

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
March 19, 2012
1:30 P.M.

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

AGENDA

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

DISCUSSION ITEMS

3. DECLARE VEHICLES AND EQUIPMENT SURPLUS TO THE DISTRICT'S NEEDS (DOBRAWA) [5 minutes]
4. ADOPT ORDINANCE NO. 532 REVISING SECTION 72, PENALTIES AND DAMAGES, OF THE DISTRICT'S CODE OF ORDINANCES RELATED TO REQUESTS FROM CUSTOMERS FOR AN ADMINISTRATIVE REVIEW (GRANGER) [10 minutes]
5. FISCAL YEAR 2012 STRATEGIC PLAN AND PERFORMANCE MEASURES MID-YEAR REPORT (STEVENS) [15 minutes]
6. ADJOURNMENT

BOARD MEMBERS ATTENDING:

Jaime Bonilla, Chair
David Gonzalez

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

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

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

Certification of Posting

I certify that on March 16, 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 March 16, 2012.

/s/ Susan Cruz, District Secretary

AGENDA ITEM 3



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 4, 2012
SUBMITTED BY:	Stephen Dobrawa Purchasing Manager	PROJECT:	Various DIV. NO. ALL
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:	DECLARATION OF SURPLUS VEHICLES AND EQUIPMENT		

GENERAL MANAGER'S RECOMMENDATION:

That the Board declare the identified vehicles and equipment as surplus to the District's needs.

COMMITTEE ACTION:

See "Attachment A".

PURPOSE:

To present a list of vehicles and equipment and obtain Board declaration that the items identified on the list are surplus to the District's needs.

ANALYSIS:

Listed below are various vehicles and equipment that have been determined by the user departments to be of no use, obsolete (spare parts and service not available), beyond useful life, and/or not cost-effective to repair or operate and therefore, surplus to the District's needs.

The District's Purchasing Manual identifies the process for disposing of material, equipment, and supplies that have been declared surplus. Typically, items declared surplus are disposed of by sale through public auction.

Before vehicles and equipment (where the individual acquisition cost exceeded \$5,000) can be disposed of, the Board must first declare the items as surplus (ref: Purchasing Manual, Section 12).

Vehicles Identified as Surplus

<u>Item</u>	<u>Qty</u>	<u>Description</u>	<u>Reason for Declaration</u>
1	1	Unit 100, 1997 Ford Aerostar Van, FA# 8100, VIN 1FMDA31X2VZC23120, 60,700 miles	No longer meets District's operational specifications. No longer cost-effective to maintain and operate.
2	1	Unit 102, 1998 Ford Explorer, FA# 8102, VIN 1FMZU34X2WZA99943, 77,500 miles	Same as above.
3	1	Unit 112, 1999 GMC C-8500 7-8 yard dump truck, FA# 8112, VIN 1GDP7H1C1XJ512299, 69,000 miles	Same as above.
4	1	Unit 7, 1993 Ford F800 water truck, VIN 1FDXK84AXPVA09159	Same as above.
5	1	Unit 9, 1993 Ford F800 flat bed truck, VIN 1FDXK84E1PVA23857	Same as above.
6	1	Unit 142, 2003 Ford F250 pickup truck, VIN 3FTNX20L63MB16392, 79,500 miles	Same as above.

Equipment Identified as Surplus

<u>Item</u>	<u>Qty</u>	<u>Description</u>	<u>Reason for Declaration</u>
1	1	1980 Cummins KT1150 300kw Generator Set, SN 31113566	No longer meets operational specifications or requirements; no longer required.
2	1	1980 Caterpillar 3406DI 325 hp engine, SN 90U8967	Not operational; not cost-effective to maintain and operate.
3	1	Compressor, Ingersol Rand FA# 3097	No longer meets operational specifications or requirements; no longer required.

4	1	Truck crane, Autocrane 3023, FA# 3423	No longer meets operational specifications or requirements; no longer required; no longer supported.
5	1	Forklift, Champ, FA# 435	No longer required.
6	1	Sewage Motor and Pump, Variable Drive, 15hp, SN T04T0220256R-3 and SN XSX SR6/246/LS	No longer meets operational specifications or requirements; no longer supported by manufacturer; not cost-effective to operate.
7	1	Ion Chromatograph and Autosampler, model DX-120, SN 99090451, RFID #A0227 and SN 99100043; RFID #A0228	No longer required.
8	3	Sewage Treatment Blower and Motor, Spencer 100hp, SN 254900 and SN IMA486796-G2-UE	No longer operational; no longer required.
9	6	Valve actuator, Rotor Type AQ130U10.1, SN B13149K, SN B13129C3, SN B13149C2, SN B13149B5, SN B13149A1, SN B13148L1	No longer cost-effective to operate and maintain; no longer required.
10	1	Compac Rack Server, FA #03454	No longer supported by manufacturer; not cost-effective to operate and maintain; no longer required.
11	1	Laserjet Printer, Model 8550GN, FA #03837, RFID #A0073	No longer required; not cost-effective to maintain and operate.
12	1 Lot	NEC 2000 PBX, NEC 2000 IVS, - 190 peripheral devices (phones and ports), 2 attendant consoles and miscellaneous attached storage devices	No longer required; no longer supported by manufacturer.
13	1	Sewage Pump Motor, variable drive, 15 hp, Type VEU-TFC-6S, ID #621008 T04T0220256R-1	Broken/inoperable; not cost-effective to repair.
14	2	Pump, Pioneer, Model P6F00F, SN 2503, SN 2509	Broken/inoperable; not supported by manufacturer; not cost-effective to repair.
15	1	Unit 1565, 1987 Case 680 backhoe tractor, SN 17730619	No longer meets District's operational specifications; no longer cost-effective to maintain and operate.

16	1	Electric motor, ARC Castle Electric, SN US66331760	No longer meets District's operational specifications; no longer cost-effective to maintain and operate.
17	1	Electric Motor, SN D-7002574	No longer meets District's operational specifications; no longer cost-effective to maintain and operate.
18	8	Electric motor, US Electric, Model G 42526, SN U01T2640191R-1, SN U01T2640191R-2, SN U01T2640191R-3, SN U01T2640191R-4	No longer meets District's operational specifications; no longer cost-effective to maintain and operate.
19	1	Electric motor, General Electric, Model 6326A, SN Z11Z283R12-3R-2	No longer meets District's operational specifications; no longer cost-effective to maintain.
20	6	Pump, Peerless, SN 258581, SN 258583, SN 565577, SN 258584, SN 258582, SN 237321	No longer required.
21	1	Electric motor, General Electric, Model 6334A, SN B0060920	No longer meets District's operational specifications; no longer cost-effective to maintain and operate.
22	1	Electric motor, General Electric, SN KOL-BF43A-H	No longer meets District's operational specifications; no longer cost-effective to maintain and operate.
23	1 Lot	2" ClaValve parts, 11 pieces	No longer required.
24	1 Lot	4" ClaValve parts, 16 pieces	No longer required.
25	1 Lot	6" ClaValve parts, 12 pieces	No longer required.
26	1 Lot	8" ClaValve parts, 4 pieces	No longer required.
27	1 Lot	10" ClaValve parts, 1 piece	No longer required.
28	1	12" ClaValve Pump Control	No longer required.
29	1	14" ClaValve	No longer required.
30	1	16" ClaValve, check valve	No longer required.
31	2	Electric motor, General Electric, 40 hp	No longer meets District's operational specifications; no longer cost-effective to maintain and operate.

FISCAL IMPACT:

Joe Beachem, Chief Financial Officer

The salvage value and associated gain or loss on items is not determined until their disposal. Therefore, the fiscal impact of the recommended action is not known at this time.

STRATEGIC GOAL:

This action supports the District's goal to ensure financial health through efficient operations.

LEGAL IMPACT:

None.

Attachments: Attachment A - Committee Action



ATTACHMENT A

SUBJECT/PROJECT:	DECLARATION OF SURPLUS VEHICLES AND EQUIPMENT
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COMMITTEE ACTION:

The Finance, Administration and Communications Committee met on March 19, 2012, to review this item. The Committee supports presentation to the full Board for their consideration.

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.



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 4, 2012
		PROJECT:	Various DIV. NO. ALL
SUBMITTED BY:	William Granger Water Conservation Manager		
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 OF THE OTAY WATER DISTRICT'S CODE OF ORDINANCES RELATED TO A CUSTOMER'S REQUEST FOR ADMINISTRATIVE REVIEW		

GENERAL MANAGER'S RECOMMENDATION:

That the Board adopt Ordinance No. 532 approving the revisions to Section 72 of the District's Code of Ordinances, related to a customer's request for an administrative review.

COMMITTEE ACTION:

Please see "Attachment A."

PURPOSE:

To adopt Ordinance No. 532 which revises Section 72 of the District's Code of Ordinances, related to a customer's request for administrative review upon receipt of a "Notice of Administrative Fine."

ANALYSIS:

District staff periodically reviews District policies, procedures and the Code of Ordinances to ensure these documents are consistent with

current practices and updated as to current changes in the applicable laws and regulations.

Currently the District's Code of Ordinances provides for a customer who has received an administrative fine to request review and consideration by the Board of Directors.

The proposed changes, made primarily in Section 72.05 G of the Code, are intended to streamline the procedure in handling requests from customers for review and consideration of administrative fines resulting from violations of the District Code of Ordinances. This change would allow the General Manager or designee to make the final determination of imposing an administrative fine.

In addition to such procedural changes, further revisions were made for clarity and to ensure compliance with Government Code Section 53069.4.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

n/a

STRATEGIC GOAL:

Improve business functionality by constantly improving the efficiency and effectiveness of important business processes.

LEGAL IMPACT:

n/a

Attachments: Attachment A - Committee Action
 Attachment B - Presentation
 Exhibit 1 to Attachment B - Revised Section 72



ATTACHMENT A

SUBJECT/PROJECT:	ADOPTION OF ORDINANCE NO. 532, REVISING SECTION 72 OF THE OTAY WATER DISTRICT'S CODE OF ORDINANCES RELATED TO A CUSTOMER'S REQUEST FOR ADMINISTRATIVE REVIEW
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COMMITTEE ACTION:

The Finance, Administration and Communications and the Engineering, Operations and Water Resources Committees met on March 19 and March 21, 2012, respectively to review this item. The Committee supports presentation to the full Board for their consideration.

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 SECTION 72, PENALTIES AND DAMAGES,
OF THE DISTRICT'S CODE OF ORDINANCES

BE IT ORDAINED by the Board of Directors of Otay Water District that the District's Code of Ordinances, Section 72, Penalties and Damages, be amended as per Exhibit 1 to this Ordinance.

NOW, THEREFORE, BE IT RESOLVED that the new proposed Section 72 of the Code of Ordinances shall become effective upon adoption by the District's Board of Directors.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting duly held this 4th day of April, 2012, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

President

ATTEST:

District Secretary

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) 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, including but 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 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.

F. 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, 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 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 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. 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 as follows:

1. Notice Prior to Termination, Suspension or Reduction of Service. Except as provided in Paragraph F, 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.

H. 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.

I. Owner Responsibility for Account. Owners may be required to deliver to the District a form of acknowledgement or authorization for service to a tenant. In addition, if a tenant engages in any violation or if the District has reduced, suspended or terminated any service to a tenant three (3) times within any twenty-four (24) month period or the tenant ~~has~~ fails 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.

J. 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. 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 72.05, or pursuing other available civil or criminal remedies.

72.02 CERTAIN SPECIFIC OPERATIONAL VIOLATIONS

A. Unauthorized Connections. The District shall bear no cost or liability for any unauthorized connection. In addition to other remedies, the District may demand that the unauthorized connection be immediately disconnected. In the alternative, or if the customer refuses to take immediate action, the District may immediately disconnect, remove, 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 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 may:

1. Without prior notice, repair or replace any District controlled facilities, at the cost of the person identified as the responsible party, if any.

2. 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, 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 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. 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 fines 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.

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.

G. Violation Concerning Sewer Service. In addition to any other remedy, fine or penalty, 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.

72.03 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.

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 forth 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 Section 72.05, below.

72.04 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 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. No notice. 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 72.05.

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 on the notice.

72.05 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. 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.

C. Assessment of 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. 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 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 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 illegal connections or water theft. 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. 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.

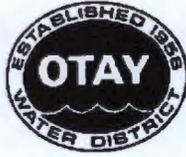
F. Notice of Administrative Fine; Content. Notice of an administrative fine pursuant to this section will contain the following information: (i) a brief description of the violation(s); (ii) the date and location of the violation(s); (iii) a brief description of corrective action(s) required, as appropriate; (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 an ~~evaluation/consideration~~ Administrative Review, pursuant to subsection (G), below.

G. Option for Administrative Review to Request Board Consideration. Persons receiving a Notice of Administrative Fine may request ~~Board consideration~~ administrative review by the General Manager of the District or his/her designee. The request for ~~Board consideration~~ administrative review 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, whether or not a meeting is requested, and any supporting documentation said person(s) wish to provide to the ~~Board~~ General Manager or his/her designee for review and consideration. Where a meeting is requested, tThe District will provide notice of the date, time and place for ~~Board-consideration~~ by the General Manager or his/her designee by electronic means, facsimile or first class mail sent to the return addressee indicated on the written request. The General Manager or his/her designee may request a meeting if he /she deems a meeting is required.

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-consideration~~ by the General Manager or his/her designee, the petitioner may present witnesses, documents or other evidence to show good cause why the fine should not be imposed. In accordance with the provisions of Government Code Section 53069.4, the ~~Board's~~ General Manager's, or his/her designee'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.

AGENDA ITEM 5



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 4, 2012
		PROJECT:	Various DIV. NO. ALL
SUBMITTED BY:	Geoffrey Stevens, Chief Information Technology and Strategic Planning		
APPROVED BY:	<input checked="" type="checkbox"/> German Alvarez, Assistant General Manager, Administration and Finance		
SUBJECT:	FY 2012 Strategic Plan and Performance Measures Mid-Year Report		

GENERAL MANAGER'S RECOMMENDATION:

No recommendation. This is an informational item only.

COMMITTEE ACTION:

See Attachment A.

PURPOSE:

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

ANALYSIS:

The District has completed the first half of the Strategic Plan for FY 2012. Overall, Results for **strategic objectives** were just under target (at least 90% complete or on track), but are expected to recover by next quarter. Results for **performance measures** continue to be positive with the District exceeding its target (at least 75% on

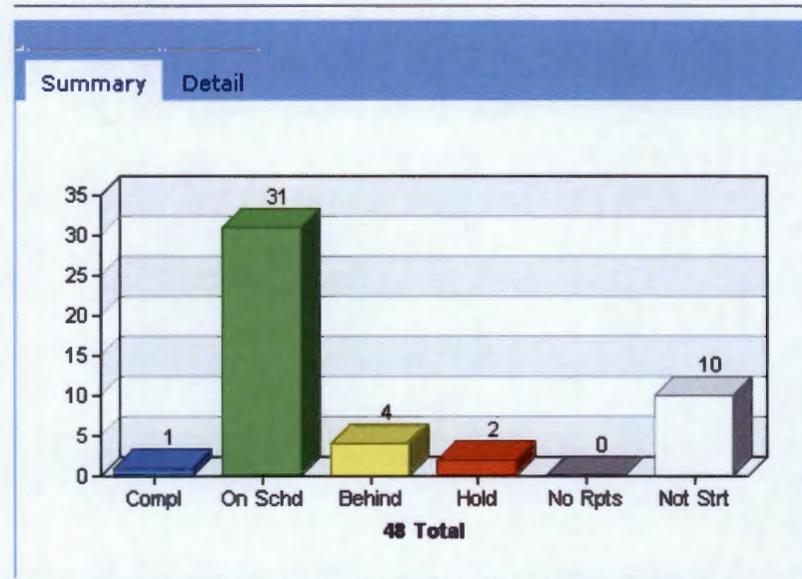
target). Detailed information on each objective and measure is also available electronically on the Board Extranet. Looking at these results in more detail:

Strategic Plan Objectives - 88% (2 points below goal)

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 just under target with 32 of 36 (88%) complete, ahead or on schedule. Two items are on hold and are thus excluded from the calculation. Four items are behind schedule, all of which plan to be back on target by next quarter.

FY 12 Objectives

Objectives: All Scorecard Areas



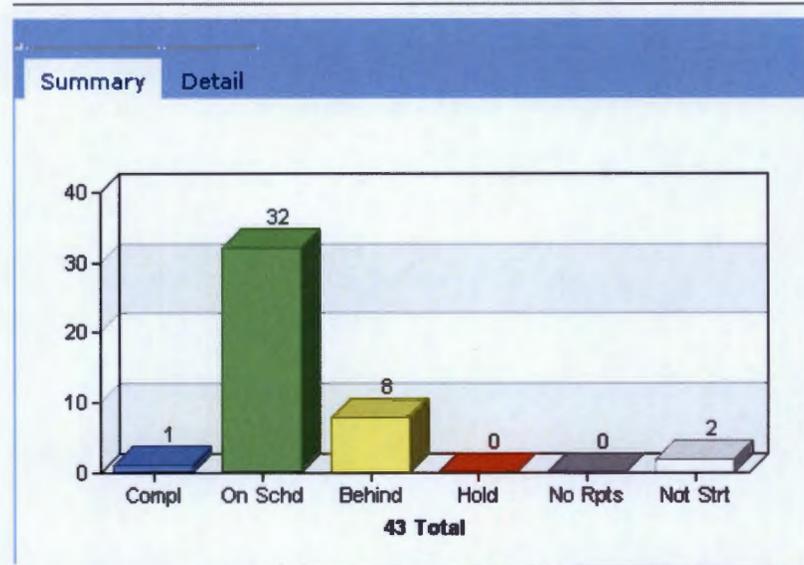
32/36 Objectives on or ahead of schedule (88%).
Target is 90%.

Performance Measures - 80%

Performance measures are designed to track the day-to-day performance of the District. Sometimes referred to as a "dash board", these items attempt to 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 positive with 33 of 41 (80%) items achieving the desired level or better.

FY 12 Performance Measures

Measures: All Scorecard Areas



33/41 Measures on or ahead of schedule (80%).
Target is 75%.

Balanced Scorecard - External View

The Balanced Scorecard is an industry best-practice methodology designed to ensure that a company is performing consistently on a wide range of measures necessary to ensure both short-term and long-term improvements. For a more detailed explanation, quarterly reports for these items are available on the Board Extranet. The District's Senior Team meets quarterly and evaluates each item that is not on track.

Balanced Scorecard Perspective

FY 2012 • Qtr 2 • All Departments

Customer	
■ Objectives	■ Measures

Financial	
■ Objectives	■ Measures

Learning and Growth	
■ Objectives	■ Measures

Business Processes	
■ Objectives	■ Measures

Green = meets or exceeds/ Red = does not meet

Departmental Perspective - Internal View of Performance

The departmental perspective breaks down performance objectives and measures by the responsible internal departments. The Senior Team also examines these results quarterly and makes seeks to understand why an item is not on target. While all items are examined, more attention is paid to items that are not "on track". In some cases, however, because the number of total items by department is quite small, the department in the graph below may be identified as "does not meet target" when only one item is not on target.

FY 2012 • Qtr 2 • All Scorecard Areas

Departments	Objectives	Measures
1-Administrative Services	Green	Red
2-Engineering	Green	Green
3-Finance	Red	Green
4-Information Technology	Green	Green
5-Operations	Red	Green

Green = meets or exceeds/ Red = does not meet target

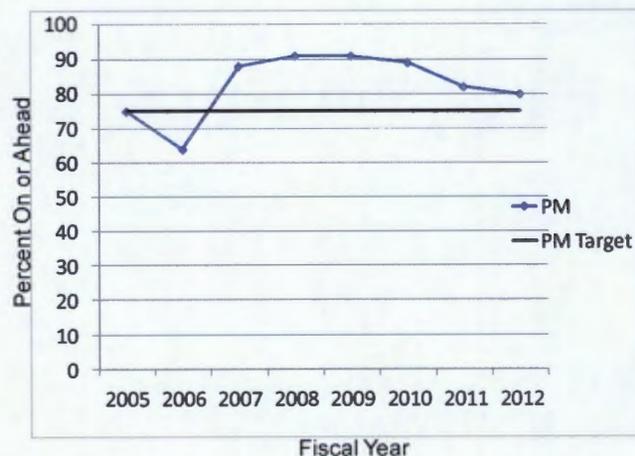
Trends

Looking at the last six years, the District has been mostly at or above target for both strategic objectives and performance measures.

PERFORMANCE MEASURES

Year-to-Year Performance Chart

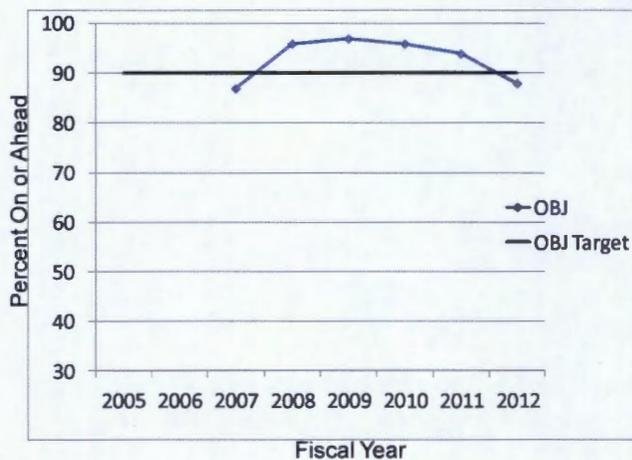
FY2005 - FY2012



OBJECTIVES

Year-to-Year Performance Chart

FY2005 – FY2012



FISCAL IMPACT:

Informational item only, no fiscal impact.

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

*A demonstration of the strat plan application will be presented to the Board.



