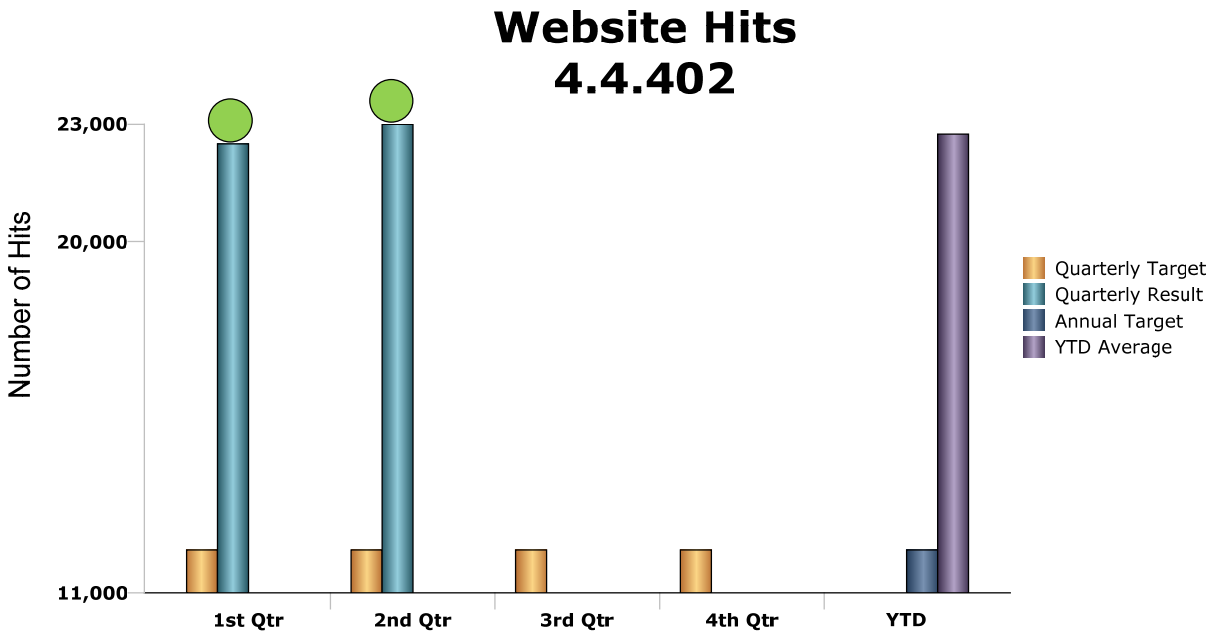


Measure 4.1.400, Customer Satisfaction with Website, is a once yearly survey that is reported on annually in the second quarter and represents the results for the given fiscal year.

