

OTAY WATER DISTRICT

BOARD OF DIRECTORS MEETING
DISTRICT BOARDROOM

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA

WEDNESDAY
February 3, 2016
3:30 P.M.

AGENDA

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. APPROVE THE MINUTES OF THE REGULAR BOARD MEETINGS OF SEPTEMBER 2, 2015 AND NOVEMBER 4, 2015
5. PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE BOARD ON ANY SUBJECT MATTER WITHIN THE BOARD'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA
6. DEMONSTRATION OF THE GEOGRAPHICAL INFORMATION SYSTEM (SEGURA/ZHAO)

CONSENT CALENDAR

7. ITEMS TO BE ACTED UPON WITHOUT DISCUSSION, UNLESS A REQUEST IS MADE BY A MEMBER OF THE BOARD OR THE PUBLIC TO DISCUSS A PARTICULAR ITEM:
 - a) APPROVE CHANGE ORDER NO. 7 TO THE EXISTING CONTRACT WITH OLYMPUS AND ASSOCIATES, INC. IN THE CREDIT AMOUNT OF <\$87,259.87> FOR THE 944-1, 944-2, AND 458-2 RESERVOIR INTERIOR/EXTERIOR COATINGS AND UPGRADES PROJECT
 - b) REJECT LOWEST BID BY GRFCO, INC. FOR BEING NON-RESPONSIVE FOR THE RANCHO SAN DIEGO BASIN SEWER REHABILITA-

TION – PHASE I PROJECT (PROJECT); AND AWARD A CONSTRUCTION CONTRACT TO THE SECOND LOWEST BIDDER TRANSTAR PIPELINE, INC. FOR THE PROJECT IN AN AMOUNT NOT-TO-EXCEED \$970,970

- c) APPROVE A PURCHASE ORDER TO ORANGE COAST DODGE IN THE AMOUNT OF \$114,542.00 FOR THE PURCHASE OF ONE (1) REPLACEMENT CLASS 4 UTILITY TRUCK AND DECLARE UNIT 154 SURPLUS
- d) APPROVE AN ENGAGEMENT LETTER WITH THE AUDITING FIRM OF TEAMAN, RAMIREZ AND SMITH, INC., TO PROVIDE AUDIT SERVICES TO THE DISTRICT FOR THE FISCAL YEAR ENDING JUNE 30, 2016
- e) ADOPT THE 2016 OTAY WATER DISTRICT LEGISLATIVE PROGRAM GUIDELINES

ACTION ITEMS

8. BOARD

- a) CAST VOTES FOR A REGULAR DISTRICT MEMBER AND AN ALTERNATE DISTRICT MEMBER ON LAFCO'S COMMISSION, EIGHT (8) POSITIONS ON LAFCO'S SPECIAL DISTRICTS ADVISORY COMMITTEE, AND TO EXTEND THE TERMS OF THE REGULAR DISTRICT MEMBER POSITIONS IN THE LAFCO SPECIAL DISTRICTS 2015 ELECTION (WATTON)
- b) DISCUSSION OF THE 2016 BOARD MEETING CALENDAR

REPORTS

9. GENERAL MANAGER'S REPORT

- a) SAN DIEGO COUNTY WATER AUTHORITY UPDATE

10. DIRECTORS' REPORTS/REQUESTS

11. PRESIDENT'S REPORT/REQUESTS

RECESS TO CLOSED SESSION

12. CLOSED SESSION

**MINUTES OF THE
BOARD OF DIRECTORS MEETING OF THE
OTAY WATER DISTRICT
September 2, 2015**

1. The meeting was called to order by President Lopez at 3:30 p.m.

2. ROLL CALL

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

Staff Present: General Manager Mark Watton, General Counsel Dan Shinoff, Attorney Richard Romero, Asst. General Manager German Alvarez, Chief of Engineering Rod Posada, Chief Financial Officer Joe Beachem, Chief of Information Technology Geoff Stevens, Chief of Operations Pedro Porras, Asst. Chief of Administration and Information Technology Adolfo Segura, Asst. Chief of Operations Jose Martinez, Sr. Confidential Executive Secretary Tita Ramos-Krogman, and others per attached list.