ATTACHMENT A

SUBJECT/PROJECT:	FY 2012 Strategic Plan and Performance Measures Mid-Year Report
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COMMITTEE ACTION:

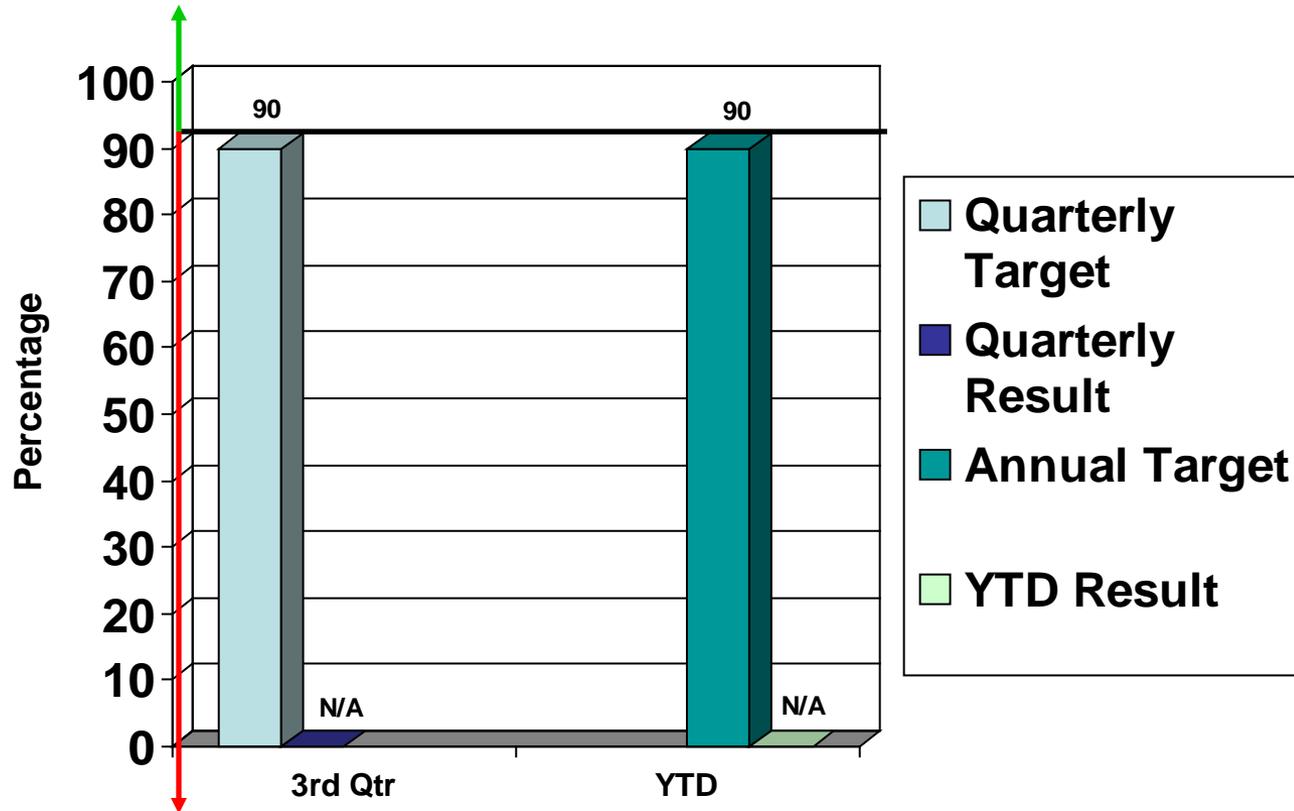
The Administration and Finance Committee and the Engineering and Operations Committee met in March and reviewed this item. Based upon this discussion the Committees recommend that the Board receive that attached information.

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.

Customer Satisfaction

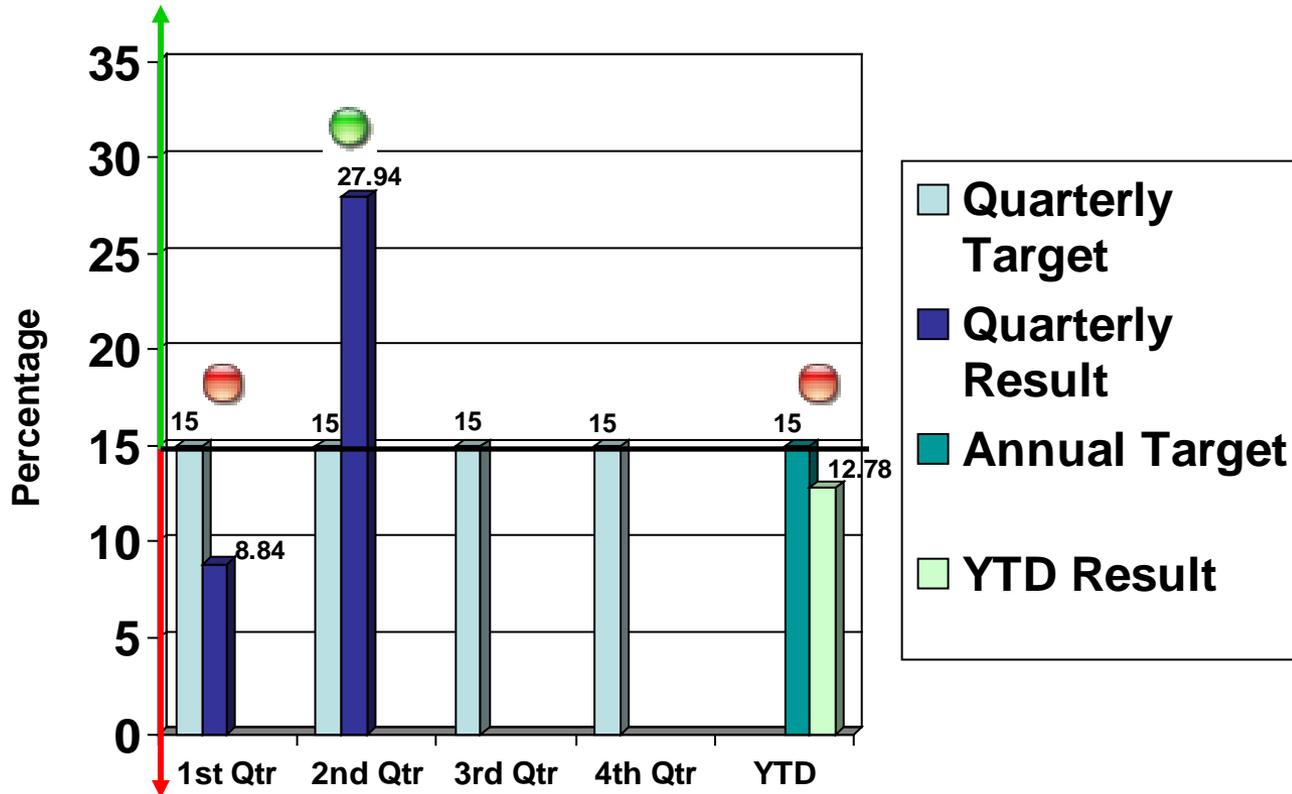
Measured Once per Fiscal Year

1.1.100

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

Blanket Order Activity

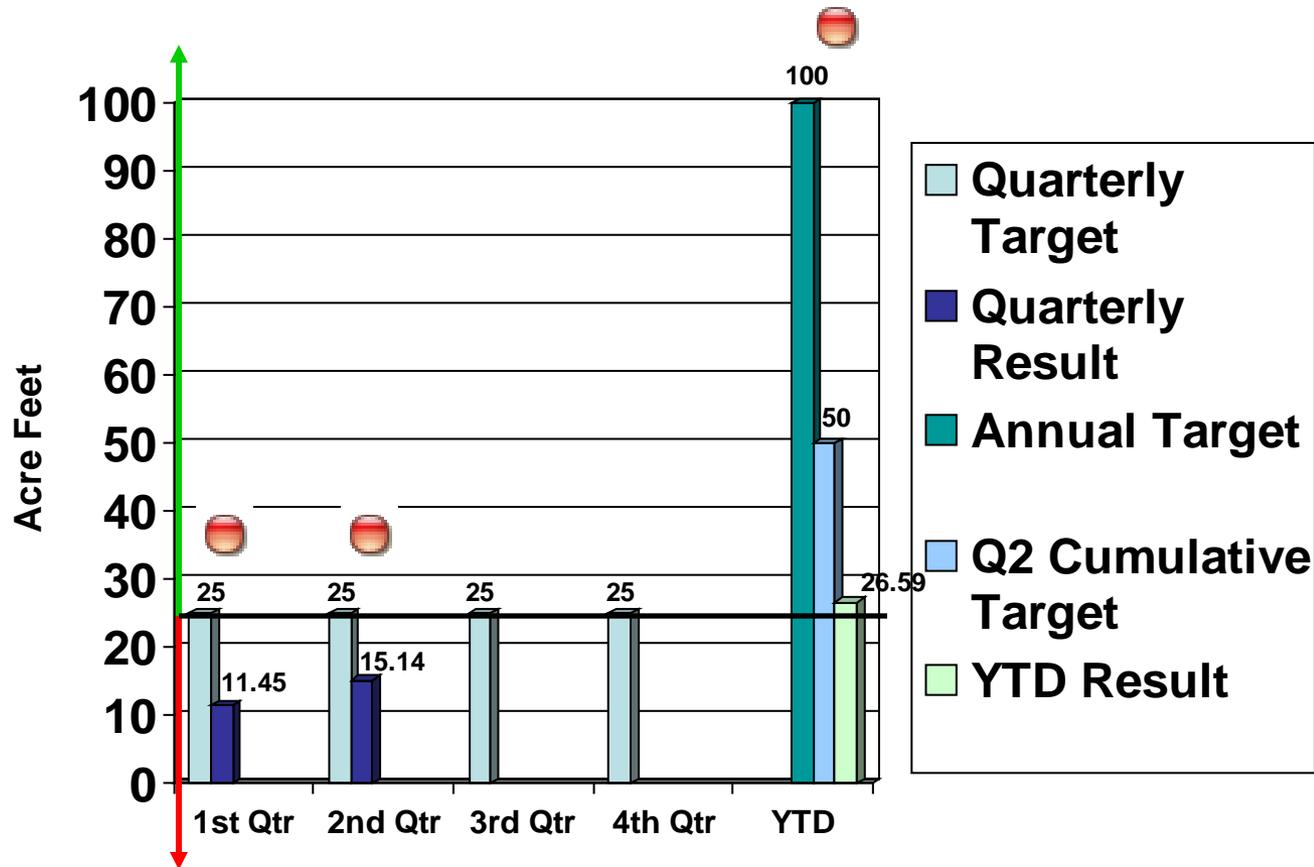
1.2.101



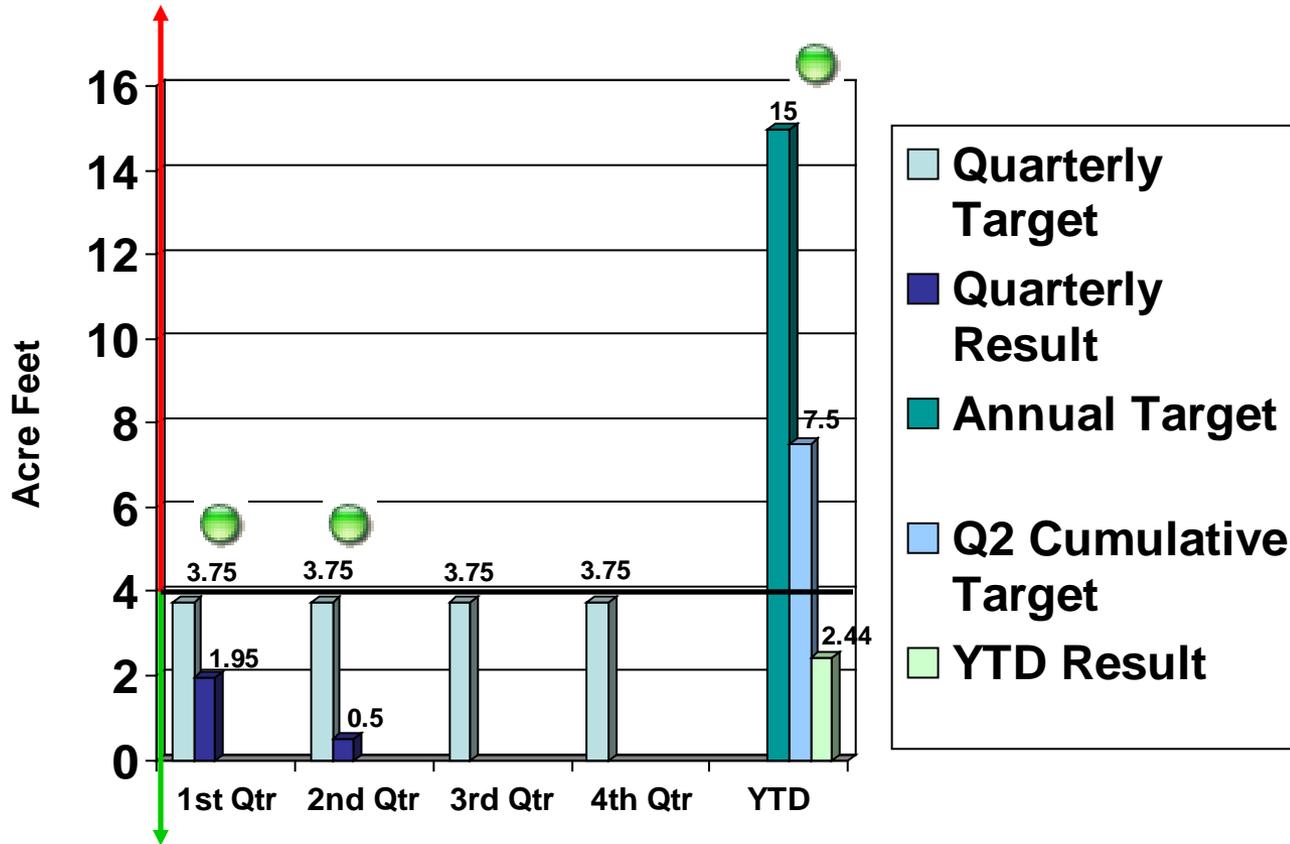
Measure 1.2.101, Blanket Order Activity, aims to be above all set targets in order to have no less than 15% of material purchases acquired via blanket POs per quarter in a single year.

Total Customer Water Saved

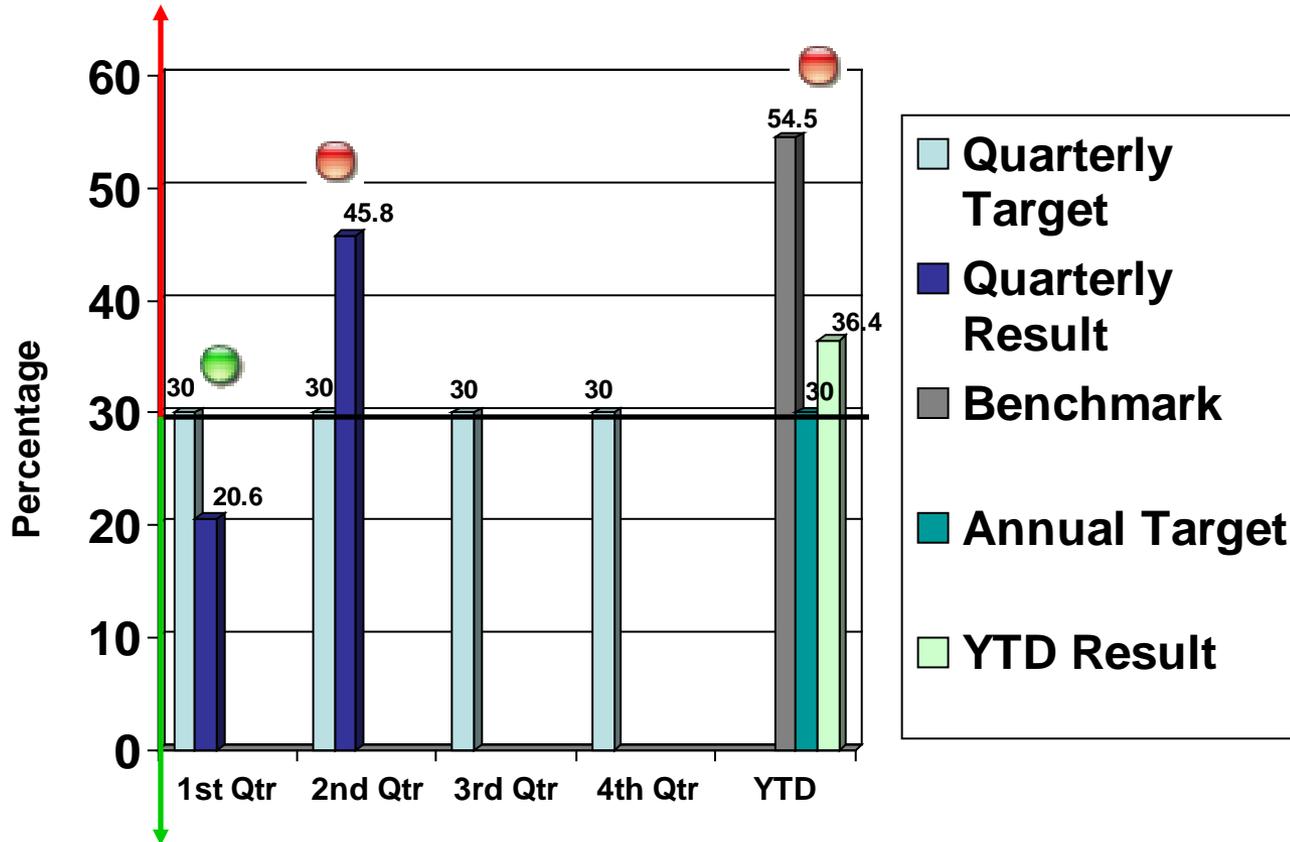
1.3.102



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



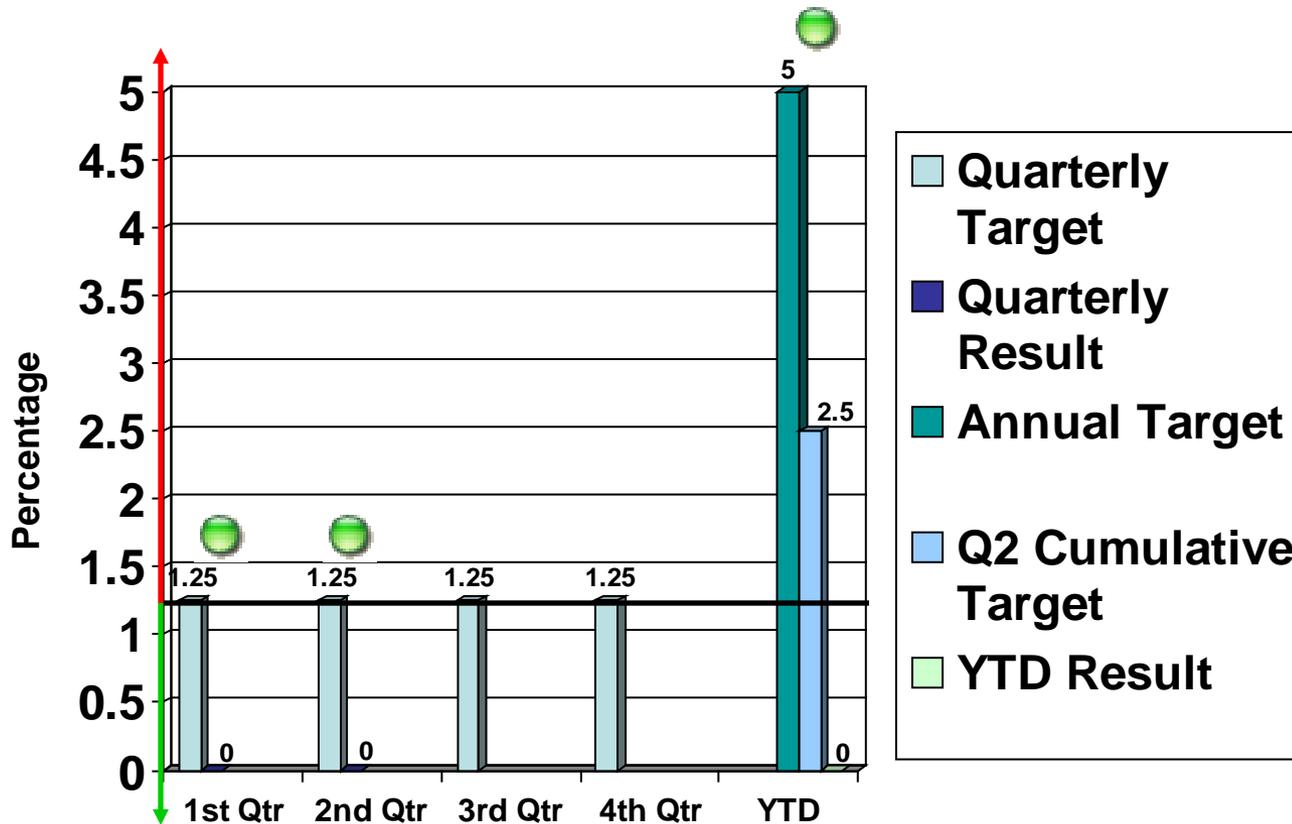
Measure 1.3.103, Otay Water Use, aims to be below all set targets in order to consume less than 15 acre feet of potable water in a single year.