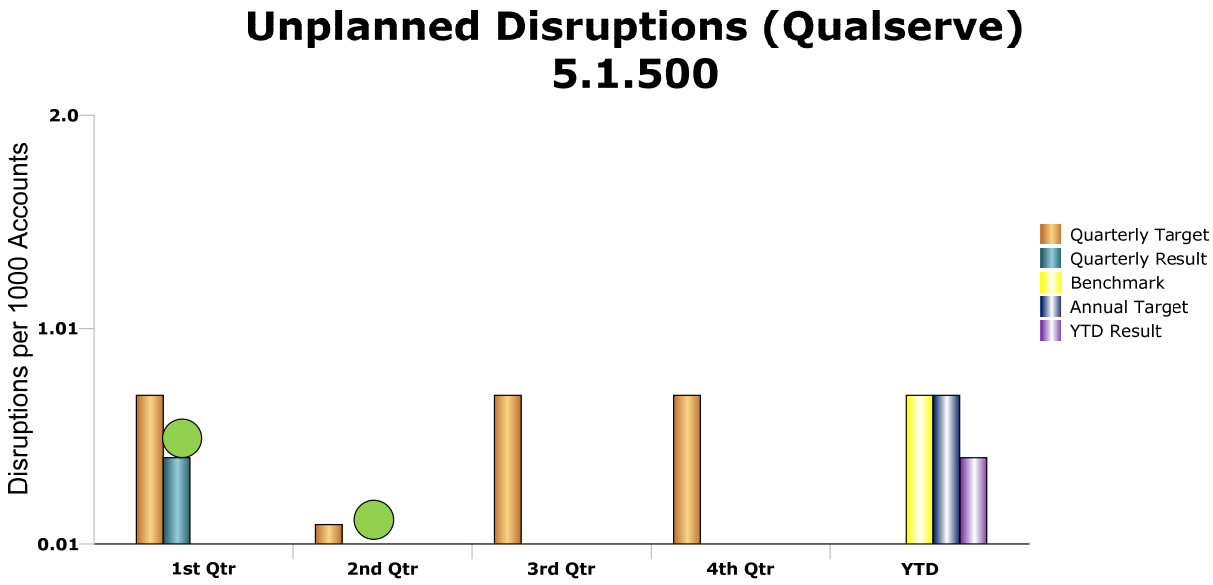
Network Availability 4.3.401



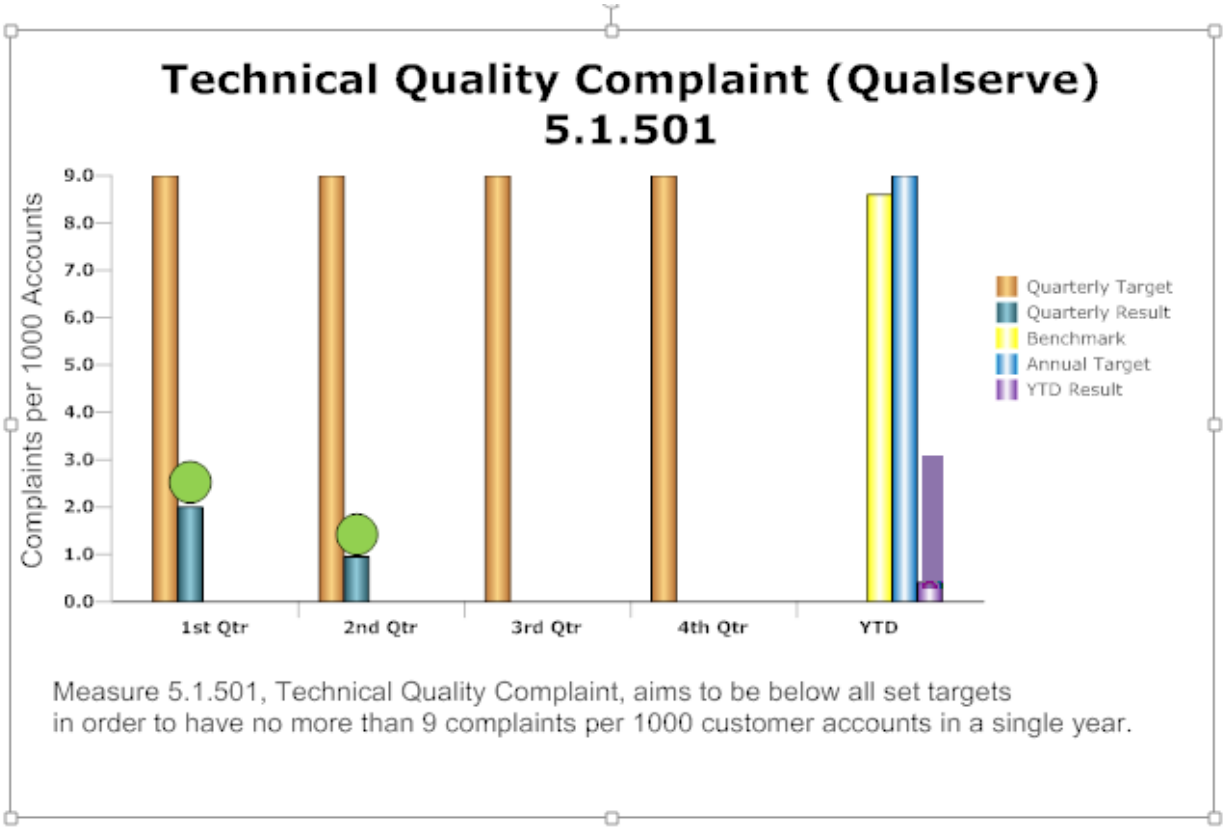
Measure 4.3.401, Network Availability, aims to be above all set targets in order to have an average of no less than 99.2% network availability per quarter in a single year.



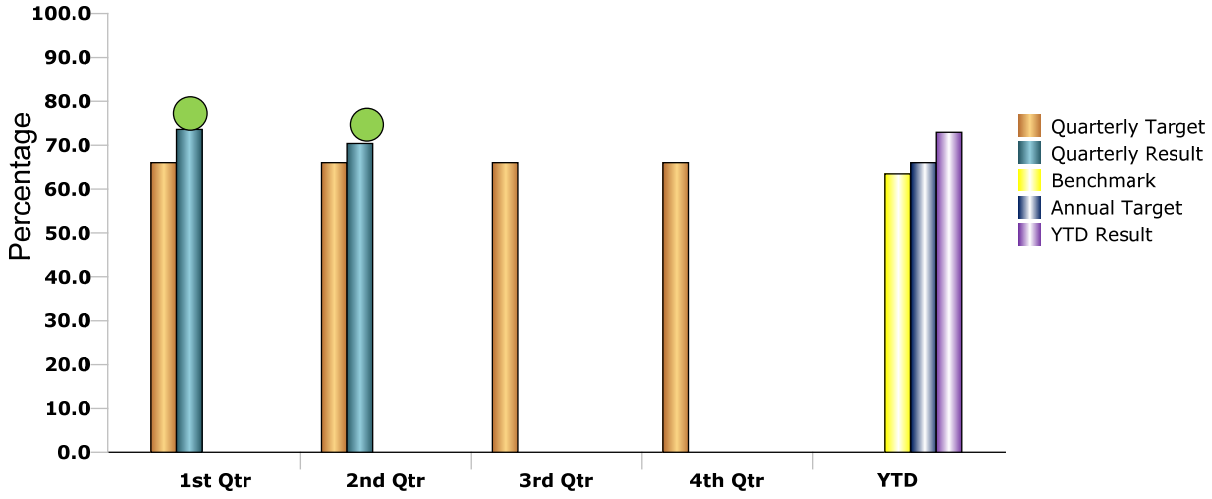
Measure 4.4.402, Website Hits, aims to be above all set targets in order to have an average of no less than 12,100 website hits per quarter in a single year.