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

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

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

to approve the agenda.

5. APPROVE THE MINUTES OF THE REGULAR BOARD MEETING OF MAY 6, 2015 and June 24, 2015

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

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

to approve the minutes of the regular board meeting of May 6, 2015 and June 24, 2015.

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

No one wished to be heard.

CONSENT CALENDAR

7. ITEMS TO BE ACTED UPON WITHOUT DISCUSSION, UNLESS A REQUEST IS MADE BY A MEMBER OF THE BOARD OR THE PUBLIC TO DISCUSS A PARTICULAR ITEM:

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

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

to approve the following consent calendar item:

- a) AWARD A PROFESSIONAL AS-NEEDED UTILITY LOCATING SERVICES CONTRACT TO AIRX UTILITY SURVEYORS, INC. IN AN AMOUNT NOT-TO-EXCEED \$350,000 FOR A PERIOD OF THREE (3) FISCAL YEARS (FY), FY 2016 THROUGH 2018 (ENDING JUNE 30, 2019)

ACTION ITEMS

8. BOARD

- a) DISCUSSION OF THE 2015 BOARD MEETING CALENDAR

There were no changes to the meeting calendar.

INFORMATIONAL ITEM

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

- a) FOURTH QUARTER OF FISCAL YEAR 2015 CAPITAL IMPROVEMENT PROGRAM REPORT (MARTIN)

Engineering Manager Dan Martin provided an update on the District's fourth quarter of FY 2015 Capital Improvement Program. He indicated that the FY

2015 budget is divided into 73 projects totaling \$10.6 million. The overall expenditures through the fourth quarter are \$9.8 million which is approximately 92% of the FY 2015 budget. Please reference the Committee Action notes attached to staff's report (Attachment A) for the details of Mr. Martin's report.

In response to a comment made by Director Thompson, Engineering Manager Dan Martin stated that staff will consider adding each CIP project's location into the quarterly reports provided to Directors.

Director Smith commended staff for accelerating alternative CIP projects which resulted in the District exceeding its goal to align projected expenditures with actual expenditures in the FY 2015 CIP Budget. The CIP Budget's actual expenditures is 92%, which exceeded the 80% target.

REPORTS

10. GENERAL MANAGER'S REPORT

General Manager Watton presented information from his report that included an update on the District's Employee Recognition Luncheon, Rate Increase Notices, CWA providing a Smart Phone App for reporting water waste, and the Rosarito Desalination Project. He indicated that the District will schedule a desalination committee meeting at the end of the year to provide an update on the Rosarito Desalination Project.

Mr. Watton reported on discussions and actions from the CWA board meetings. He also reported that Secretary John Laird attended a CWA committee meeting where the Bay Delta Tunnel Project was discussed.

Director Croucher reported on discussions and actions at the CWA's Legislation, Conservation and Outreach Committee meeting. He provided an update on the Carlsbad Desalination Project and shared that CWA will be hosting a Legislative Round Table where Speaker Atkins will be present. He indicated that board members are welcome to attend the round table. He also stated that MWD will be hosting tours of the Colorado River, Bay Delta Shores, etc. if board members are interested in attending.

At the request of Director Thompson, Chief Financial Officer Joe Beachem stated that staff will double-check the numbers on the Rate Increase Notices before they are sent out to customers.

Director Smith observed that the District's expenditures exceeded its revenues in FY 2015 which resulted in an approximate \$1.7M shortfall for the beginning of FY 2016. Chief Financial Officer Beachem stated the figures were for the year-end of FY 2015. He indicated the current year-to-date variance shows a shortfall of only \$255,000. The variance is due to customers conserving more water than anticipated. Staff is continuing to monitor the budget and conservation and will be bringing the matter to the board for discussion at a future meeting.

11. DIRECTORS' REPORTS/REQUESTS

Director Croucher reported that he received an email from a customer who commended Meter Technician Kim Chavez for detecting a leak at his/her property which prevented a significant amount of water waste and helped them (the property owner) save money.

At the request of Director Thompson, General Manager Watton stated that staff will further research the possibility of installing a charging station for electric cars at the District.

Director Smith shared that he is teaching at San Diego State University and he provides his students (via the District's website) with information on how to conserve water.