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

Employee Turnover Rate

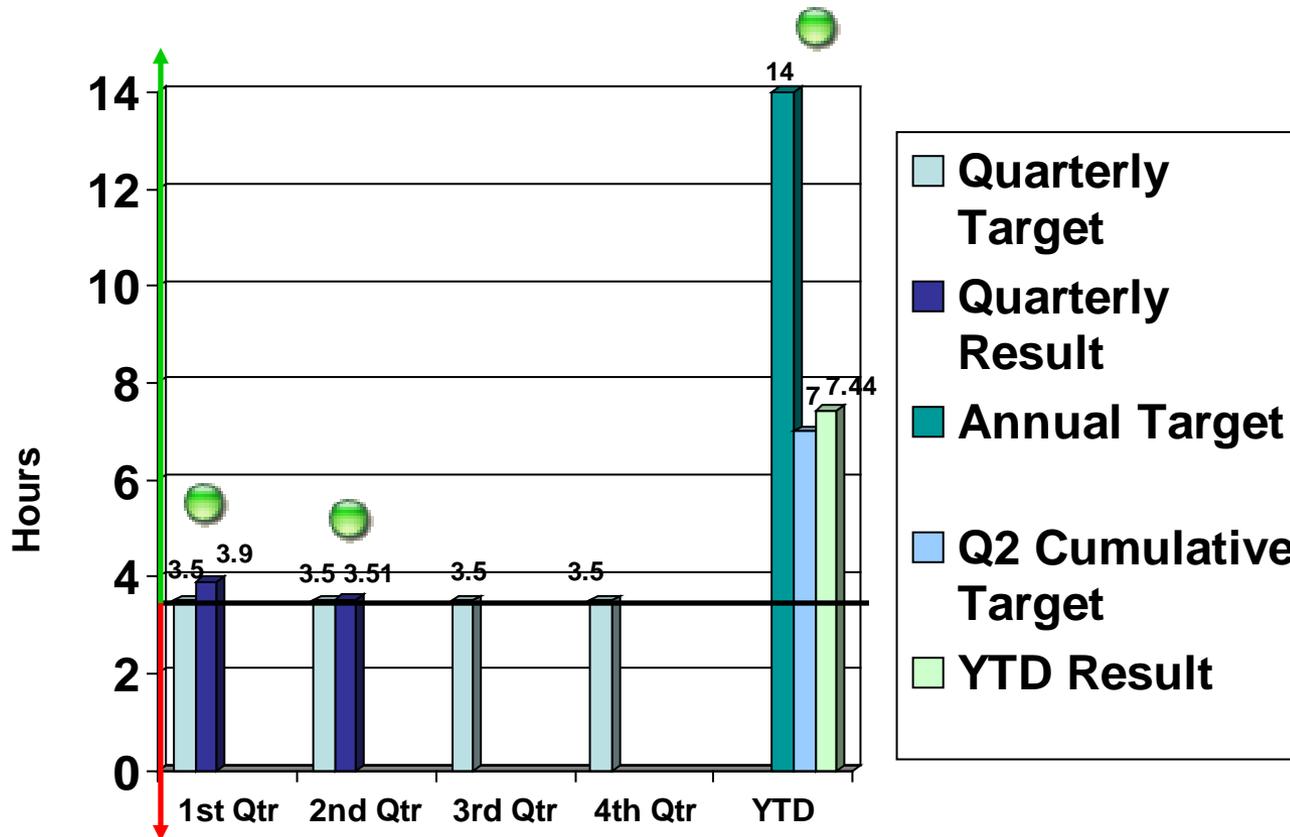
1.4.105



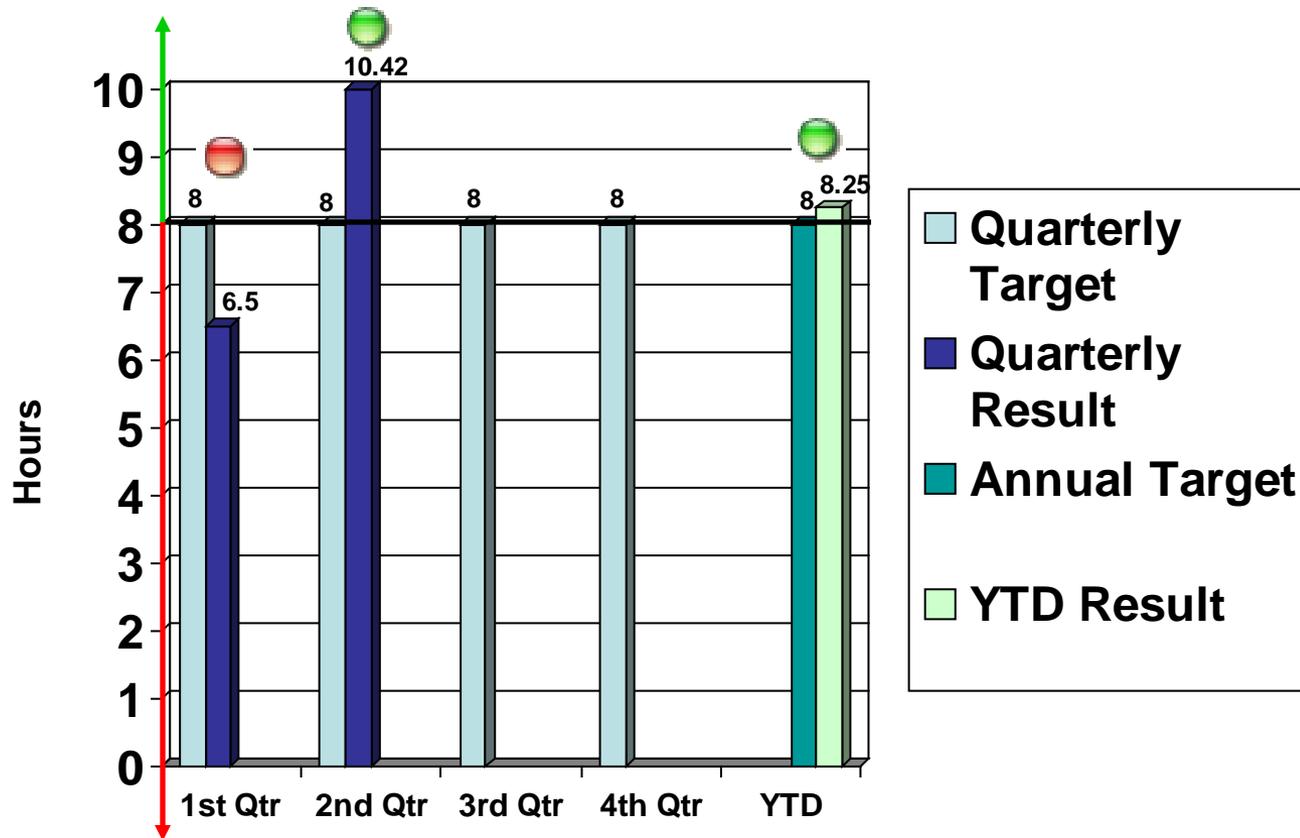
Measure 1.4.105, Turnover Rate, aims to be below all set targets in order to have less than 5% turnover in a single year.

Training Hours per Employee

1.4.106



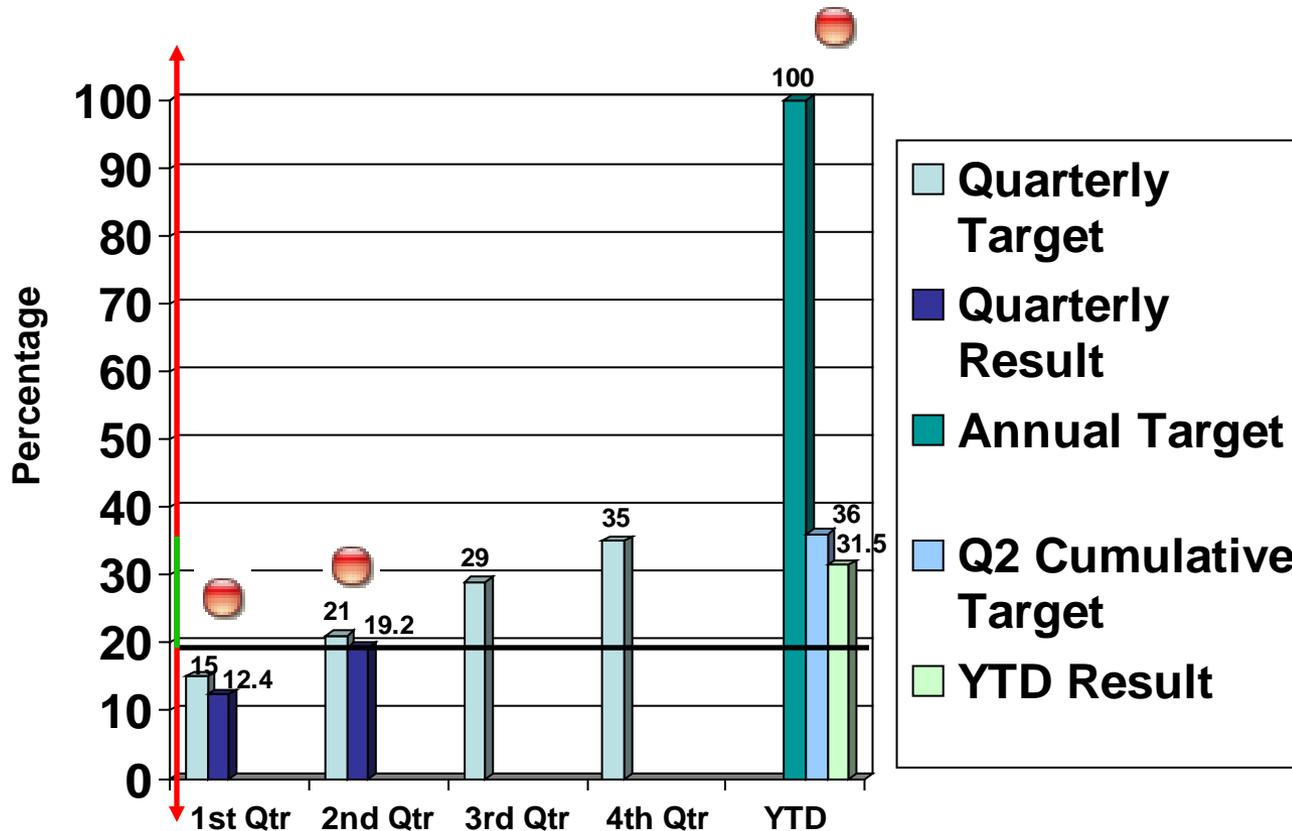
Measure 1.4.106, Training Hours per Employee, aims to be above all set targets in order to have more than 14 hours of training per employee in a single year.



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

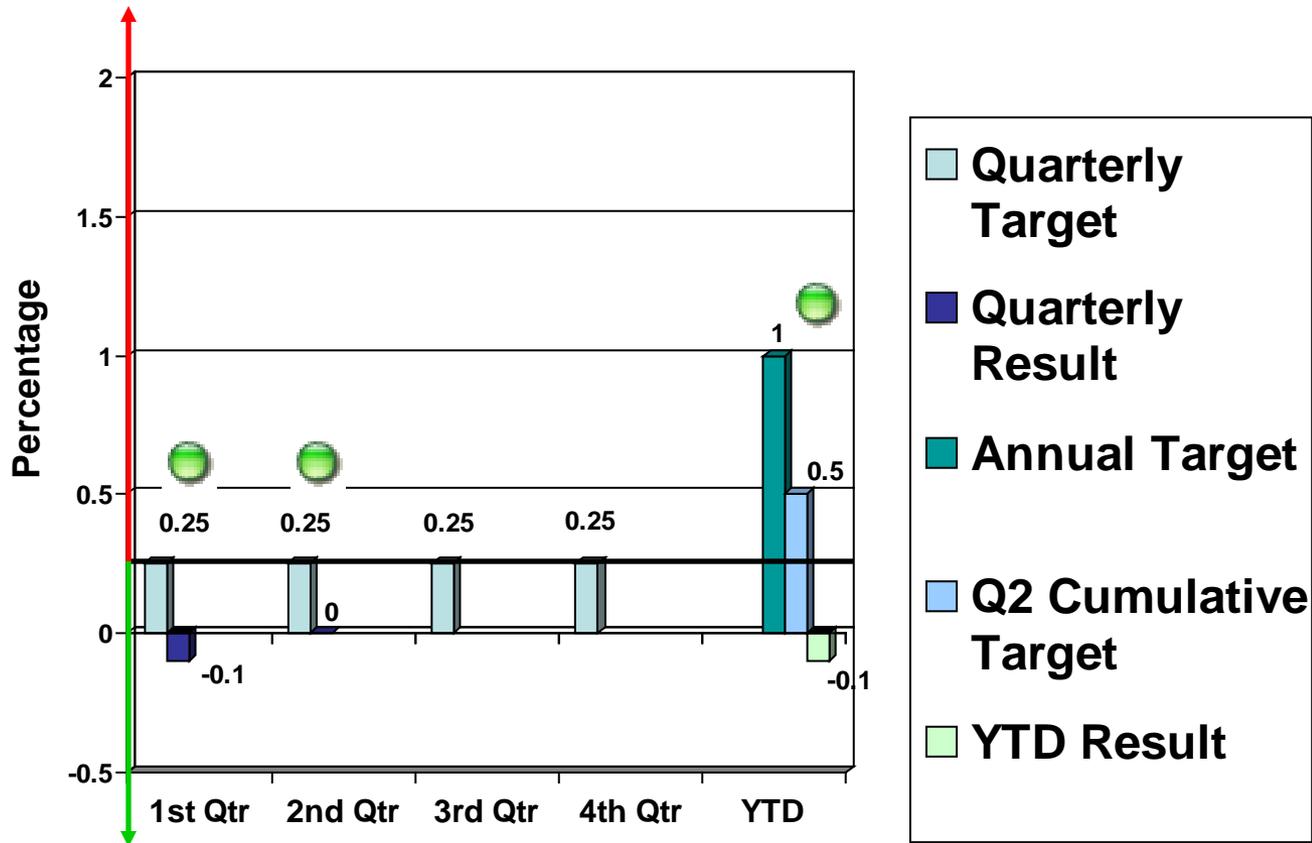
CIP Project Expenditure vs. Budget

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.

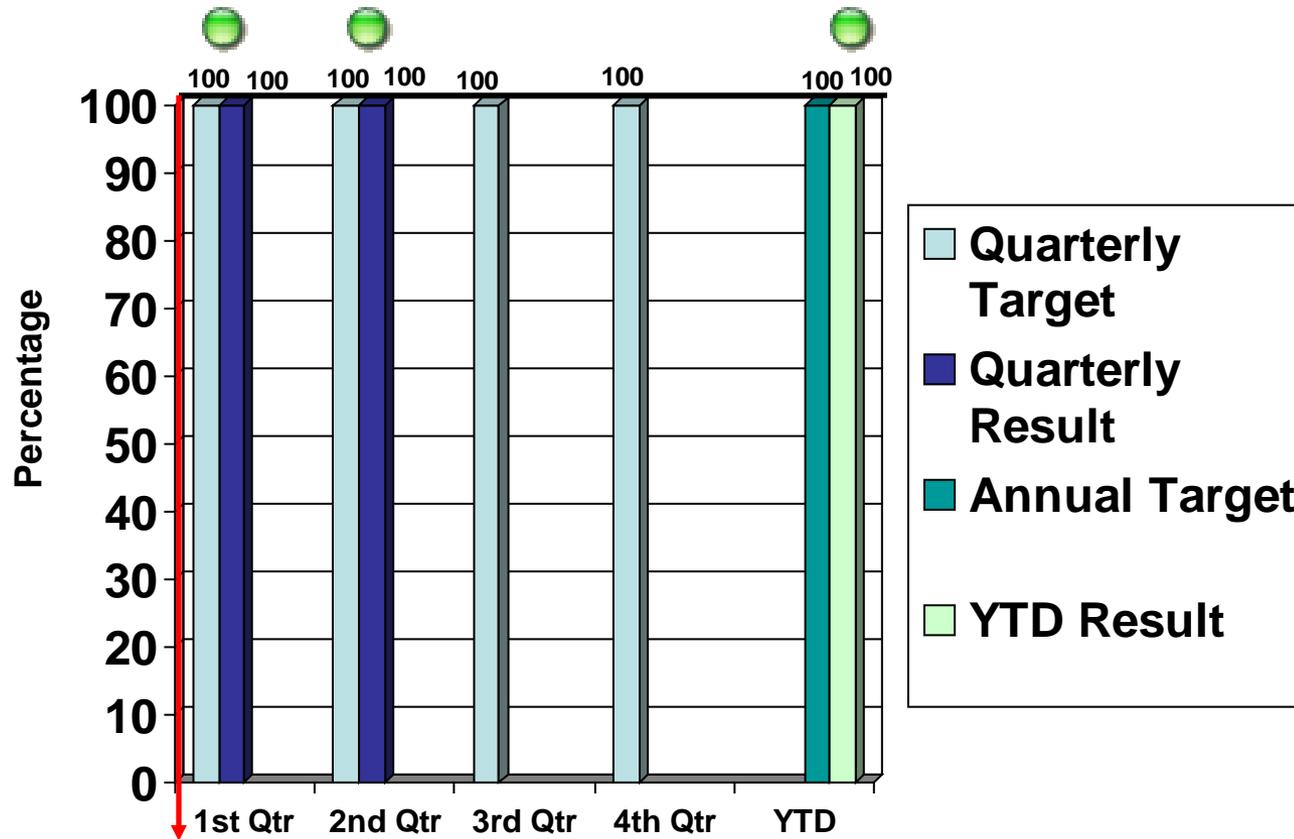
Construction Change Order Incidence (without allowances) 2.2.201



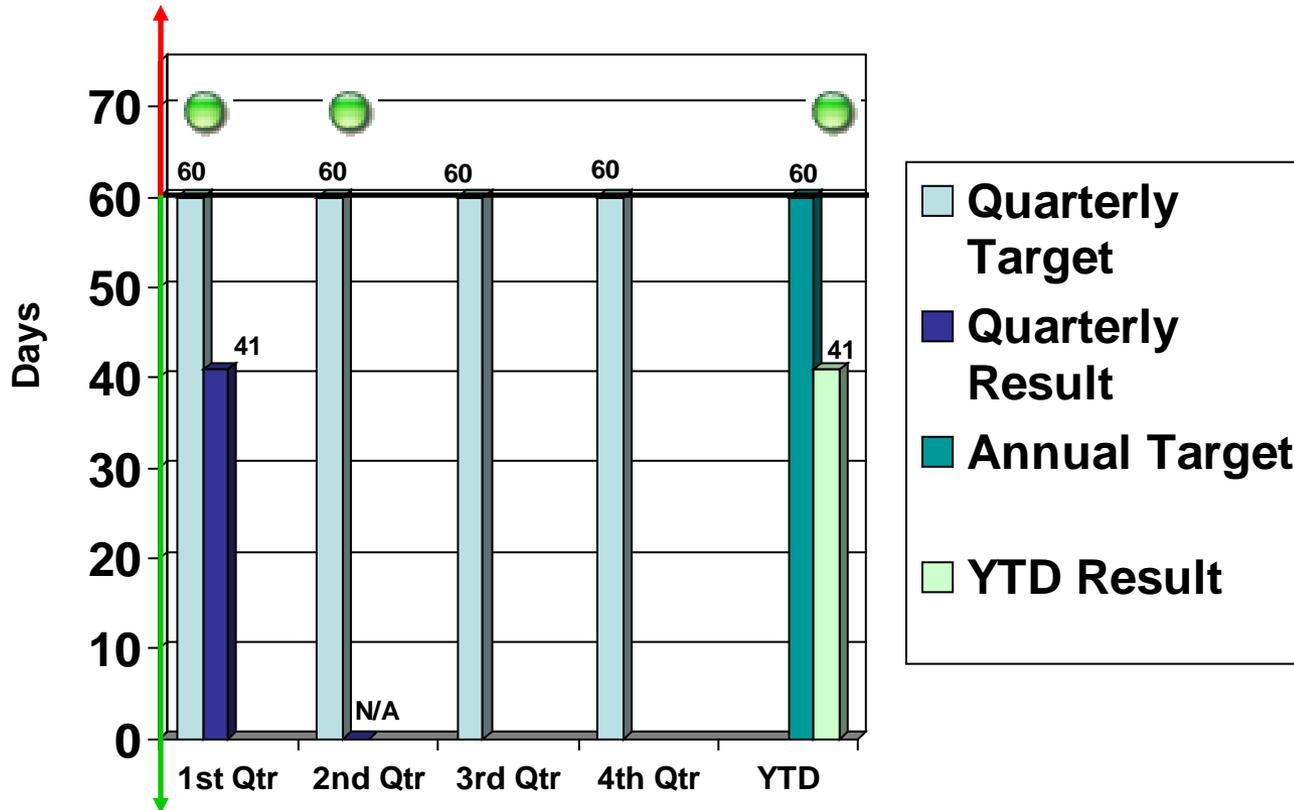
Measure 2.2.201, Construction Change Order Incidence, aims to be below all set targets in order to have no more than 1% rate of change orders in a single year.

Mark Out Accuracy

2.3.202

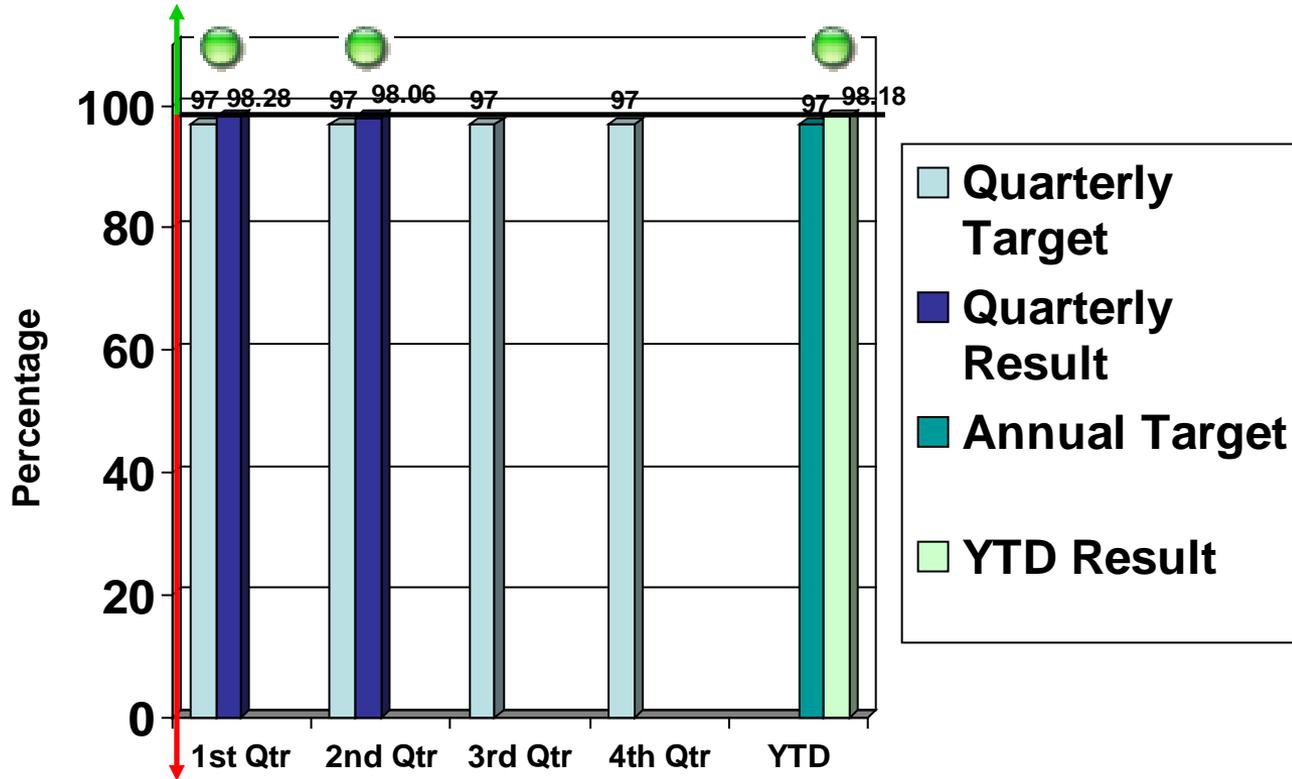


Measure 2.3.202, Mark Out Accuracy, aims to have no less than 100% mark out accuracy every quarter in a single year.