Measure 5.1.500, Unplanned Disruptions, aims to be below all set targets in order to have no more than .7 disruptions per 1000 accounts in a single year.
Note: Target is expressed as number of disruptions per 1000 accounts

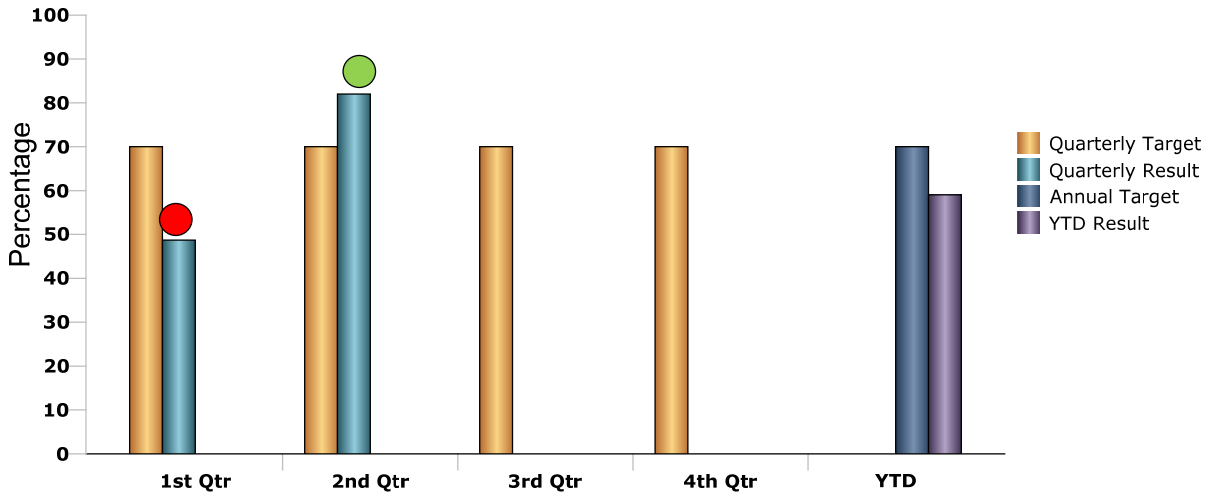


Planned Potable Water Maintenance Ration in $ Qualserve 5.2.502



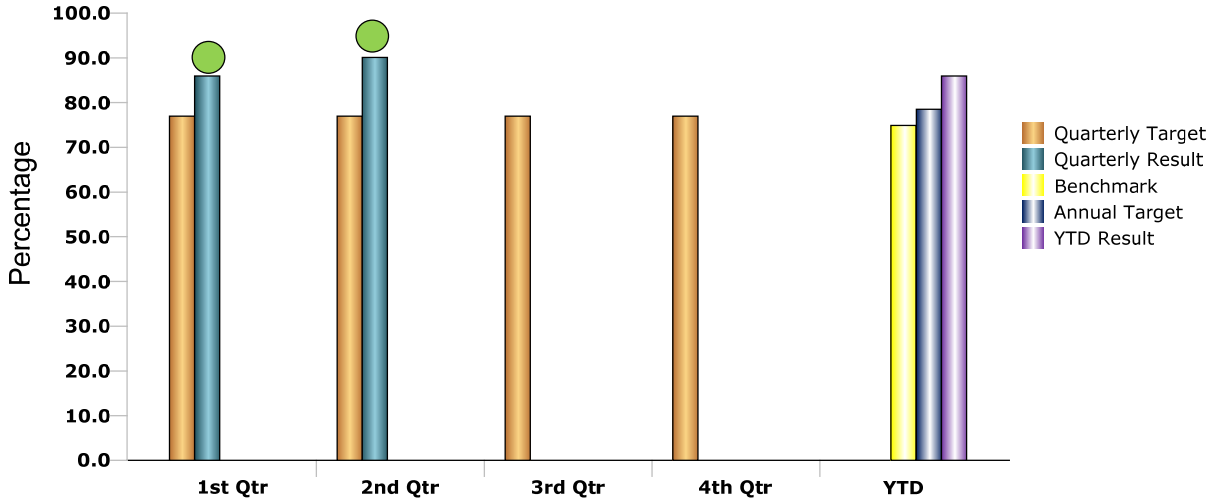
Measure 5.2.502, Planned Potable Water Maintenance Ratio in $, aims to be above all set targets in order to have no less than 66% of all labor dollars spent on preventative maintenance per quarter in a single year. Note: Quarterly results are subject to change.

Planned Recycled Water Maintenance Ratio in $ 5.2.503



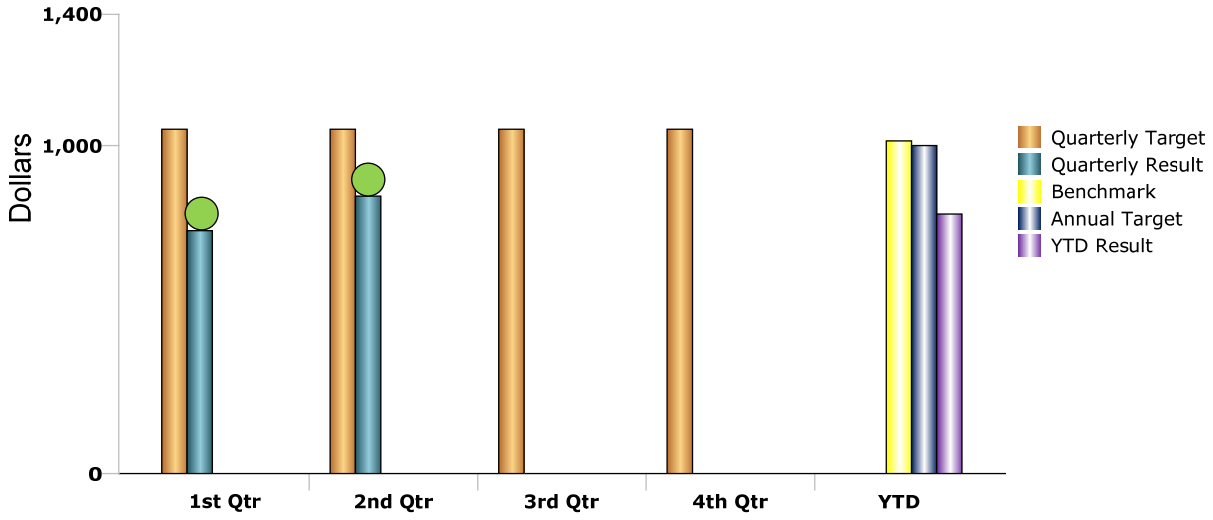
Measure 5.2.503, Planned Recycled Water Maintenance Ratio in $, aims to be above all set targets in order to have no less than 70% of all labor dollars spent on preventative maintenance per quarter in a single year. Note: Quarterly results are subject to change.