12. PRESIDENT'S REPORT

President Lopez reported on meetings he attended during the month of August 2015 (a list of meetings he attended is attached).

13. CLOSED SESSION

The board recessed to closed session at 4:37 p.m. to discuss the following matters:

- a) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9:

1 CASE

- b) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9:

1 CASE

- c) CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION
[GOVERNMENT CODE §54956.9]

UNITED STATES, ET AL., EX. REL. JOHN HENDRIX vs. J-M
MANUFACTURING COMPANY, INC., ET AL.; CASE NO. ED CV 06-
00055GW

The board reconvened at 5:24 p.m. and Attorney Richard Romero stated that the board took no reportable actions in closed session.

14. ACTION ITEM

APPROVE CHANGE ORDERS NO. 2 AND NO. 3 TO THE EXISTING CONTRACT WITH OLYMPUS AND ASSOCIATES, INC. FOR THE 944-1, 944-2, AND 458-2 RESERVOIR INTERIOR/EXTERIOR COATINGS AND UPGRADES PROJECT; AND INCREASE THE OVERALL BUDGETS FOR CIPs P2531, P2532, AND P2535 IN AN AMOUNT OF \$325,000

With no discussion by the board, a motion was made by Director Croucher, seconded by Director Robak and carried with the following vote:

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

to approve staffs' recommendation.

15. ADJOURNMENT

With no further business to come before the Board, President Lopez adjourned the meeting at 5:28 p.m.

President

ATTEST:

District Secretary

President's Report
September 2, 2015 Board Meeting

A) Meetings attended during the Month of August 2015:

- 1) **August 7: Board Agenda Briefing.** Met with General Manager Watton and General Counsel Dan Shinoff to review items that will be presented at the August 13 Board Meeting.
- 2) **August 13: OWD Regular Board Meeting**
- 3) **August 21: Casa Familiar 29th Annual ABRAZO Awards Event.**
Attendees: Director Thompson
- 4) **August 25:**
 - a. **Met with City of Chula Vista Councilmember Miesen.**
Discussed the City of San Diego Recycled Water Rate Study. Attendees: Director Thompson, General Manager Watton and Finance Manager Bell
 - b. **Met with City of Chula Vista Councilmember McCann.**
Discussed the City of San Diego Recycled Water Rate Study. Attendees: Director Thomspson, General Manager Watton and Finance Manager Bell
- 5) **August 26: Met with City of San Diego Councilmember Emerald.** Discussed the City of San Diego Recycled Water Rate Study. Attendees: General Manager Watton and Finance Manager Bell
- 6) **August 28: Board Agenda Briefing.** Met with General Manager Watton and General Counsel Dan Shinoff to review items that will be presented at the September Board Meeting.

Agenda Item 4

MINUTES OF THE BOARD OF DIRECTORS MEETING OF THE OTAY WATER DISTRICT November 4, 2015

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

2. ROLL CALL

Directors Present: Lopez, Robak, Smith and Thompson

Directors Absent: Director Croucher (due to a personal commitment)

Staff Present: General Manager Mark Watton, General Counsel Dan Shinoff, Asst. General Manager German Alvarez, Chief of Engineering Rod Posada, Chief Financial Officer Joe Beachem, Chief of Information Technology Geoff Stevens, Asst. Chief of Administration and Information Technology Adolfo Segura, Asst. Chief of Operations Jose Martinez, District Secretary Susan Cruz and others per attached list.

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

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

Ayes: Directors Lopez, Robak, Smith and Thompson

Noes: None

Abstain: None

Absent: Director Croucher

to approve the agenda.

5. APPROVE THE MINUTES OF THE BOARD MEETING OF AUGUST 13, 2015

Director Thompson indicated that he wished to clarify at the top of page six (6) of the August 13, 2015 minutes where it indicates, "Because there currently are no metrics..." he would like to amend his statement to indicate that, "Because there currently is no quantifiable data to measure..." as he did not feel that the public would understand what is meant by *no metrics*.

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

Ayes: Directors Lopez, Robak, Smith and Thompson

Noes: None

Abstain: None
Absent: Director Croucher

to approve the minutes of August 13 with Director Thompson's amendment.