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 60 days per quarter in a single year.

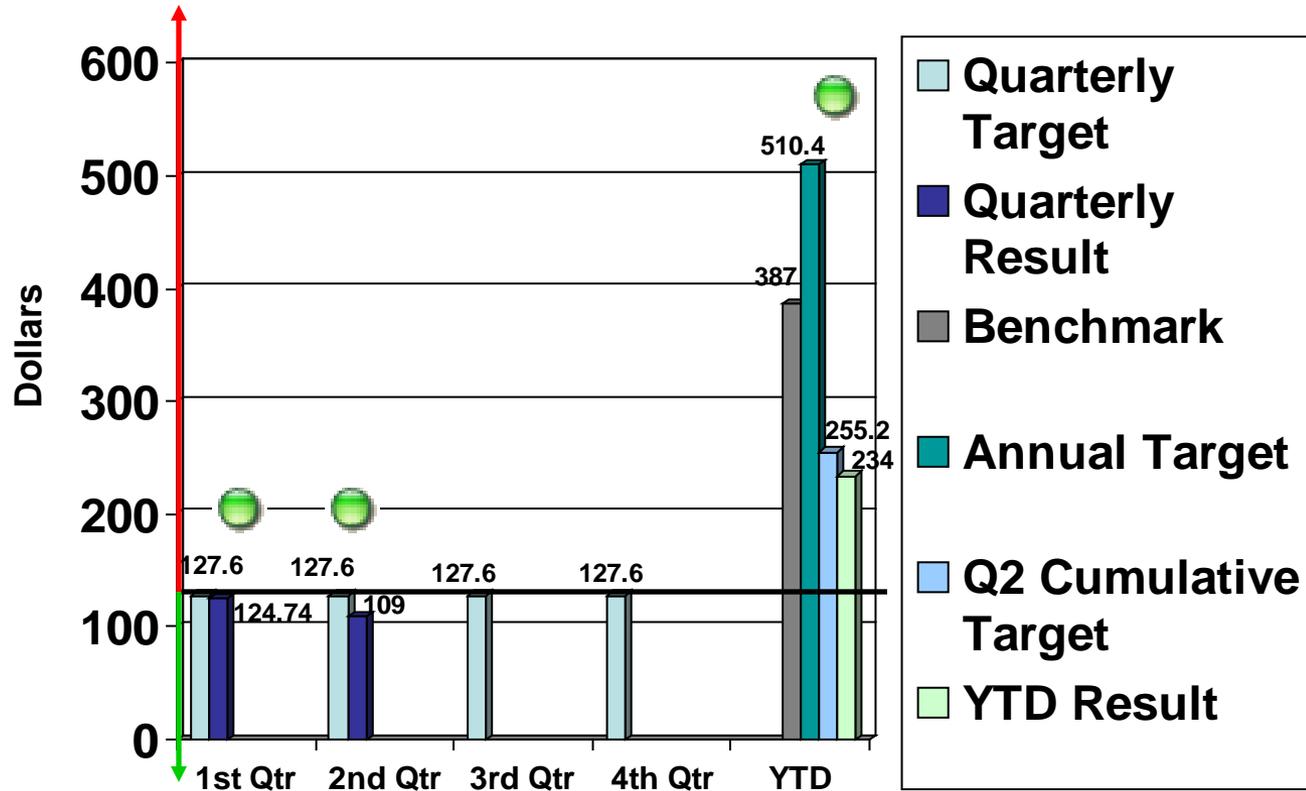
Note: No projects closed out in the 1st, 3rd & 4th quarters.



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

O & M Cost per Account (QualServe)

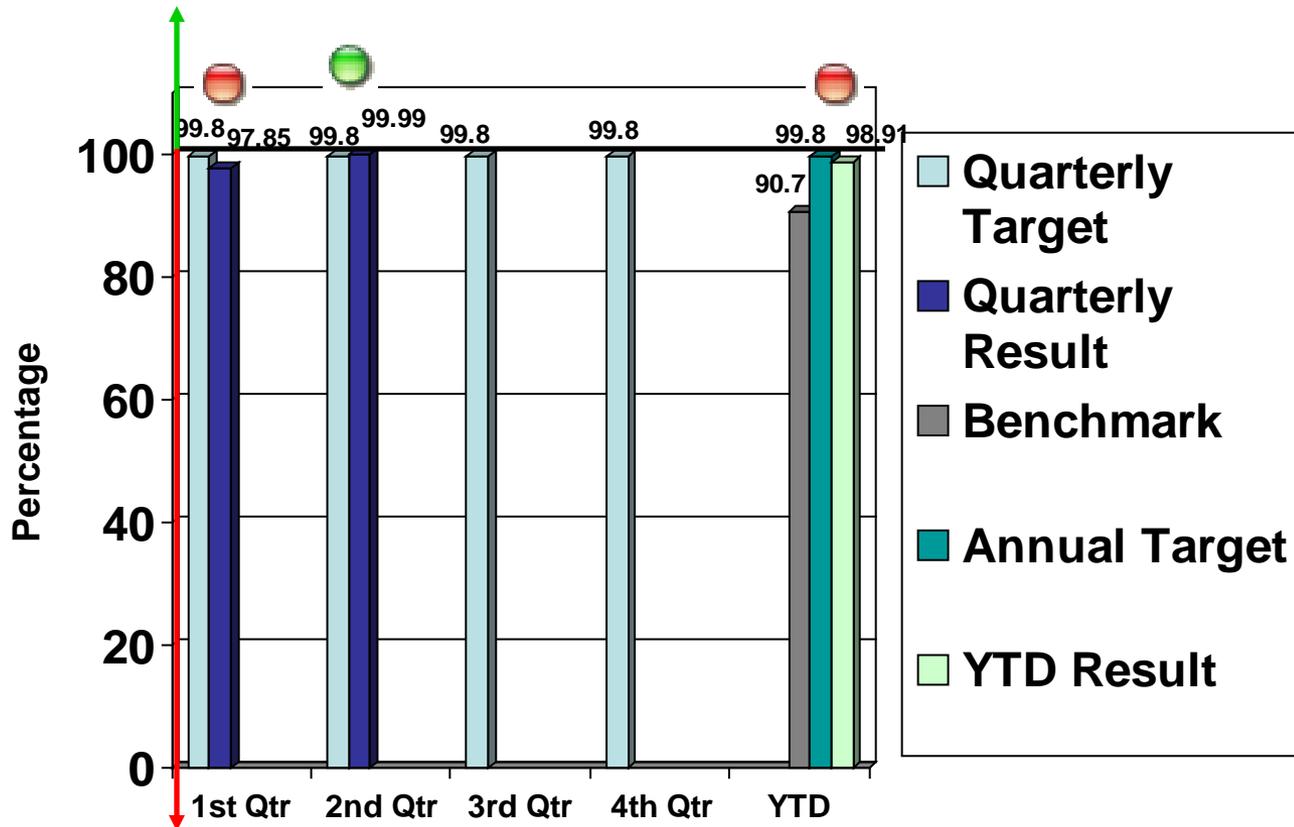
3.2.301



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.

Billing Accuracy (QualServe)

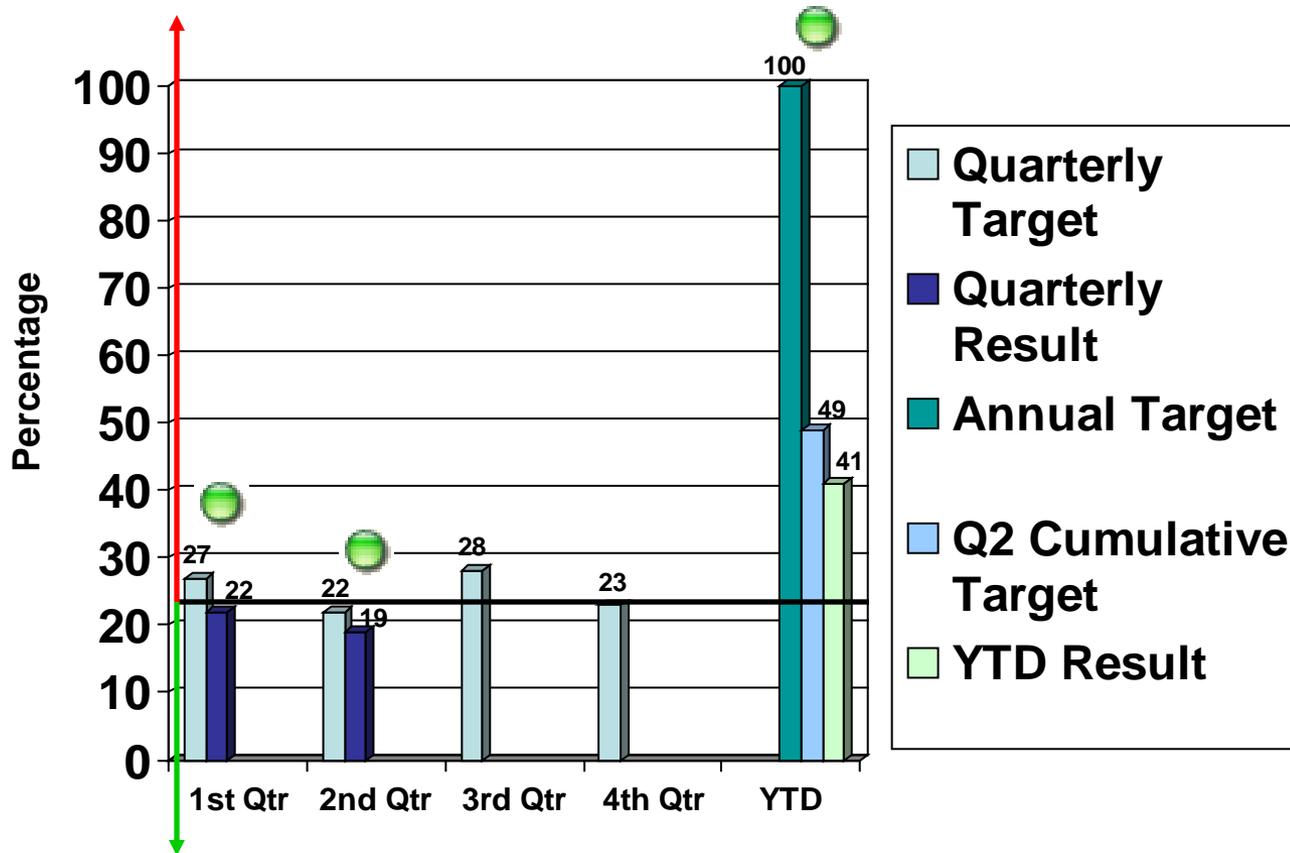
3.2.302



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.

Overtime Percentage

3.2.303

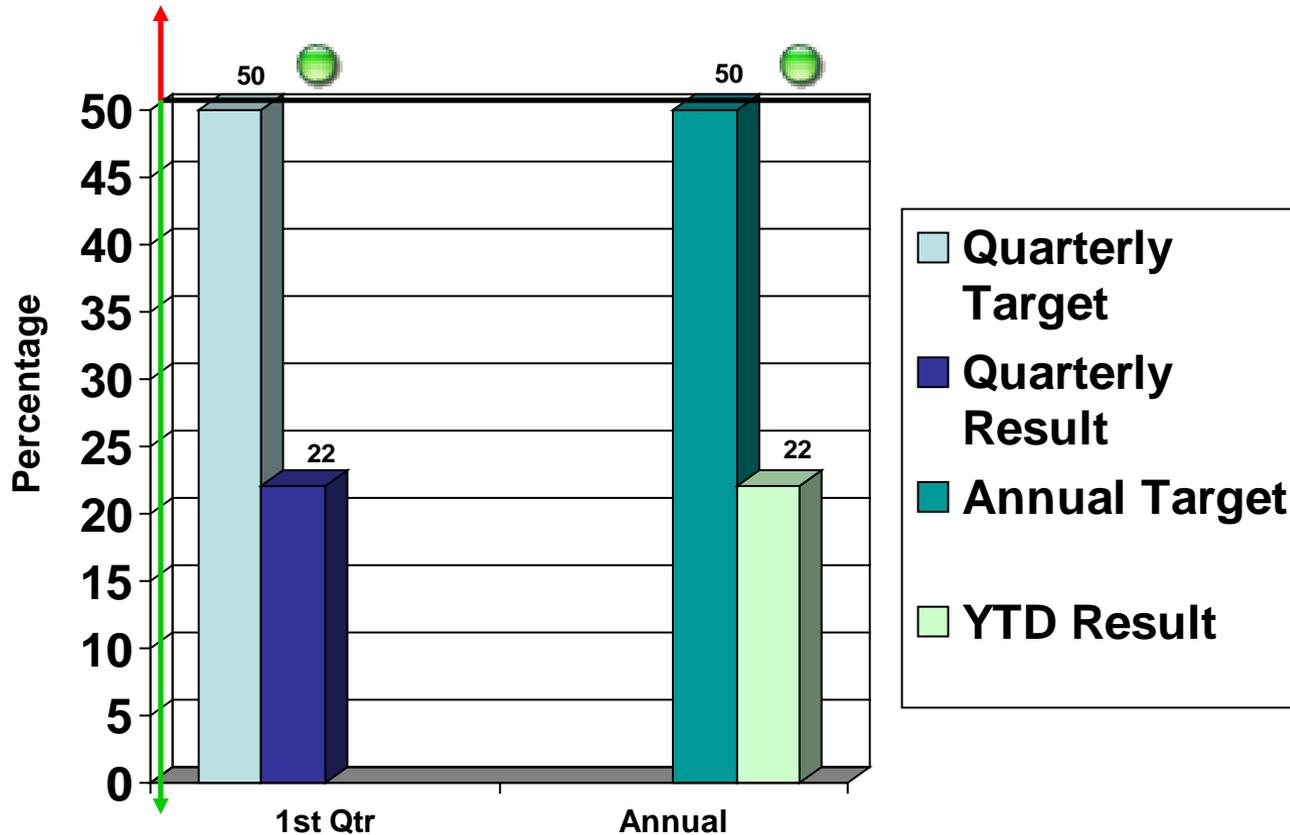


Measure 3.2.303, Overtime Percentage, aims to be below all set targets in order to keep expenditures below the budgeted amount for a single year.

Sewer Rate Ranking

Measured Once per Fiscal Year

3.2.304

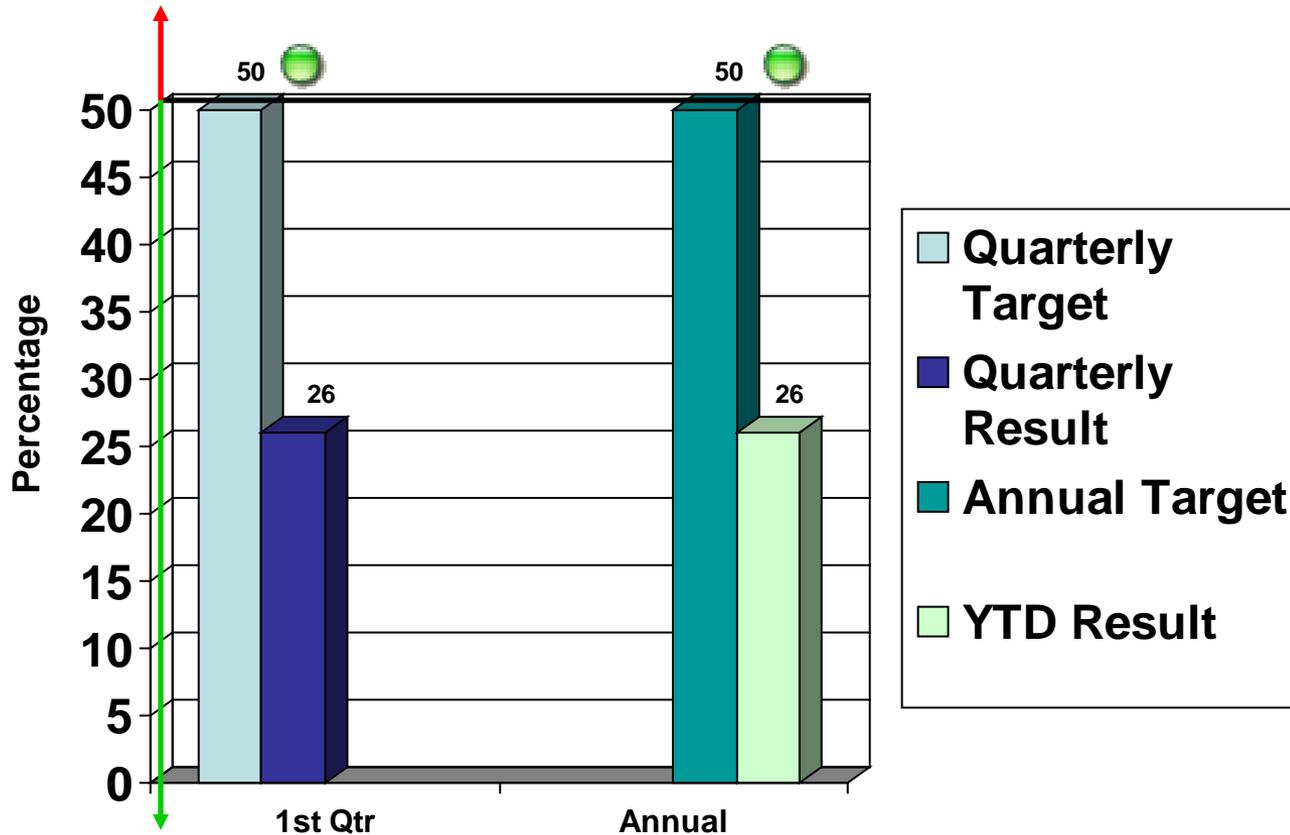


Measure 3.2.304, Sewer Rate Ranking, is a once yearly survey that is reported on annually in the first quarter and represents the results for the given fiscal year. The District's goal was to be in the top 50.