Planned Wastewater Maintenance Ration in $ (Qualserve) 5.2.504



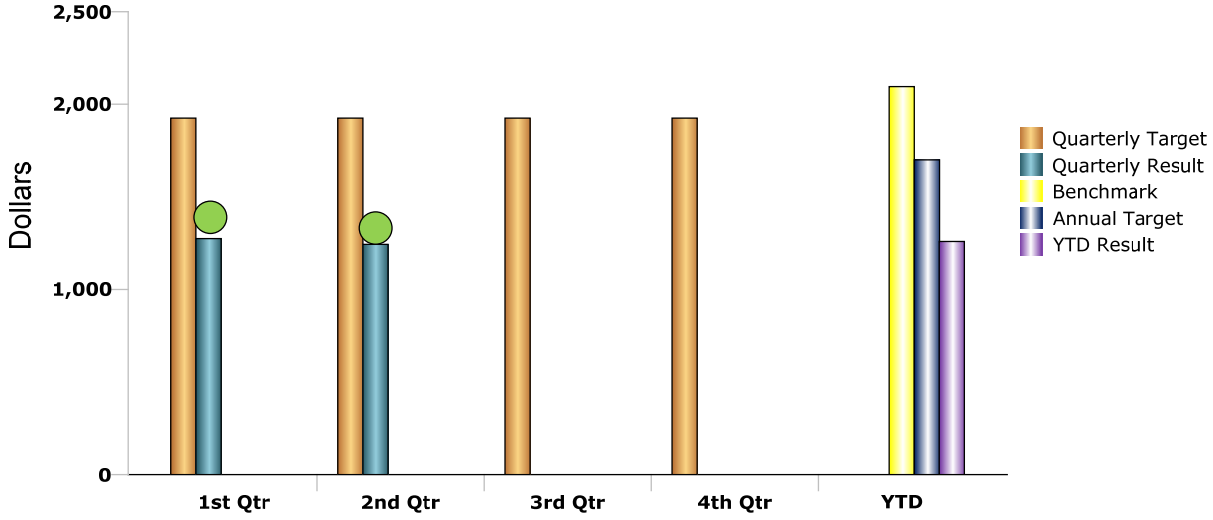
Measure 5.2.504, Planned Wastewater Maintenance Ratio in $, aims to be above all set targets in order to have no less than 66% of all labor dollars spent on preventative maintenance per quarter in a single year. Note: Quarterly results are subject to change.

Direct Cost of Treatment per MGD (Qualserve) 5.2.505

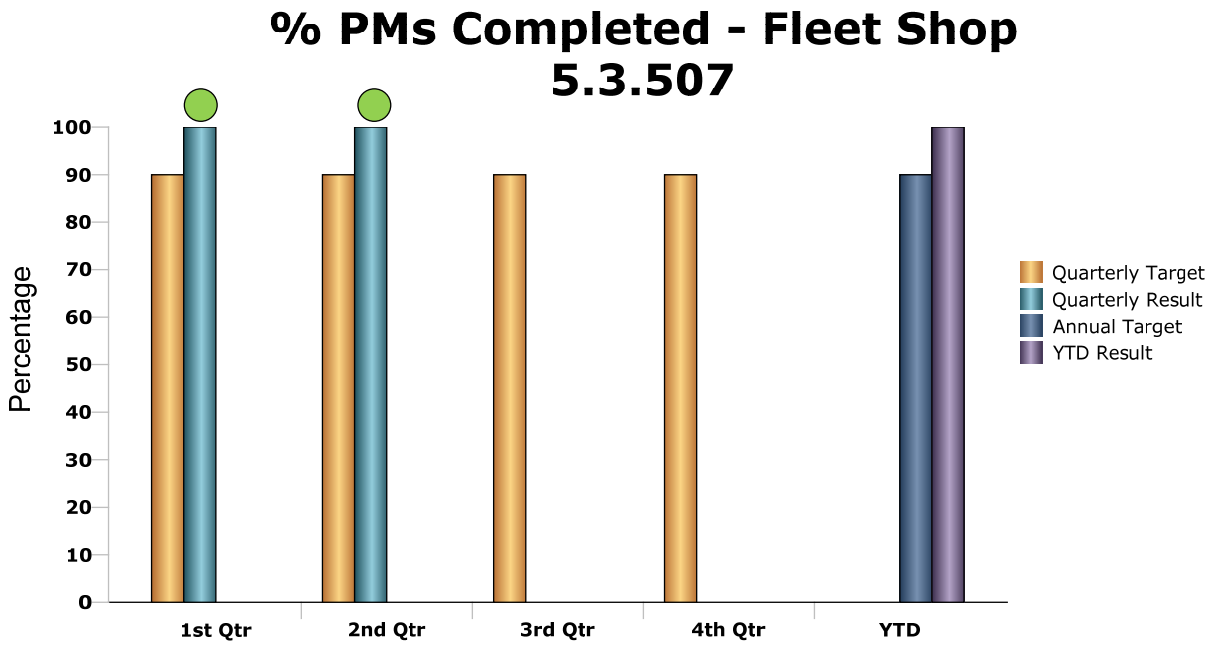


Measure 5.2.505, Direct Cost of Treatment per MGD, aims to be below all set targets in order to have no more than $1000 per MG spent on wastewater treatment per quarter in a single year.