Water Rate Ranking

Measured Once per Fiscal Year

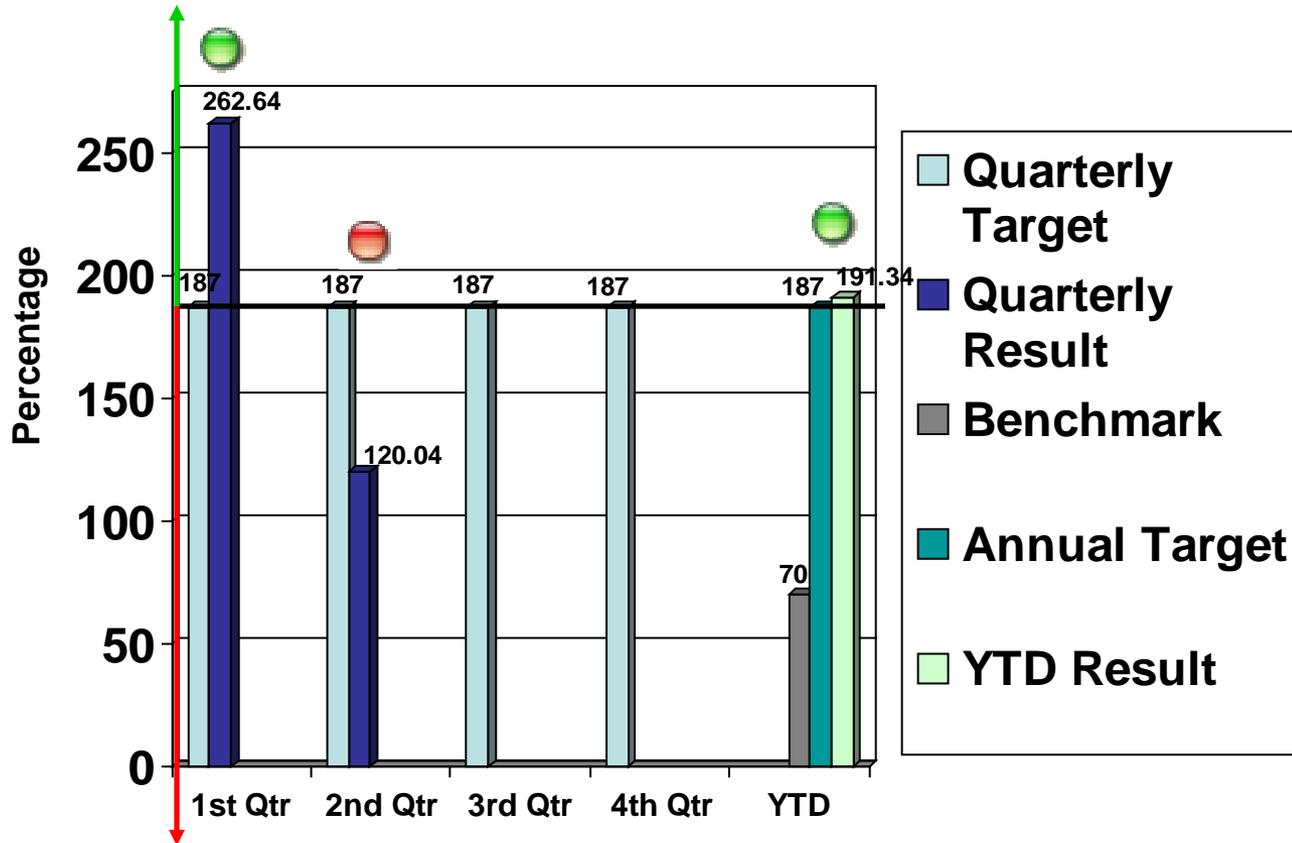
3.2.305



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

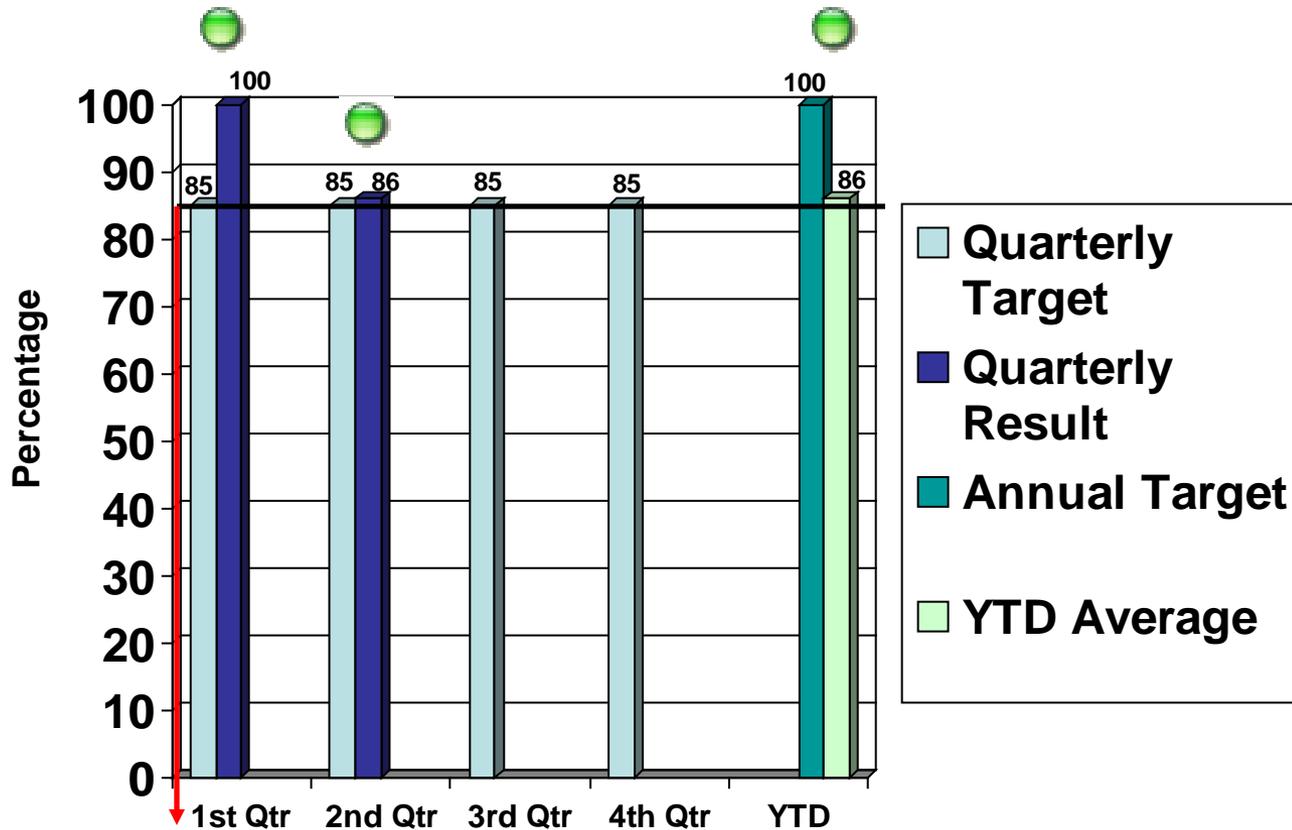
Debt Coverage Ratio (QualServe)

3.2.306



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

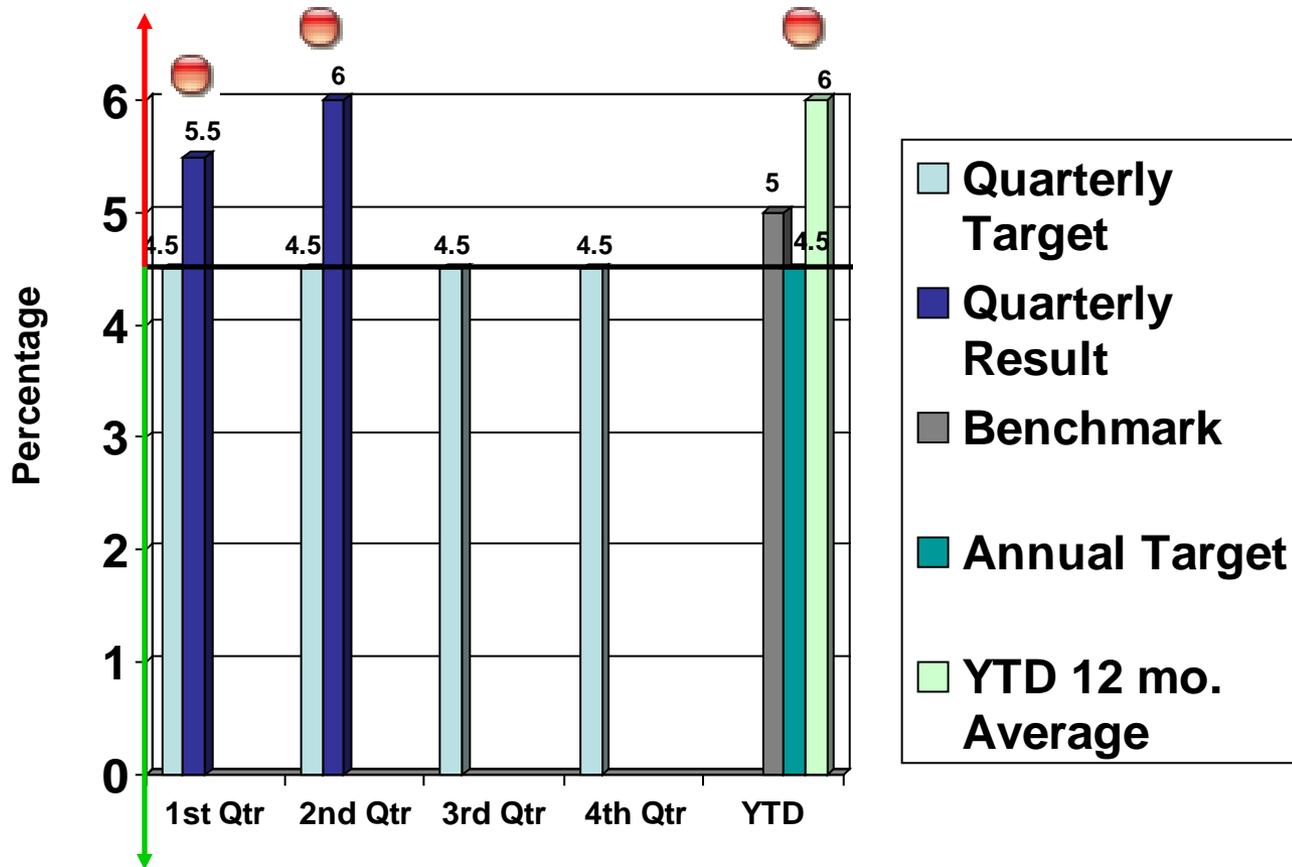
*The calculation is a year-to-date calculation, so Qtr Result = YTD Result.



Measure 3.2.307, Reserve Level, aims to be no less than 85% every quarter in order to ensure sufficient reserve funds for a single year.

Distribution System Loss (QualServe)

3.3.308



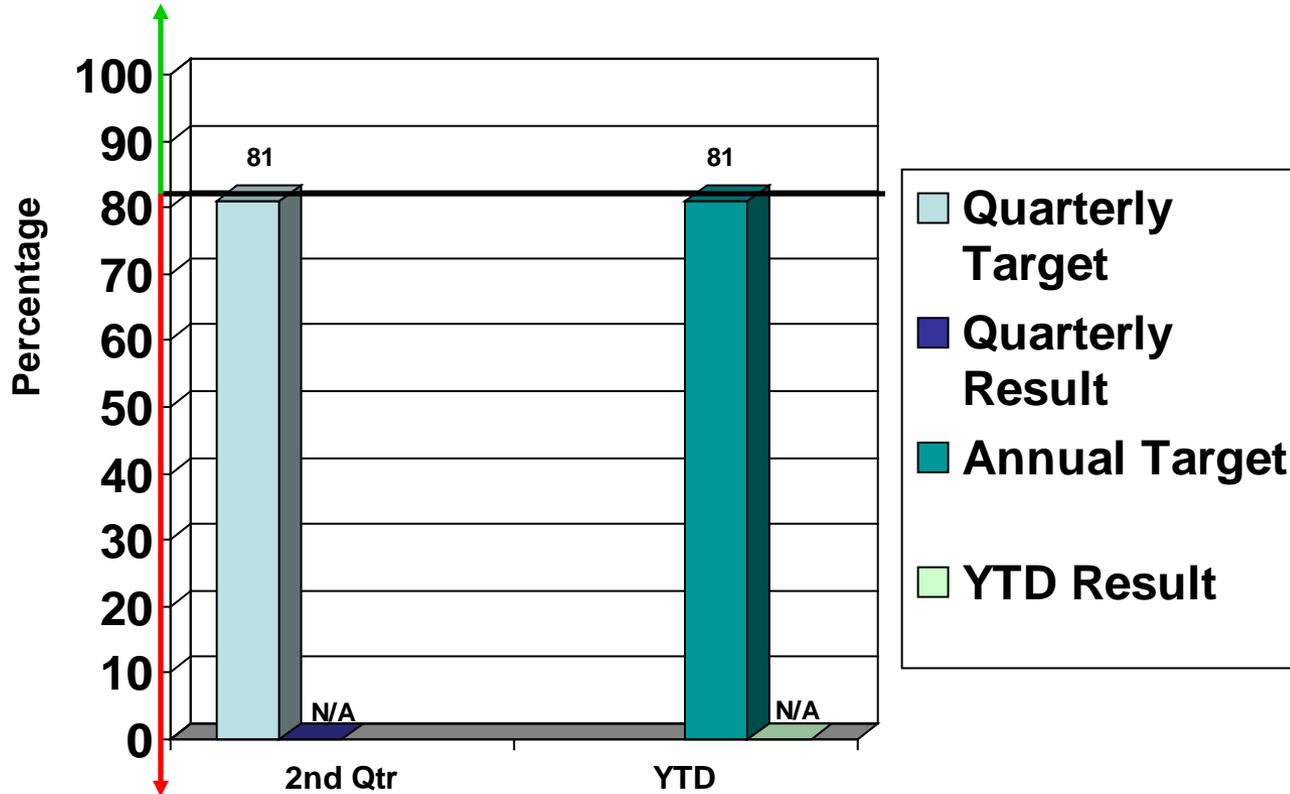
Measure 3.3.309, Distribution System Loss, aims to be below all set targets in order to ensure less than 4.5% of unaccounted water in a single year.

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

Customer Satisfaction with Website

4.1.400

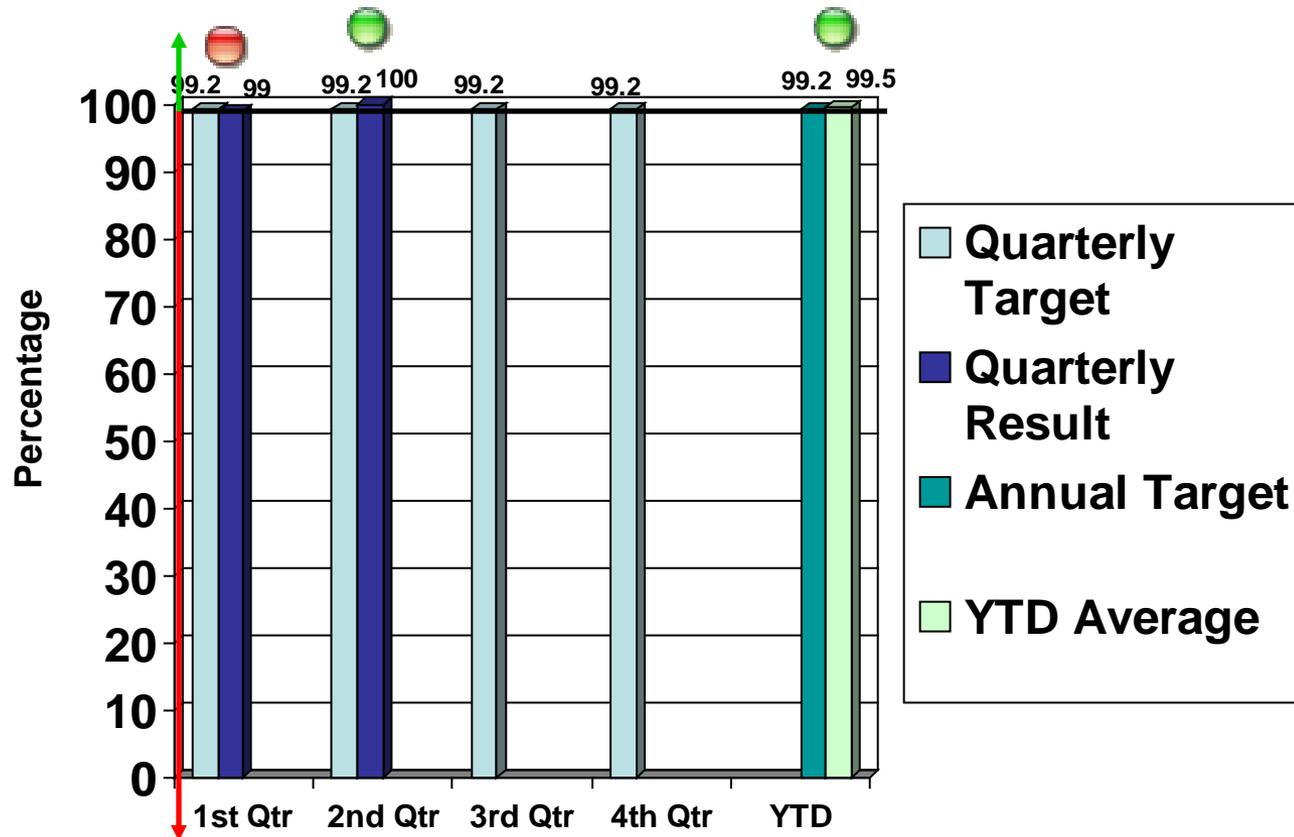
Measured Once per Fiscal Year



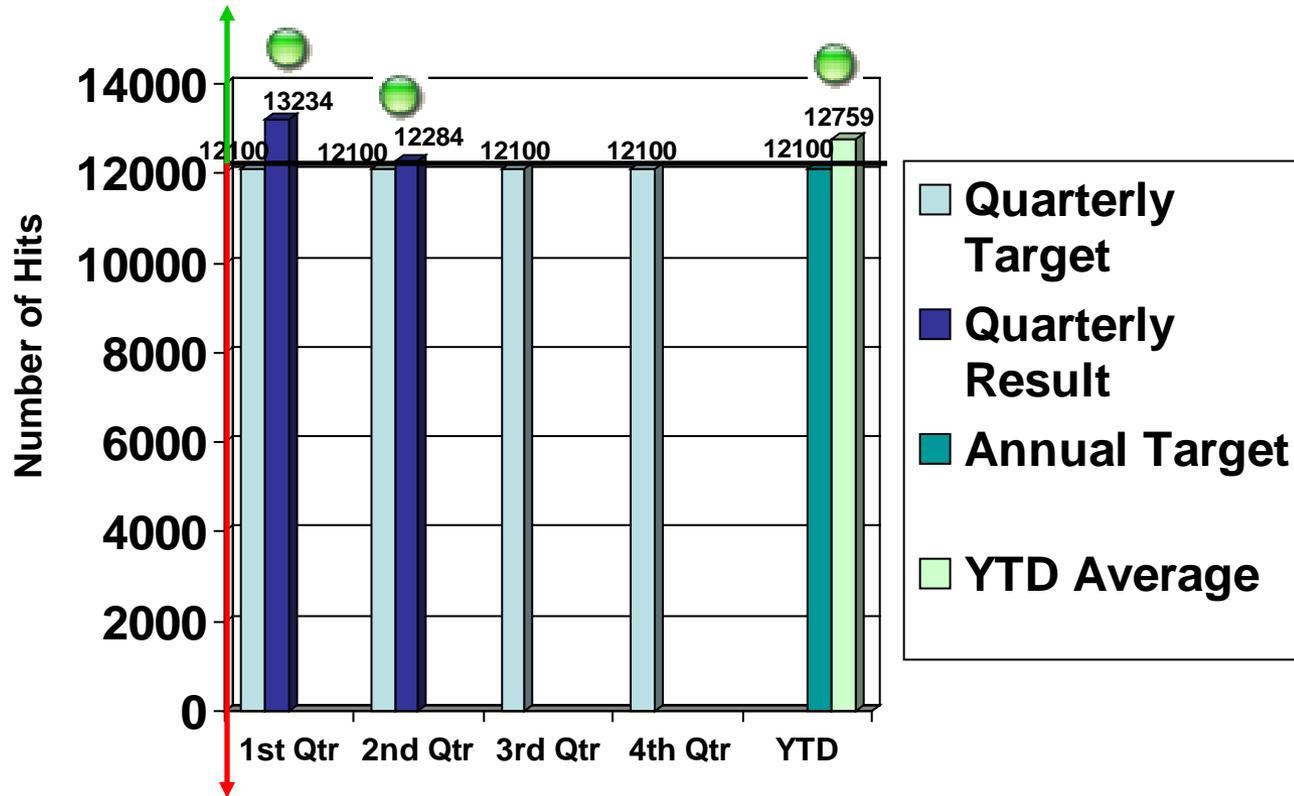
Measure 4.1.400, Customer Satisfaction with Website, is a once yearly survey that is reported on annually in the second quarter and represents the results for the given fiscal year.

Network Availability

4.3.401



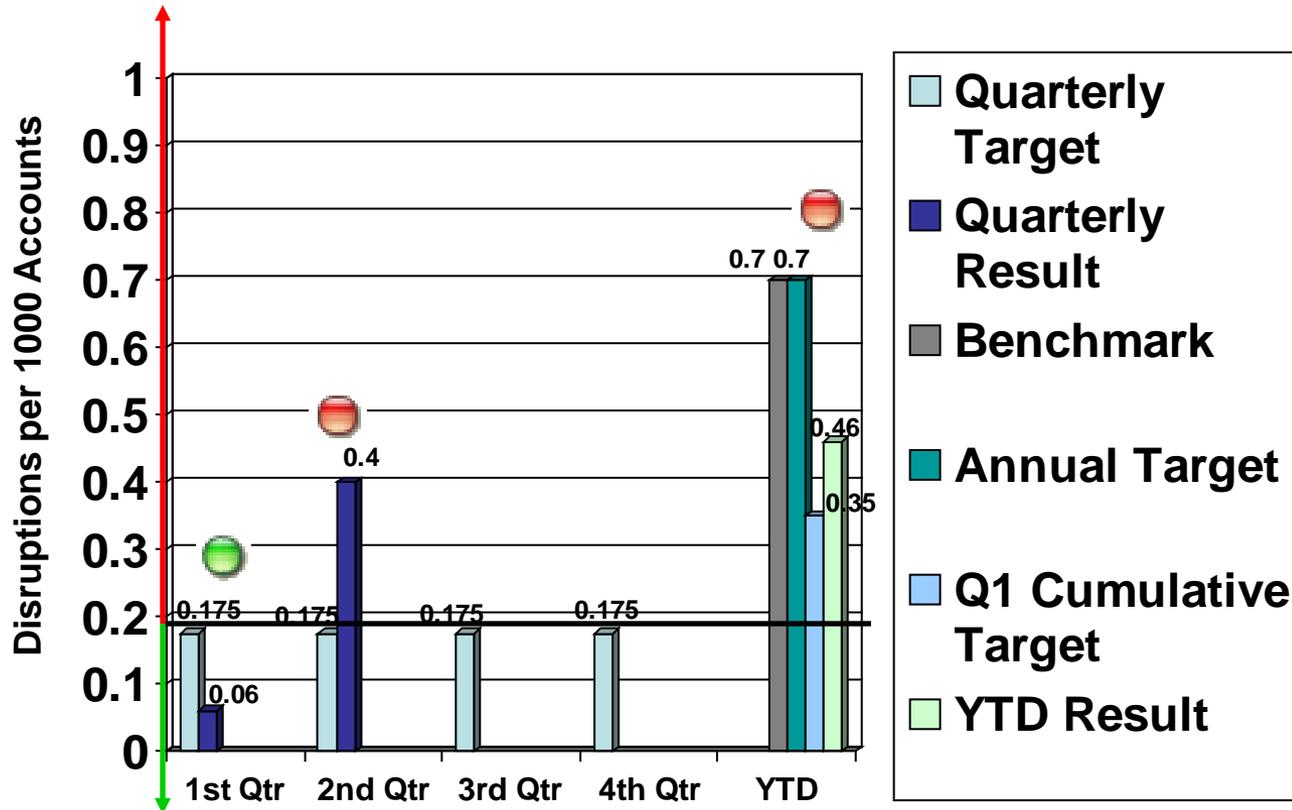
Measure 4.3.401, Network Availability, aims to be above all set targets in order to have an average of no less than 99.2% network availability per quarter in a single year.