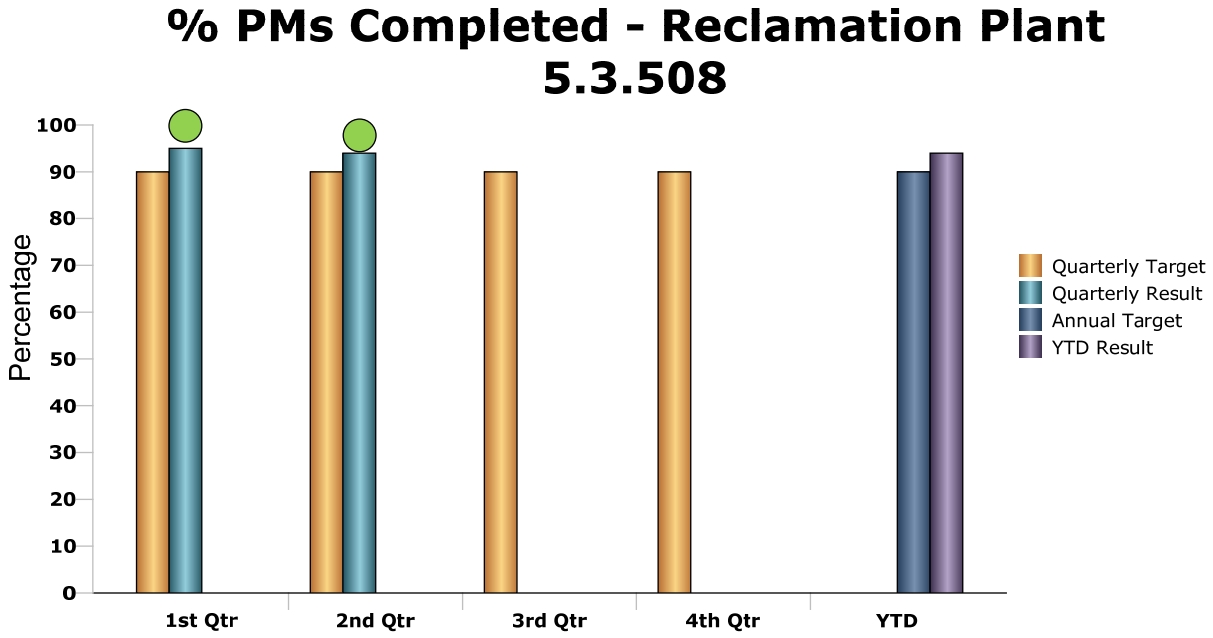
O&M Cost per MGP - Wastewater (Qualserve) 5.2.506



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

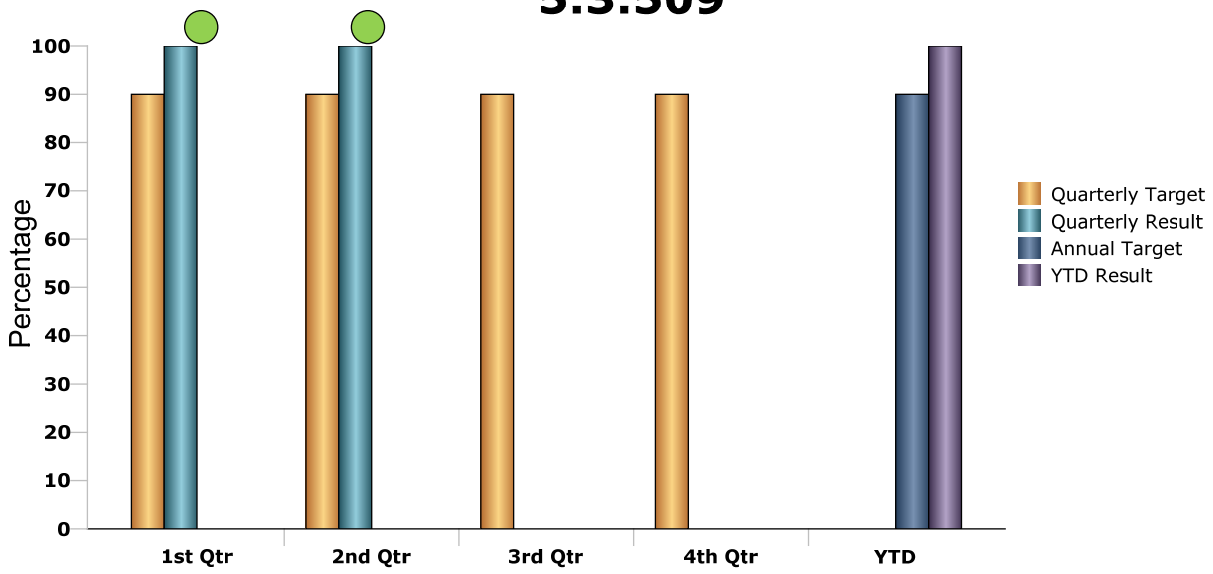


Measure 5.3.507, % PMs Completed – Fleet Shop, aims to be above all set targets in order to have no less than 90% of the scheduled PMs completed per quarter in a single year.