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

Unplanned Disruptions (QualServe)

5.1.500

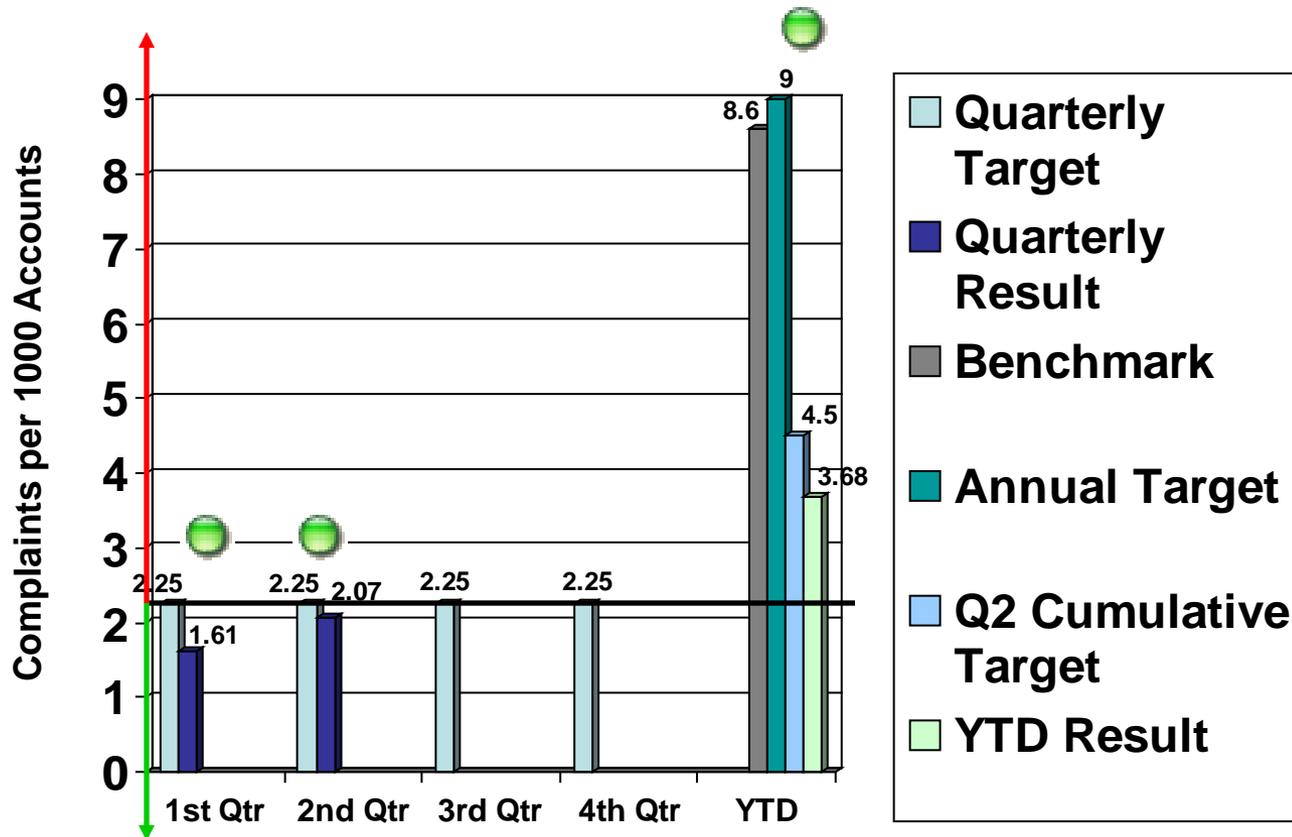


Measure 5.1.500, Unplanned Disruptions, aims to be below all set targets in order to have no more than .7 disruptions per 1000 accounts in a single year.

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

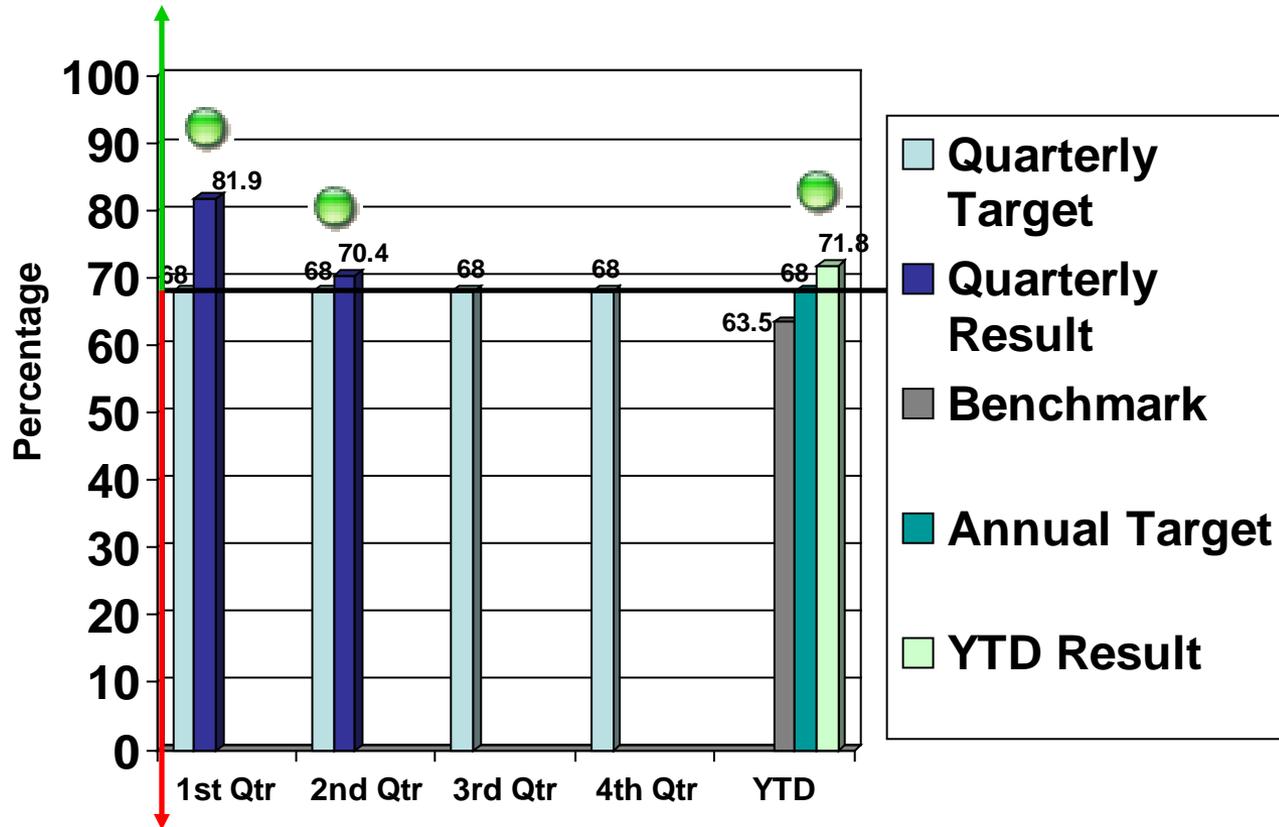
Technical Quality Complaint (QualServe)

5.1.501



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

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

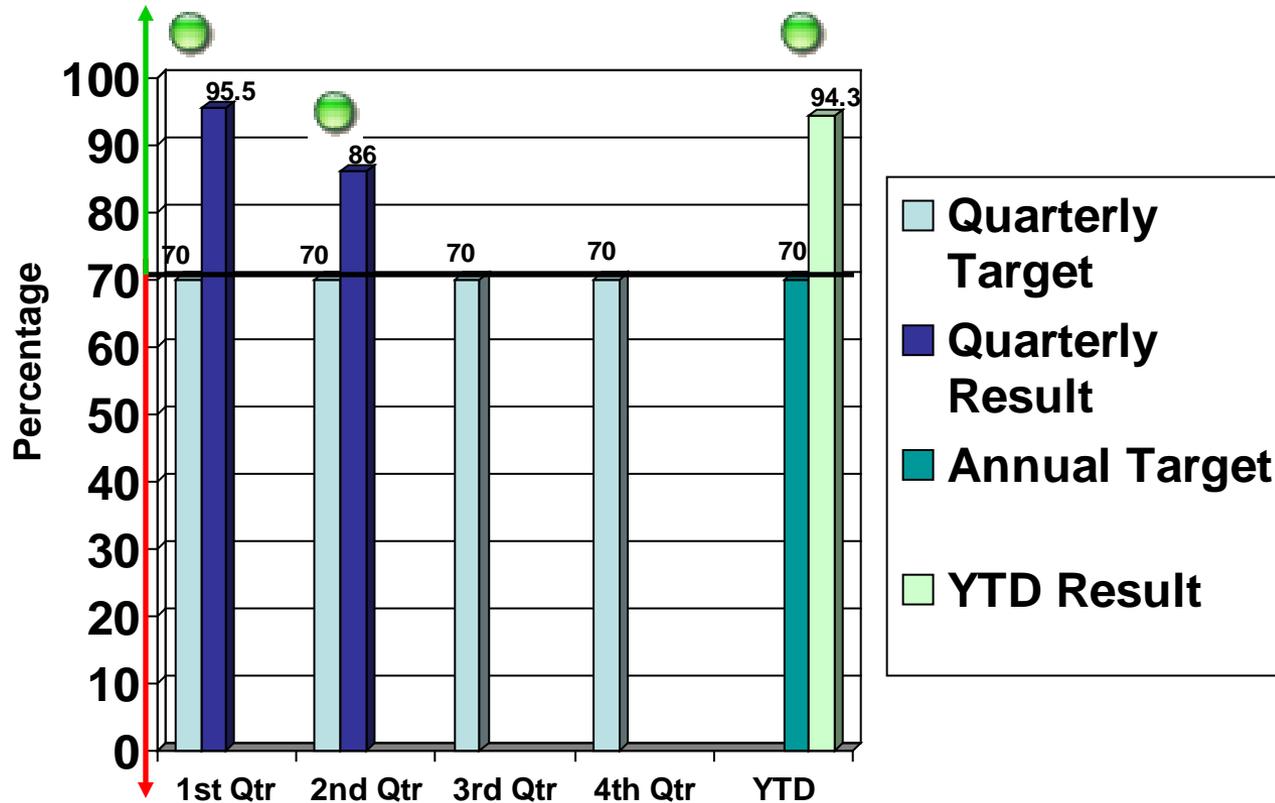


Measure 5.2.502, Planned Drinking Water Maintenance Ratio in \$, aims to be above all set targets in order to have no less than 68% of all labor dollars spent on preventative maintenance per quarter in a single year.

Note: Quarterly results are subject to change.

Planned Recycled Water Maintenance Ratio in \$

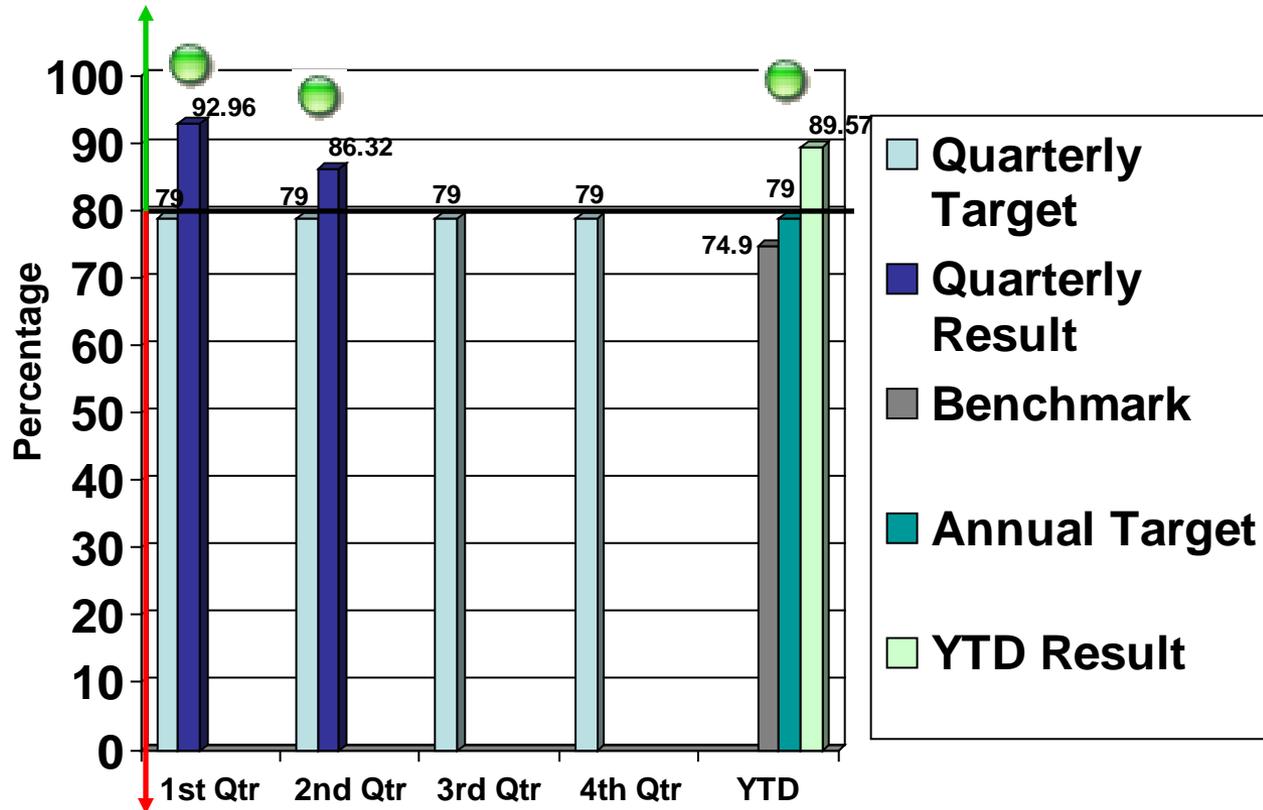
5.2.503



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 Ratio in \$ (QualServe) 5.2.504

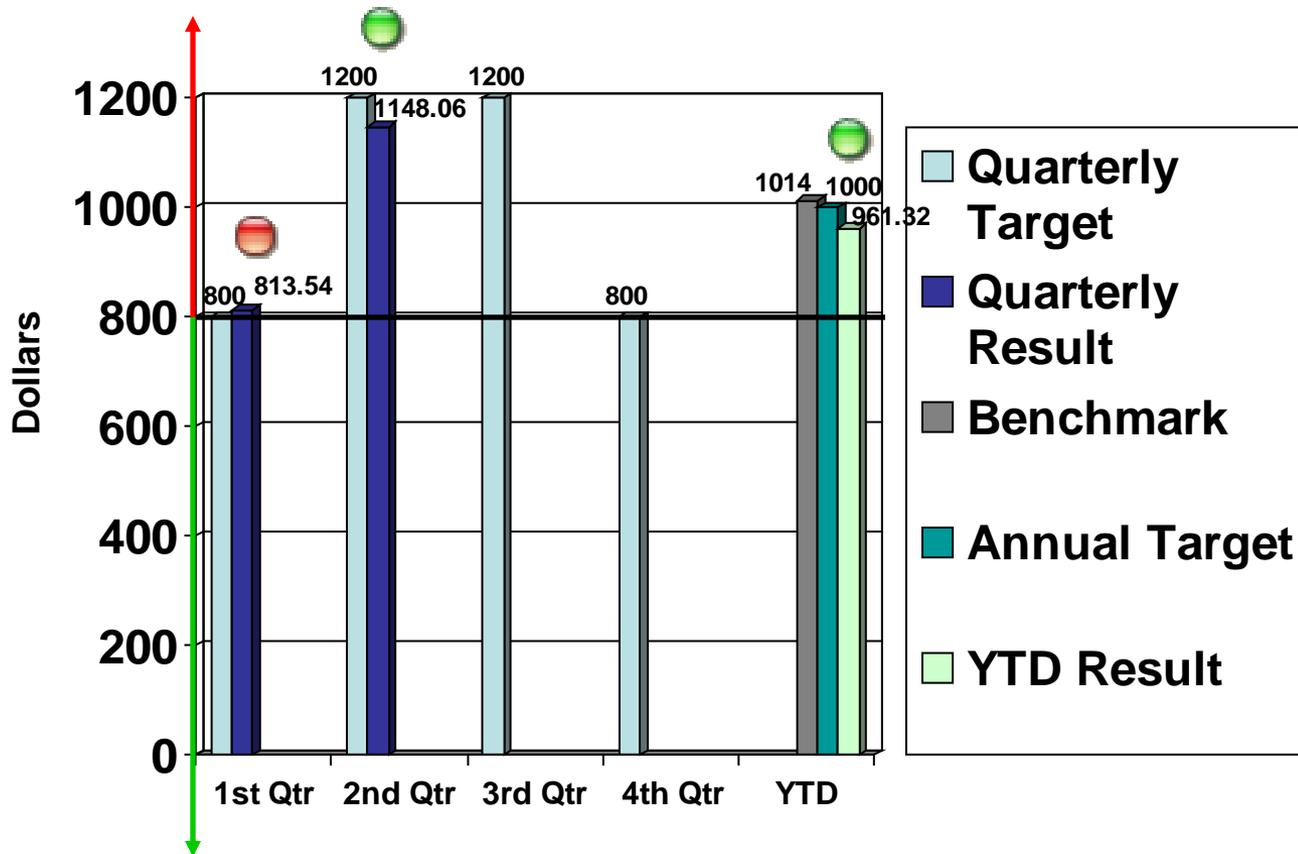


Measure 5.2.504, Planned Wastewater Maintenance Ratio in \$, aims to be above all set targets in order to have no less than 79% of all labor dollars spent on preventative maintenance per quarter in a single year.

Note: Quarterly results are subject to change.

Direct Cost of Treatment per MGD (QualServe)

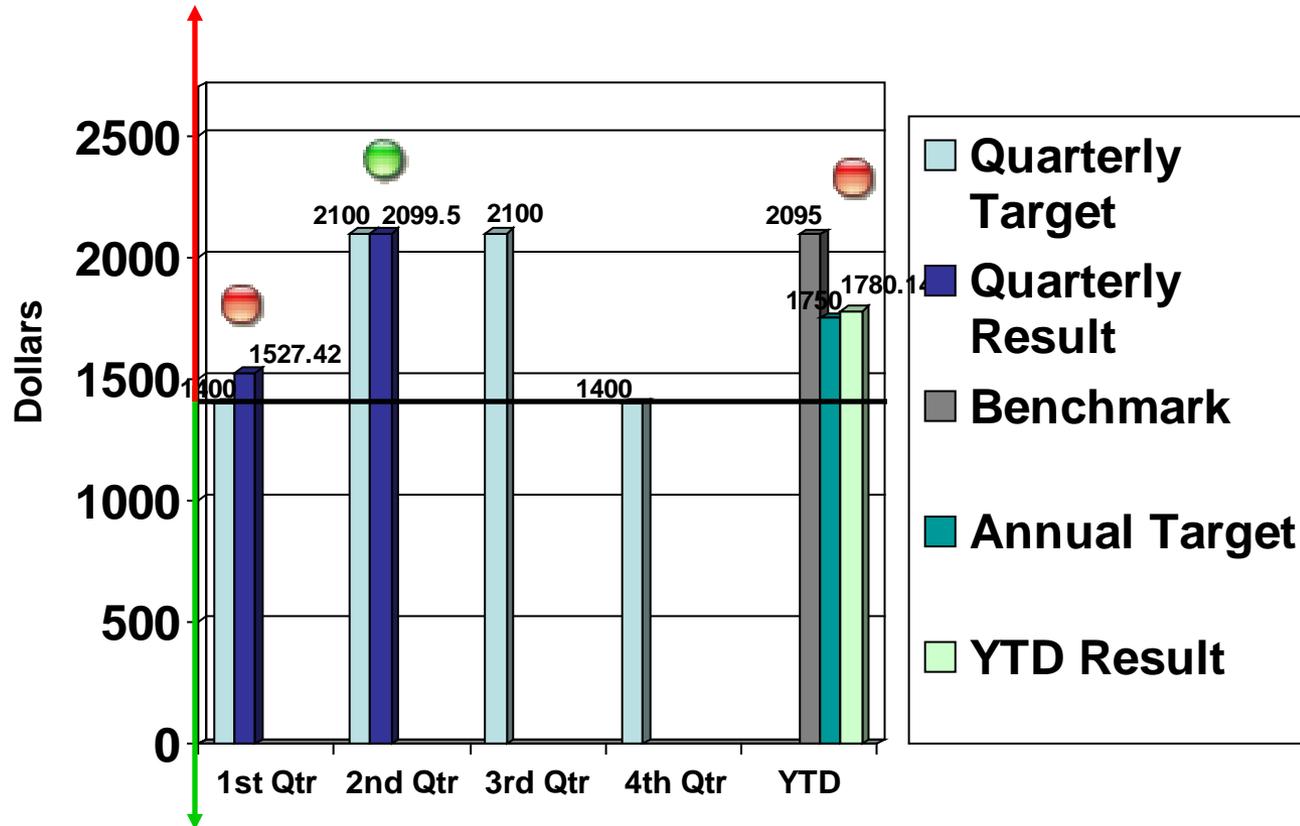
5.2.505



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)

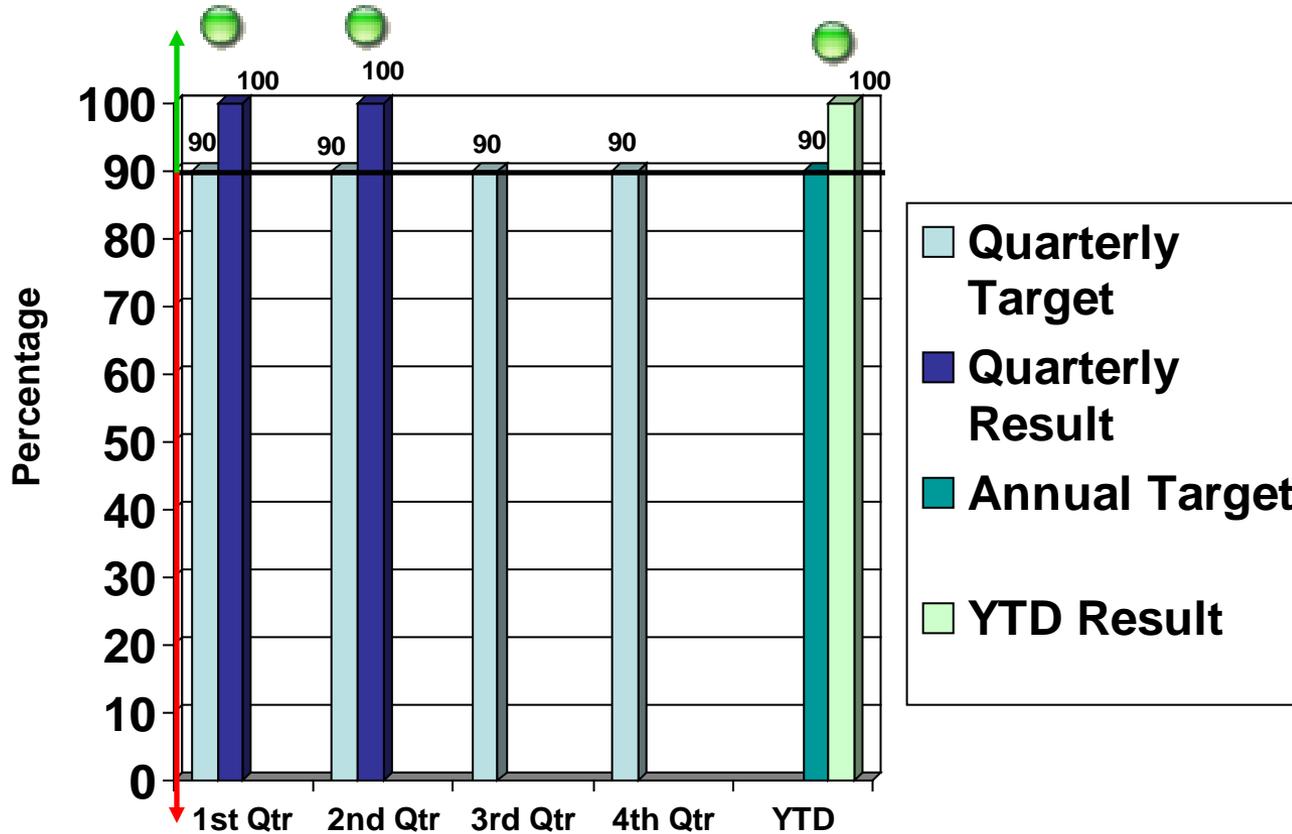
5.2.506



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.