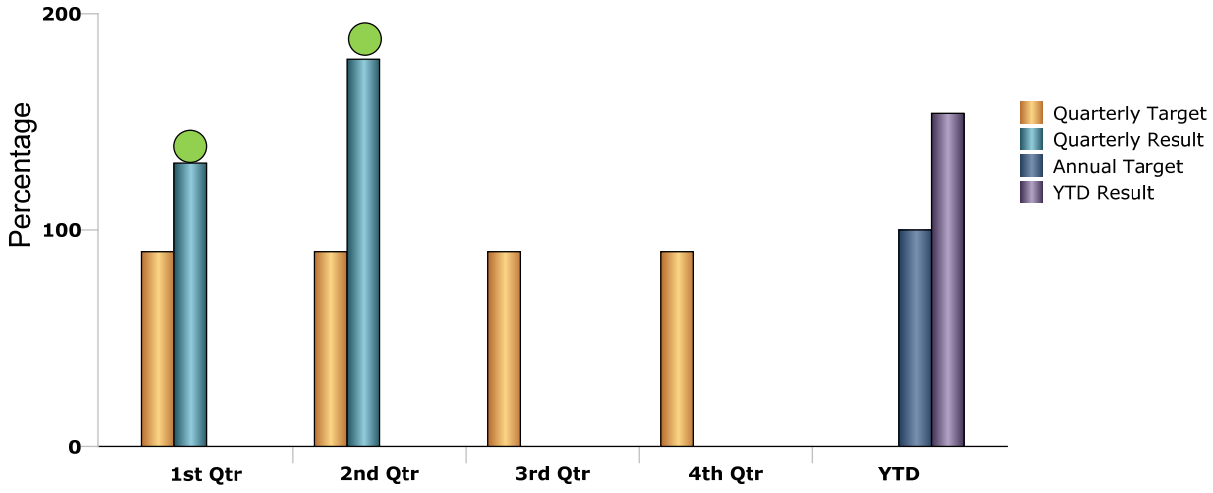
Measure 5.3.508, % PMs Completed - Reclamation Plant, aims to be above all set targets in order to have no less than 90% of the scheduled PMs Completed per quarter in a single year.

% PMs Completed - Pump and Electric 5.3.509



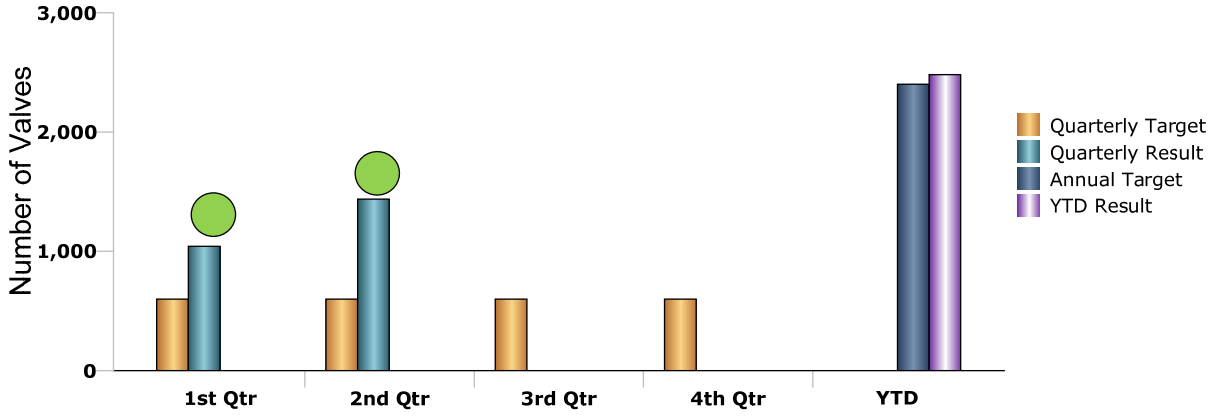
Measure 5.3.509, % PMs Completed – Pump and Electric, aims to be above all set targets in order to have no less than 90% of the scheduled PMs completed per quarter in a single year.

% PMs Completed - Valve Maintenance Program 5.3.510



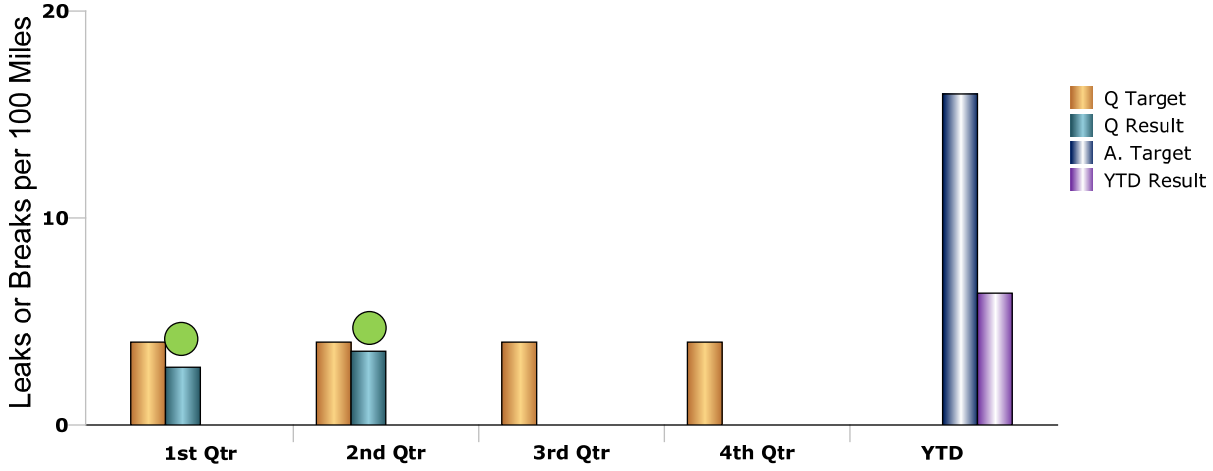
Measure 5.3.510, % PMs completed - Valve Maintenance Program, aims to be above all set targets in order to have no less than 90% of the scheduled PMs completed per quarter in a single year.

Valve Exercising Program



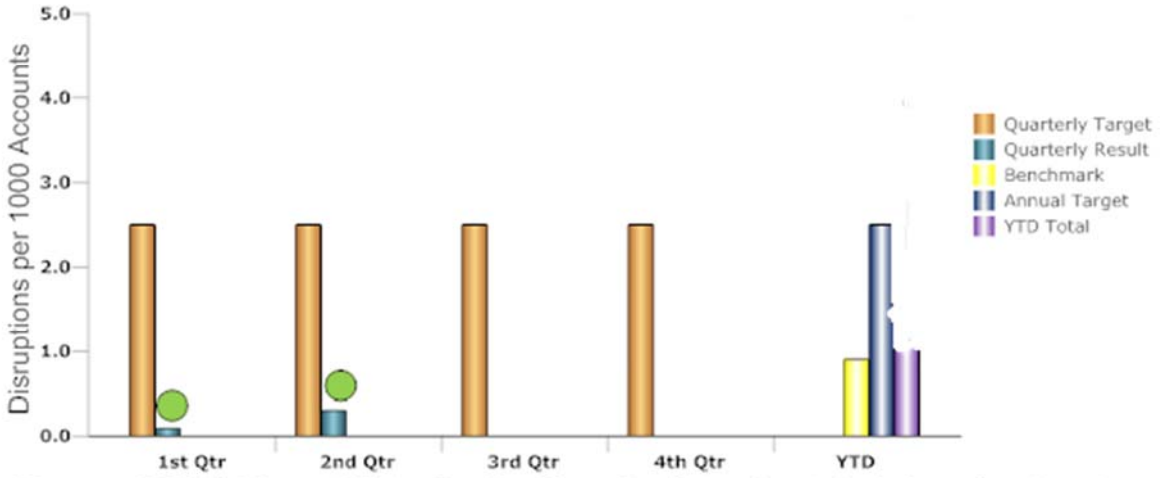
Measure 5.3.511, Valve Exercising Program, aims to be above all set targets in order to have no less than 2,400 valves exercised in a single year.

Water Distribution System (Potable) Integrity (Qualserve)5.3.512



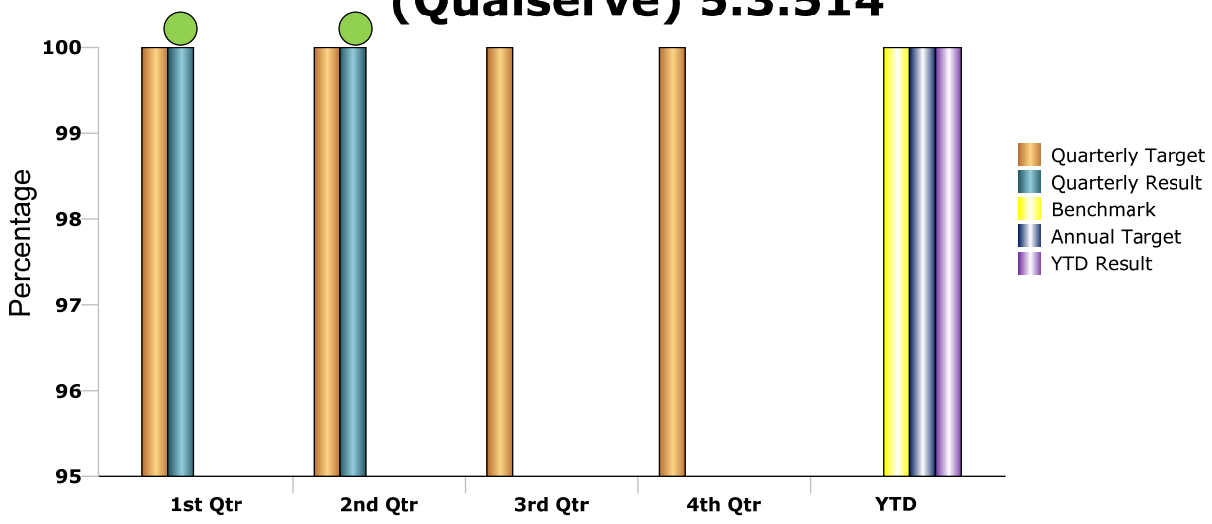
Measure 5.3.512, Water Distribution System Integrity, aims to be below all set targets in order to have no more than 16 leaks and breaks per 100 miles of distribution piping in a single year.

Planned Water Service Disruption Rate (Qualserve) 5.3.513



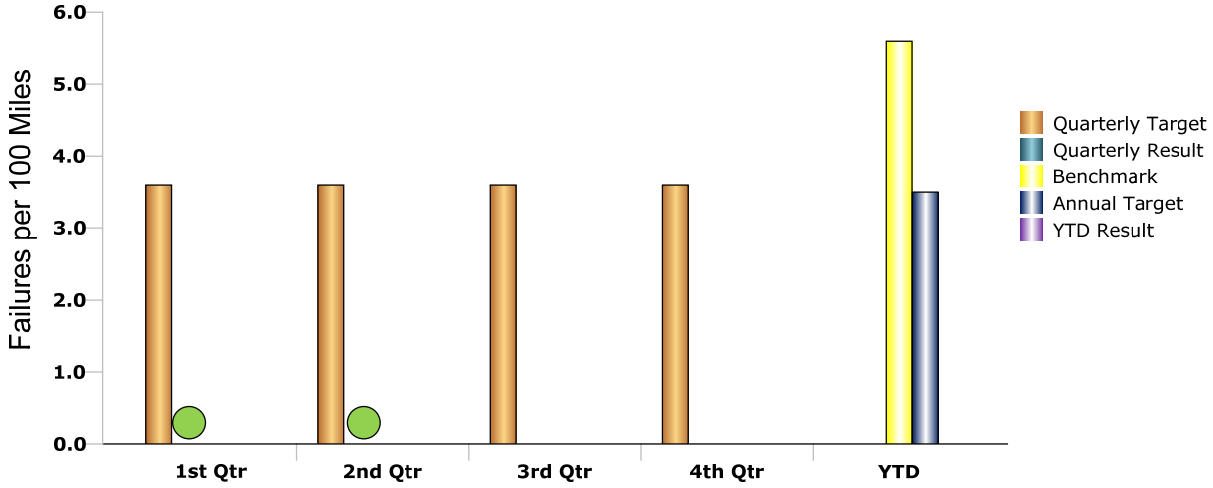
Measure 5.3.513, Planned Water Service Disruption Rate, aims to be below all set targets in order to have no more than 2.5 planned outages per 1,000 accounts per quarter in a single year. Note: This measure is expressed as number of accounts affected per 1,000 accounts.