% PMs Completed – Fleet Shop

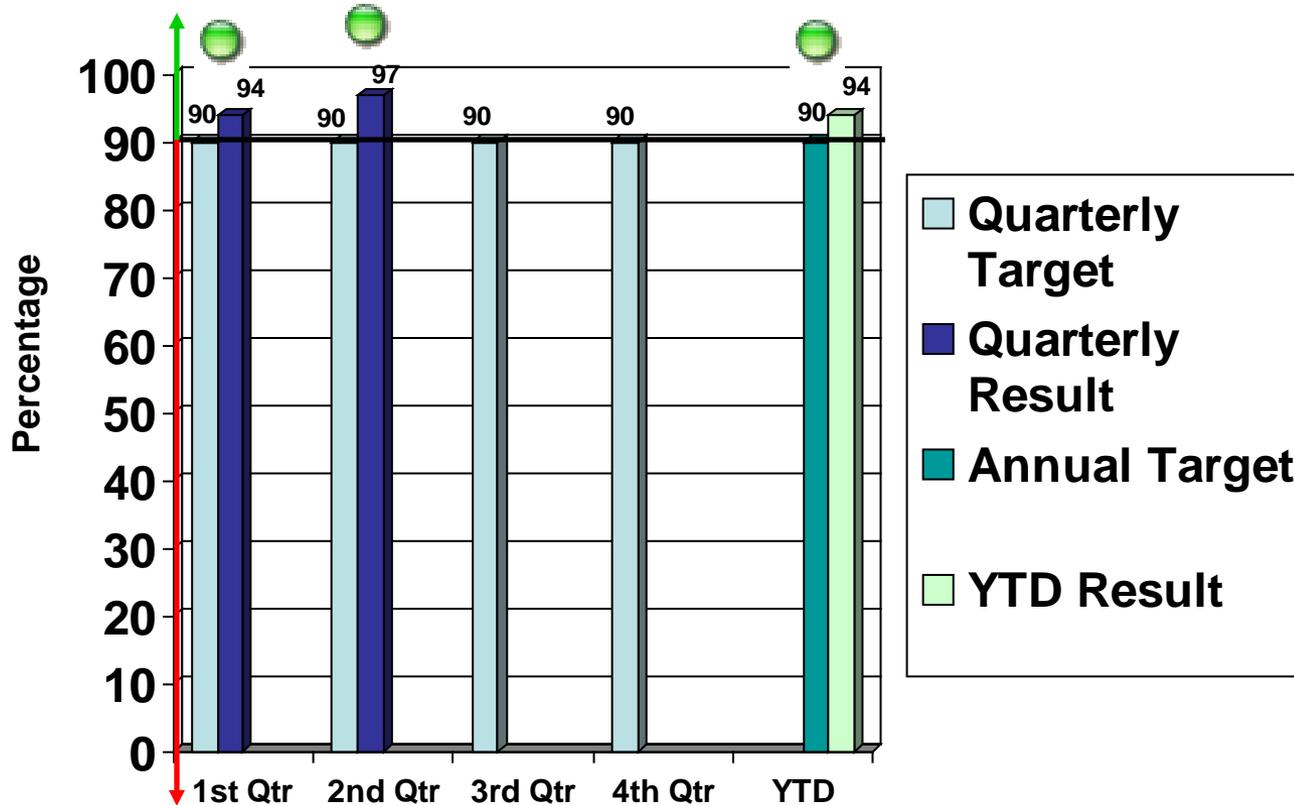
5.3.507



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

% PMs Completed – Reclamation Plant

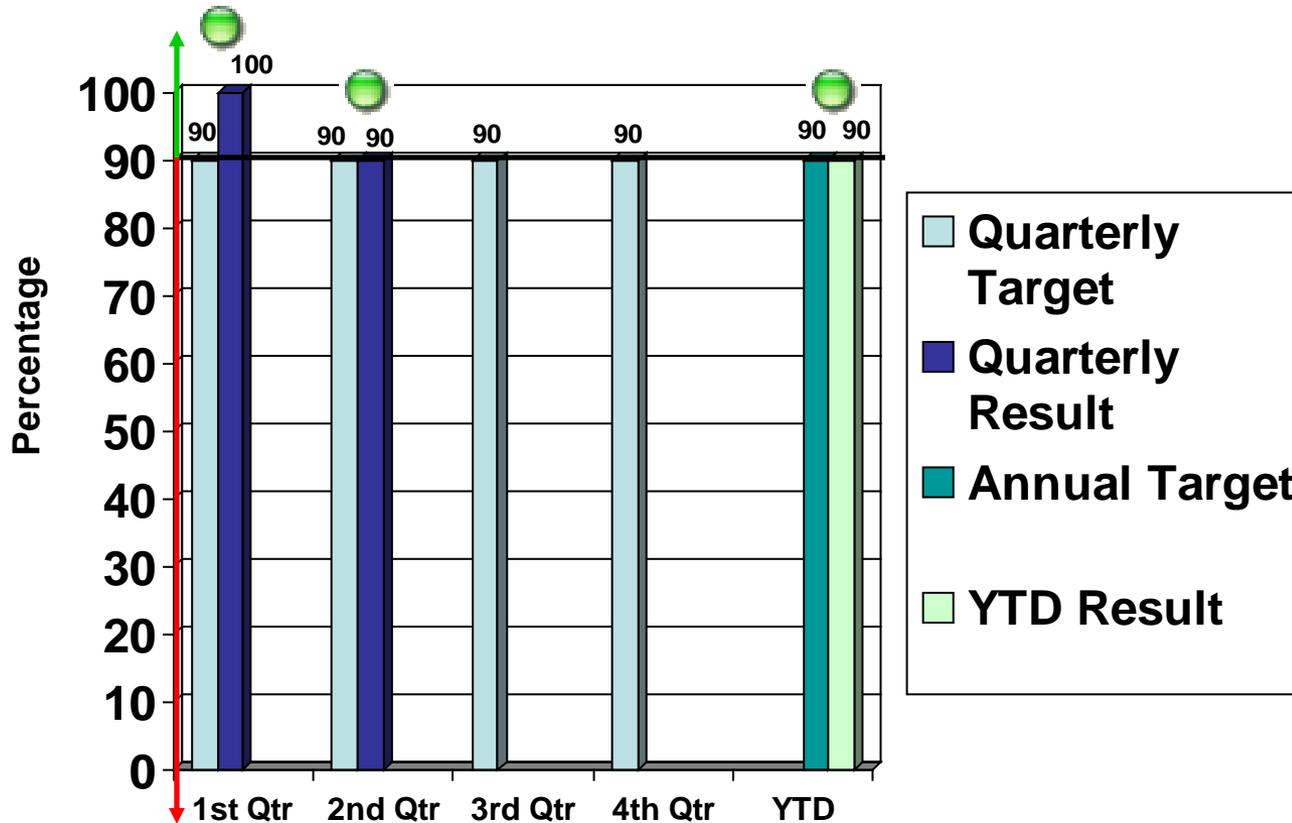
5.3.508



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

% PMs Completed – Pump/Electric Section

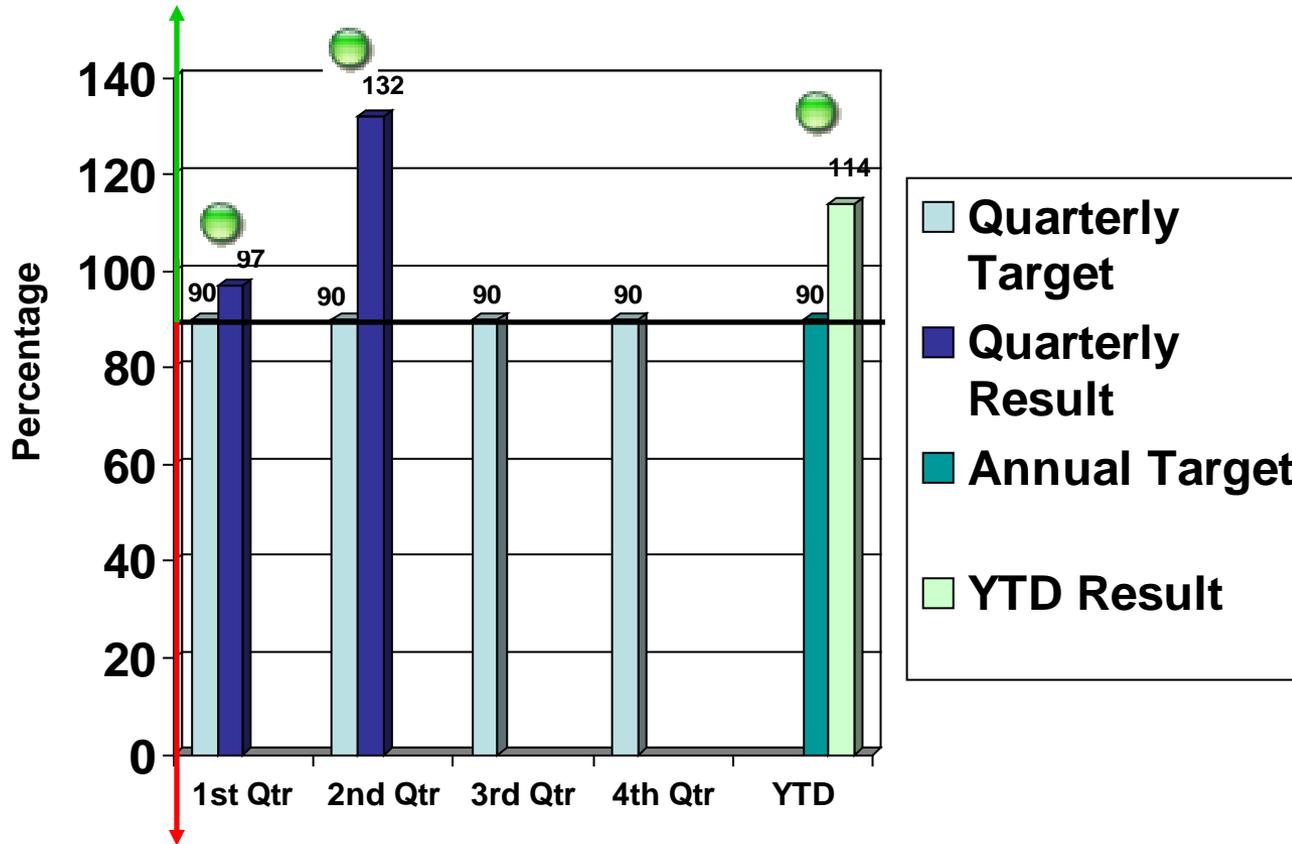
5.3.509



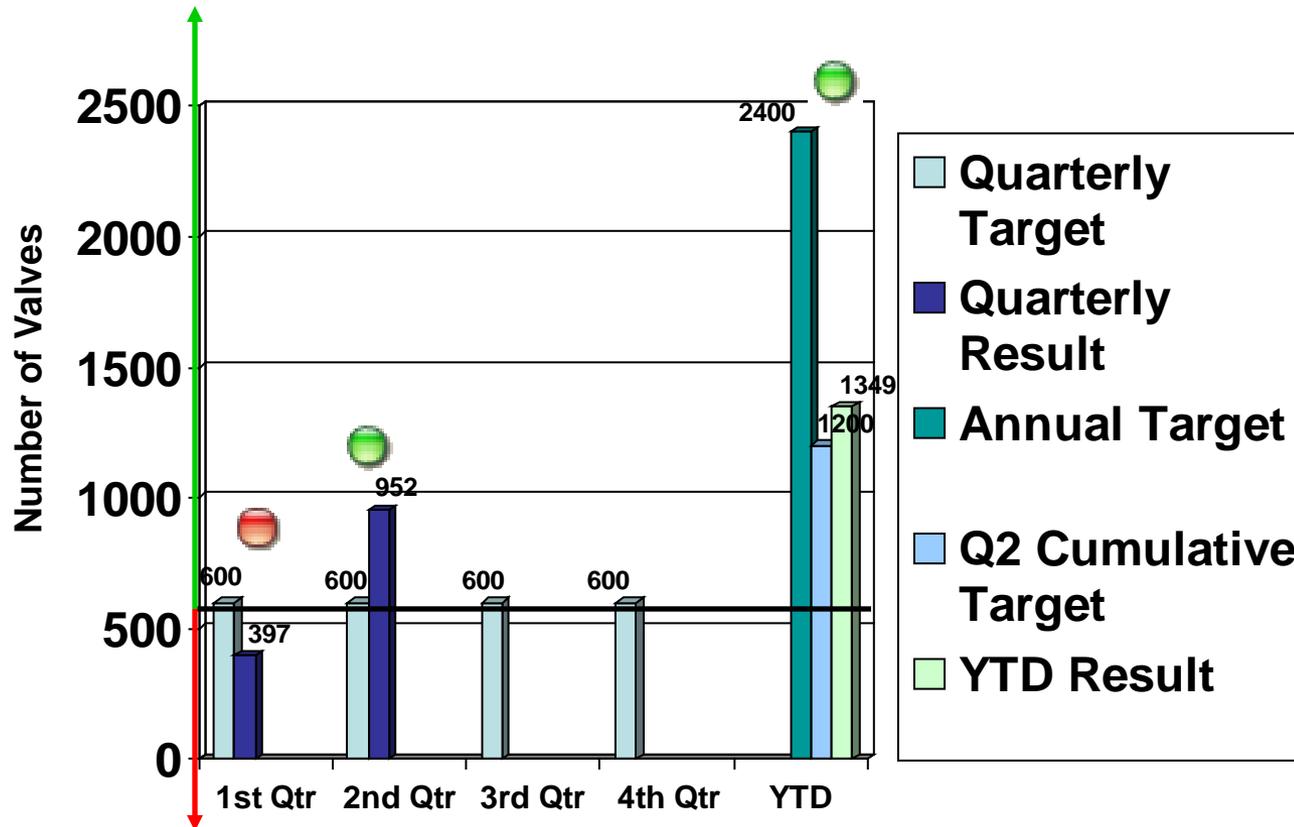
Measure 5.3.509, % PMs Completed – Pump/Electric Section, aims to be above all set targets in order to have no less than 90% of the scheduled PMs completed per quarter in a single year.

% PMs Completed – Valve Maintenance Program

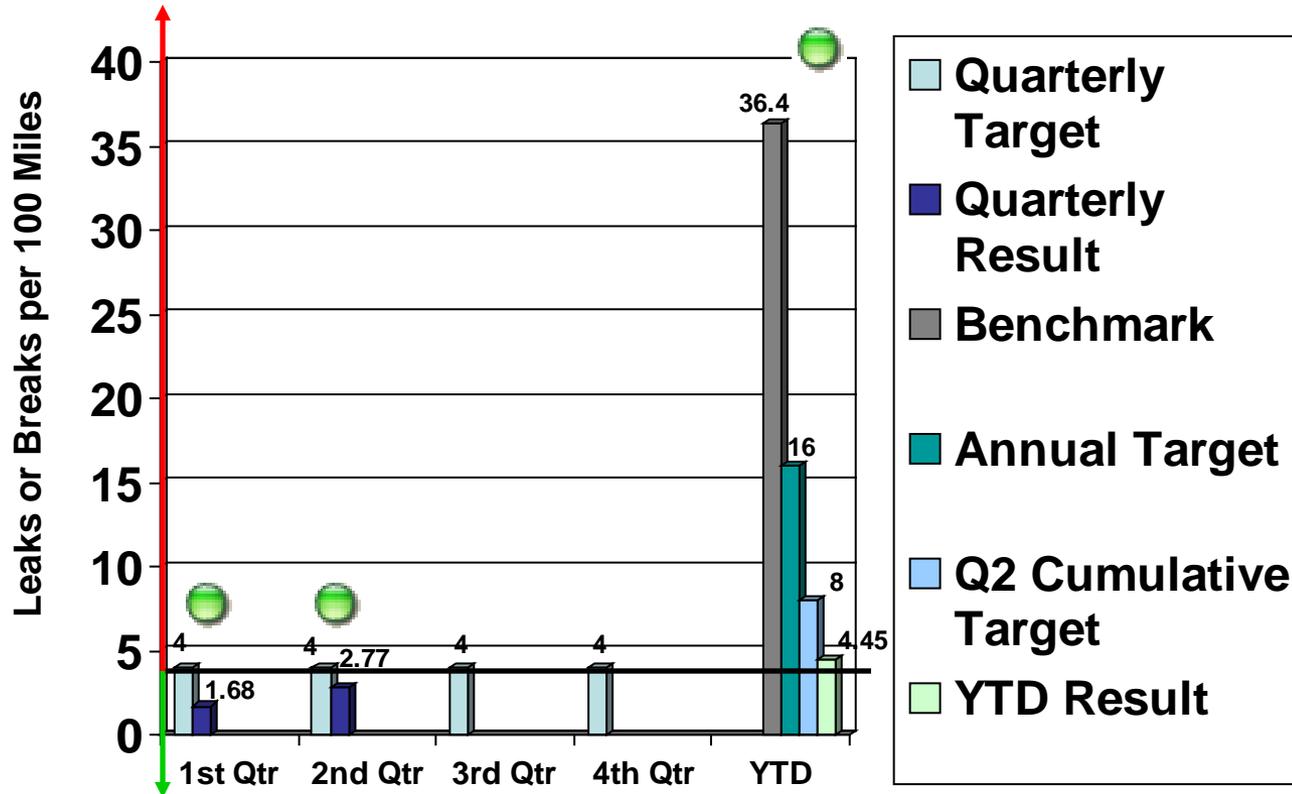
5.3.510



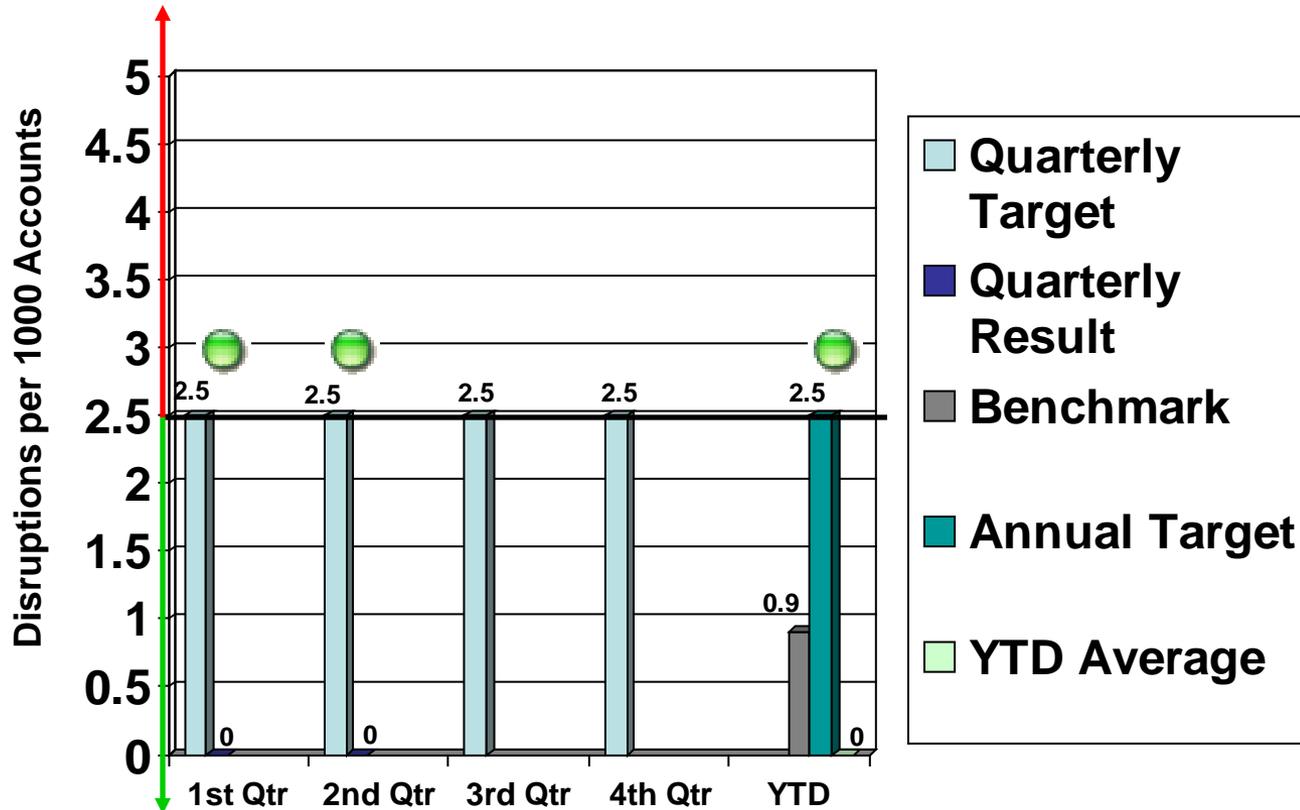
Measure 5.3.510, % PMs Completed – Valve Maintenance Program, aims to be above all set targets in order to have no less than 90% of the scheduled PMs completed per quarter in a single year.



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



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

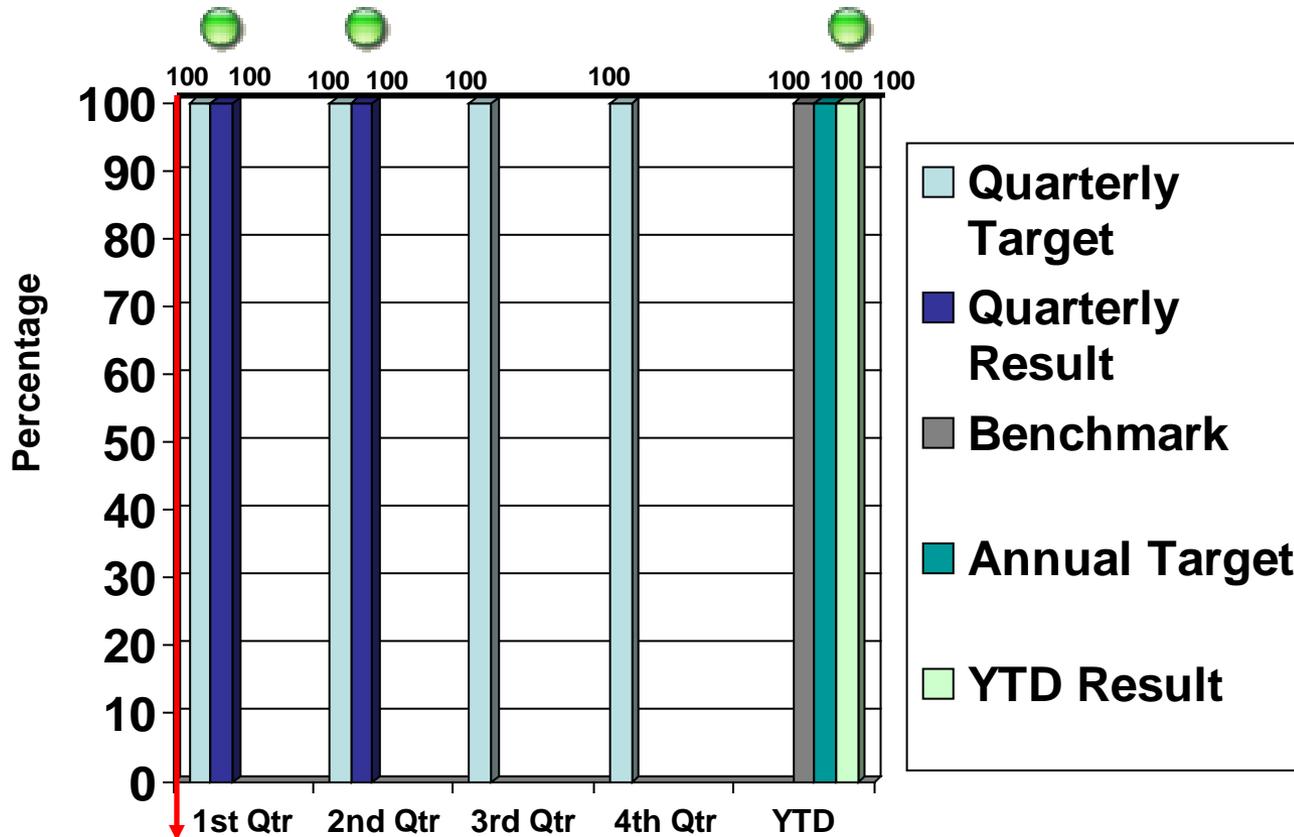


Measure 5.3.513, Planned Water Service Disruption Rate, aims to be below all set targets in order to have no more than 2.5 planned outages per 1000 accounts per quarter in a single year.

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

Potable Water Compliance Rate (QualServe)

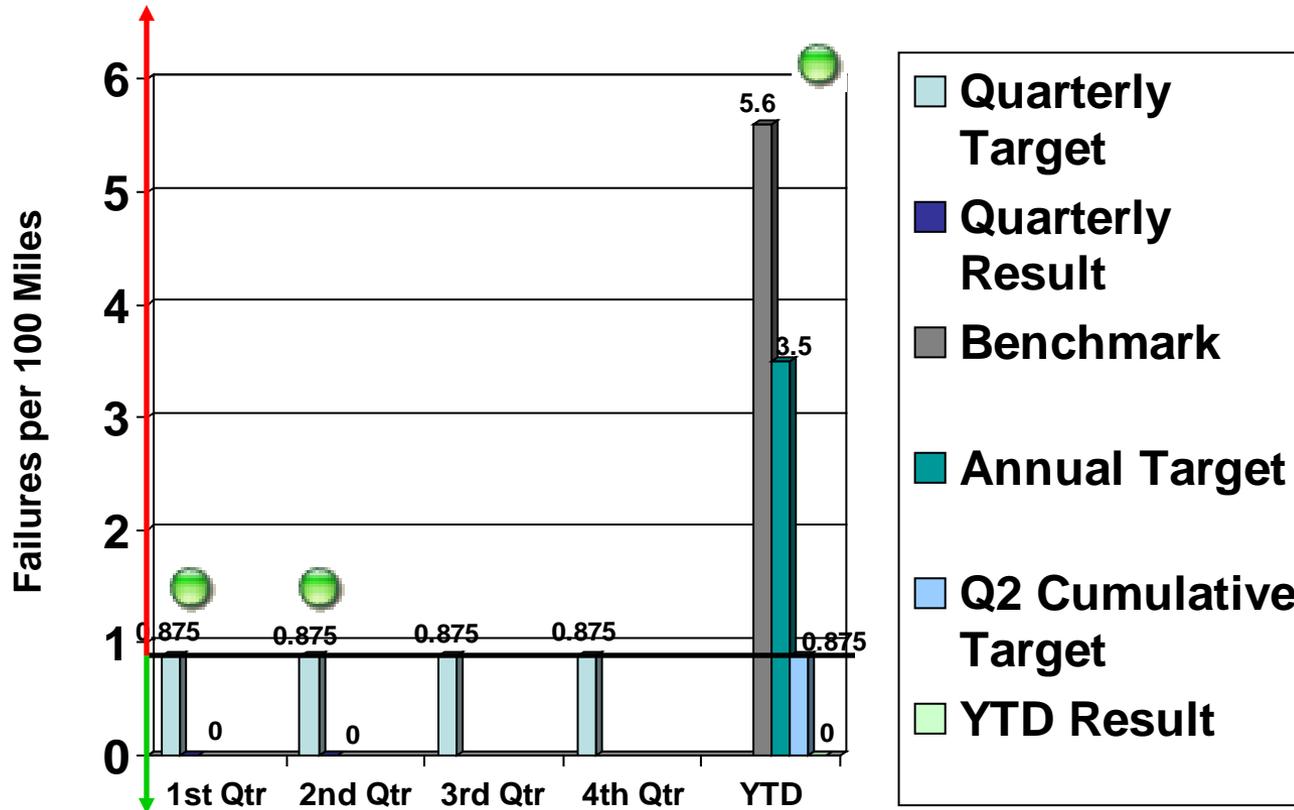
5.3.514



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

Collection System Integrity (QualServe)

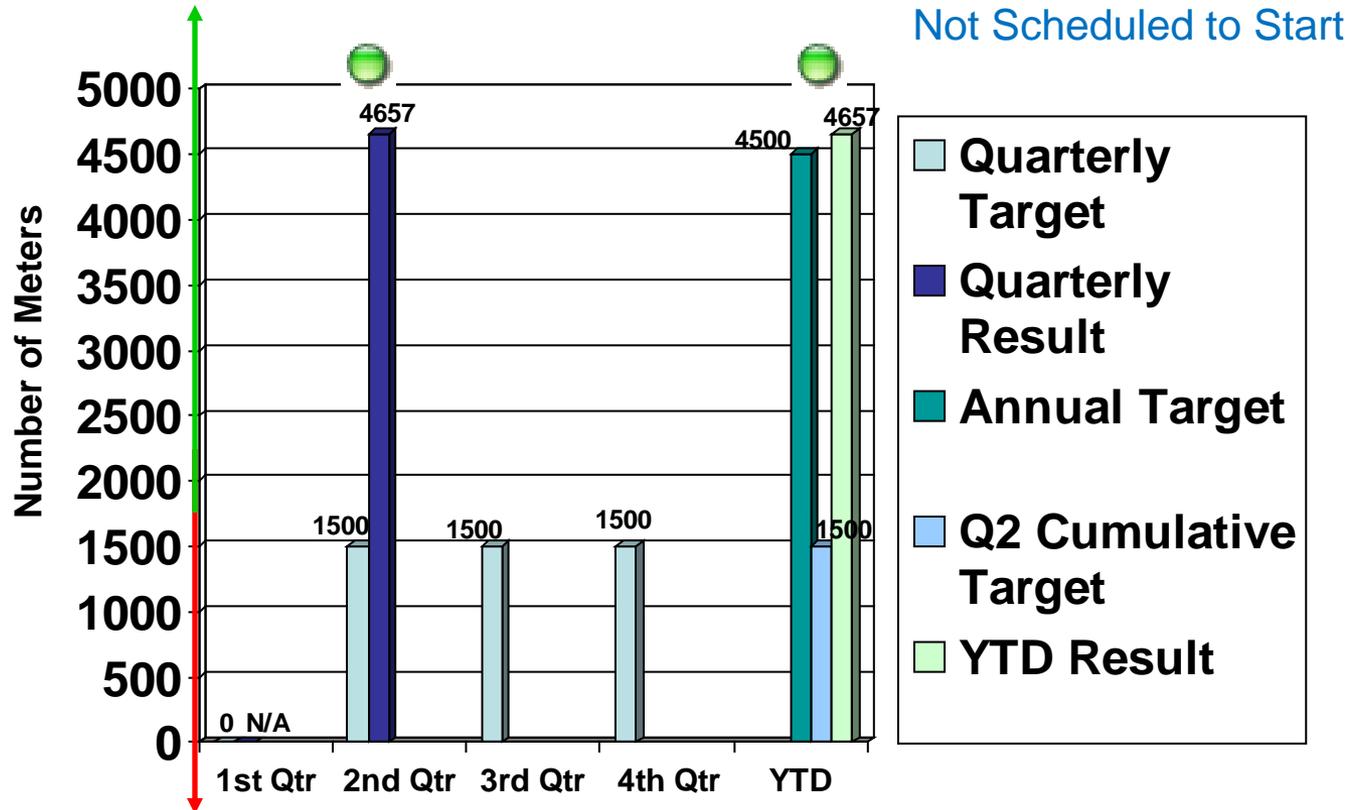
5.3.515



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

Replace Manual Read Meters with Automated Meters

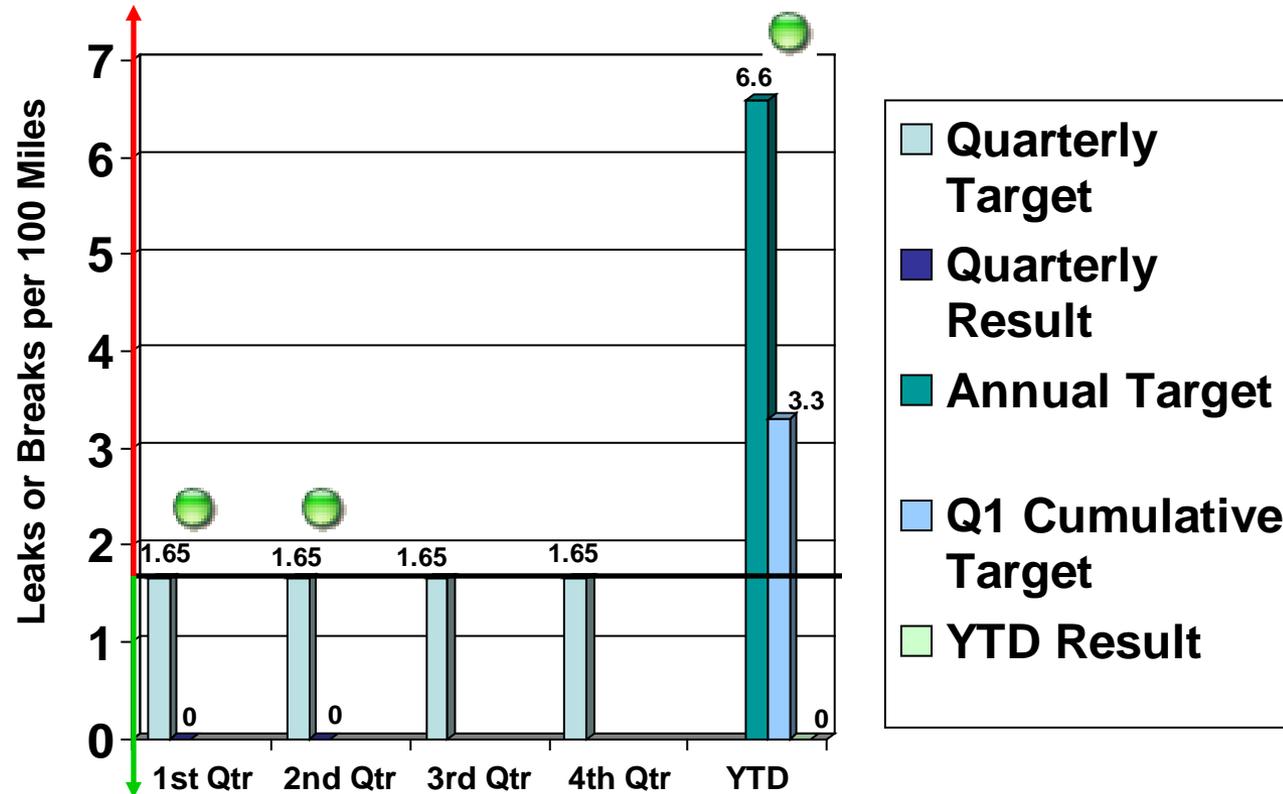
5.3.516



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

Recycled Water System Integrity

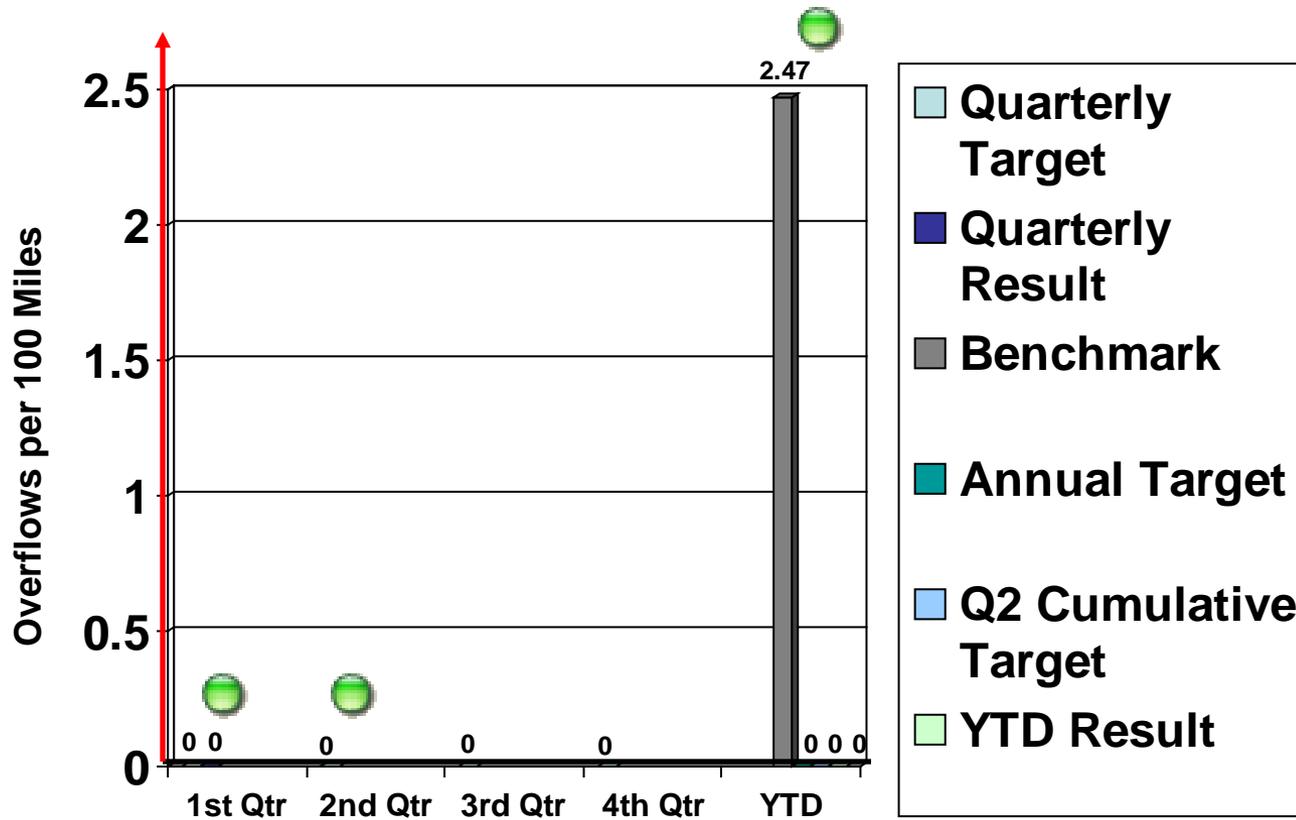
5.3.517



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)

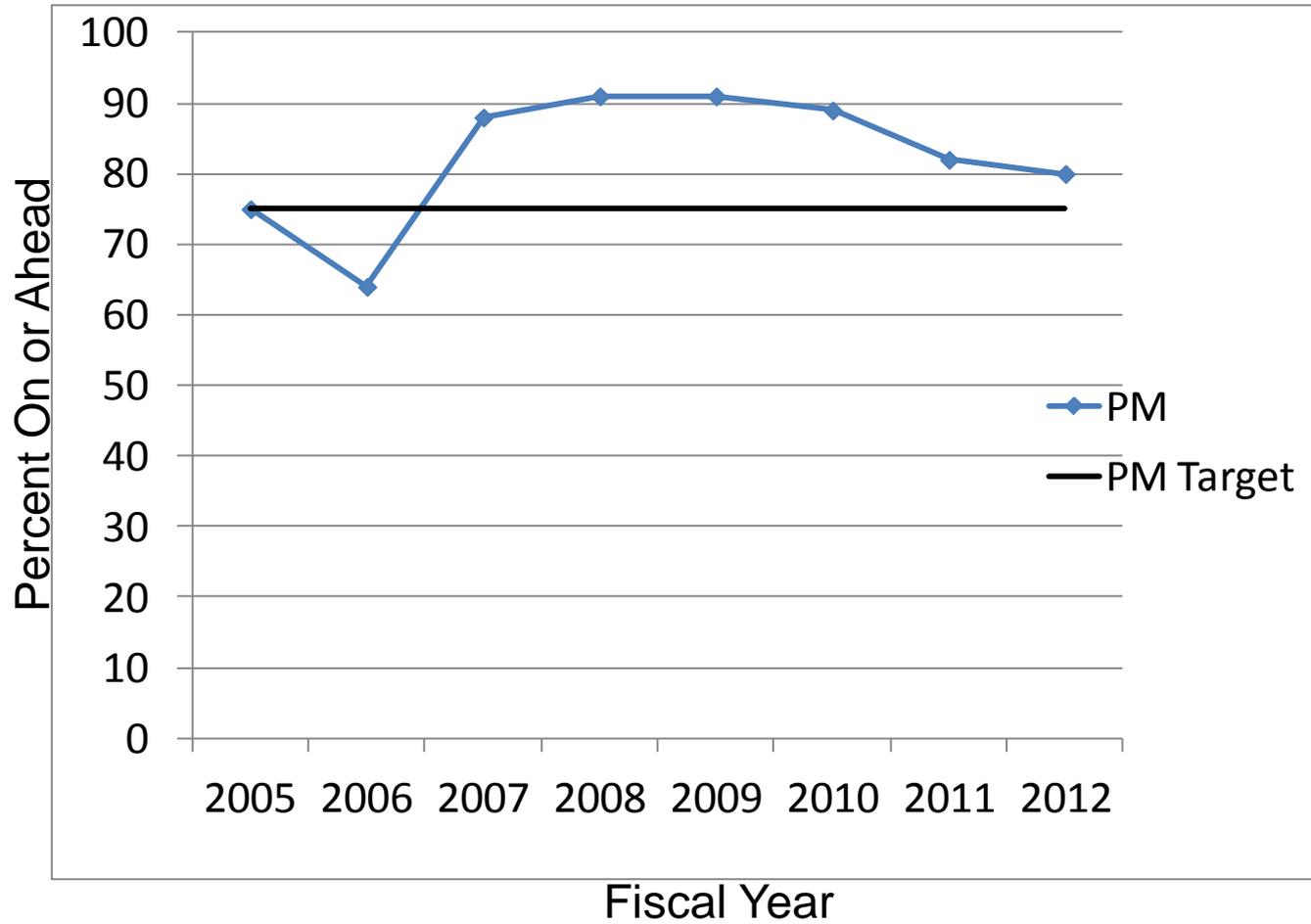
5.3.518



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

Year-to-Year Performance Chart

FY2005 – FY2012



Year-to-Year Performance Chart

FY2005 – FY2012