Potable Water Compliance Rate (Qualserve) 5.3.514



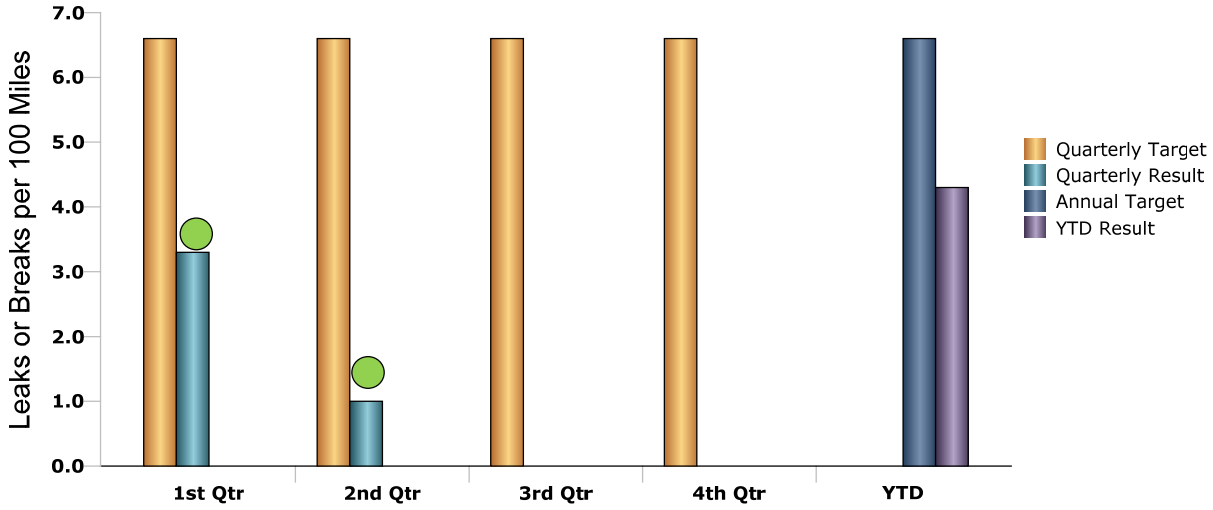
Measure 5.3.514, Drinking Water Compliance Rate, aims to be no less than 100% every quarter in order to ensure the District meets all of the health related drinking water standards everyday for a single year.

Collection System Integrity (Qualserve) 5.3.515



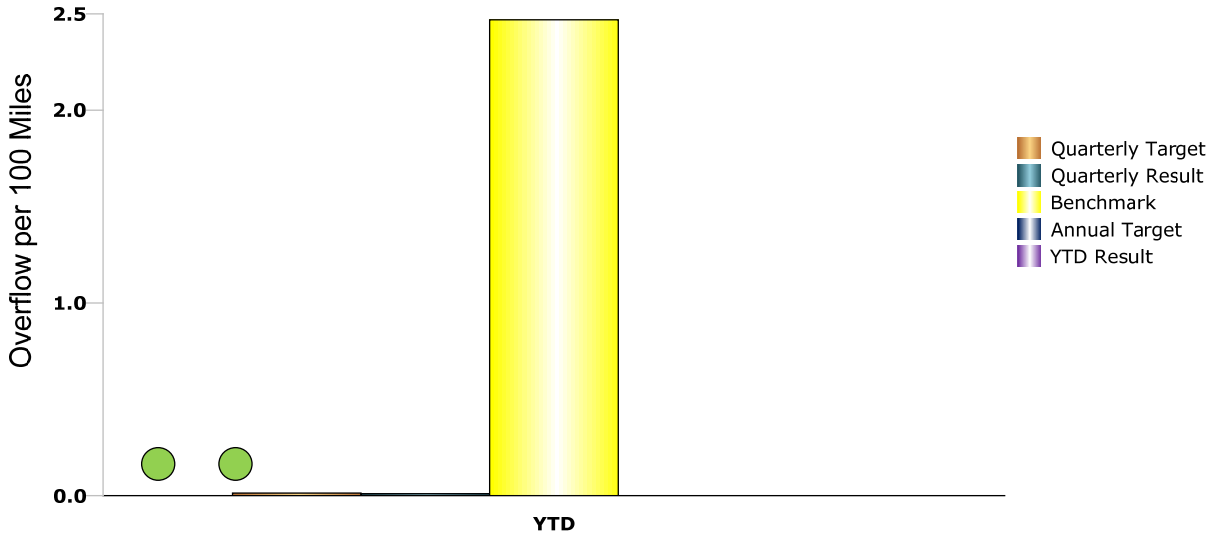
Measure 5.3.515, Collection System Integrity, aims to be below all set targets in order to have no more than 3.5 wastewater collection system failures per 100 miles of collection system pipeline in a single year.

Recycled Water System Integrity 5.3.517



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

Sewer Overflow Rate (Qualserve) 5.3.518



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