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

No one wished to be heard.

CONSENT CALENDAR

7. ITEMS TO BE ACTED UPON WITHOUT DISCUSSION, UNLESS A REQUEST IS MADE BY A MEMBER OF THE BOARD OR THE PUBLIC TO DISCUSS A PARTICULAR ITEM:

Director Robak pulled items 6c, AUTHORIZE THE GENERAL MANAGER AND DISTRICT STAFF TO EXPLORE, NEGOTIATE AND ENTER INTO A LETTER OF INTENT OR MEMORANDUM OF UNDERSTANDING (LOI/MOU) BETWEEN THE DISTRICT AND CADIZ, INC. FOR THE PURCHASE OF 5,000 ACRE-FEET PER YEAR (AFY) OF RAW WATER AND TO APPROVE THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) NOTICE OF EXEMPTION FOR THE POTENTIAL WATER PURCHASE; 6d, APPROVE AN AGREEMENT WITH THE LAW FIRM OF STUTZ, ARTIANO, SHINOFF AND HOLTZ, A PROFESSIONAL CORPORATION, FOR A TERM OF TWO (2) YEARS THROUGH DECEMBER 31, 2017, TO PROVIDE GENERAL COUNSEL SERVICES; 6e, APPROVE A FINE OF \$22,000 TO SHARP CHULA VISTA FOR MULTIPLE VIOLATIONS OF THE DISTRICT'S CODE OF ORDINANCES; for discussion.

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

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

to approve the following consent calendar items:

- a) APPROVE A CONSTRUCTION CONTRACT WITH MONTGOMERY CONSTRUCTION SERVICES, INC. FOR THE OPERATIONS YARD PROPERTY ACQUISITION IMPROVEMENT PROJECT IN AN AMOUNT NOT-TO-EXCEED \$449,611.05
- b) ADOPT THE MITIGATED NEGATIVE DECLARATION FOR THE CAMPO ROAD SEWER REPLACEMENT PROJECT

President Lopez presented item 6e for discussion:

- e) APPROVE A FINE OF \$22,000 TO SHARP CHULA VISTA FOR MULTIPLE VIOLATIONS OF THE DISTRICT'S CODE OF ORDINANCES

Customer Service Manager Andrea Carey requested that the board uphold staffs' recommendation to impose a \$22,000 fine to Sharp Chula Vista for multiple violations of the District's Code of Ordinances. Please reference the Committee Action notes (Attachment A) attached to the staff report for the details of Ms. Carey's report.

Mr. Matthew Teichner, Project Manager for Sharp Chula Vista, indicated they take regulatory compliance very seriously and explained how their test system worked. He stated that they did not steal water from the District or tamper with the District's system. He indicated that the hospital's relationship with the District is important to them and expressed that it is never their intent to break or evade regulations. He requested that the board reduce the proposed \$22,000 fine as Sharp Chula Vista felt it is excessive, based on circumstantial evidence, and due to a misunderstanding of how their test system worked.

General Manager Watton indicated that the relationship with Sharp Chula Vista has been respectful. In previous instances where Sharp Chula Vista's contractors were found taking short cuts, the District worked with those contractors and corrective action was taken. With regard to these incidents, these are large valves and it is highly unlikely that a vandal would open the valves since they require special tools to operate. The District did not open the valves and there is only one party that had an incentive to open the valves. The proposed \$22,000 fine is assessed for each violation of the District's Code performed on two water systems.

Mr. Teichner acknowledged that there have been previous conflicts between the District and Sharp's contractors and there was some misunderstanding with Otay WD's involvement in their projects. He stated that he should have come to Otay WD at the beginning of the project, but would be doing that tomorrow for the next phase of the work on this project.

General Manager Watton indicated his appreciation for their future cooperation and stated to the board that the amount of the imposed penalty is at their discretion and staff is not resolute as to the amount of the fine.

Director Robak indicated that this item was reviewed by the District's Finance, Administration and Communications Committee in September and the committee supported staffs' recommendation based on the information presented and past incidences with Sharp Chula Vista's contractors.

There was further discussion and presentations made by the District's Inspection Manager, Mr. Brandon DiPietro, and Sharp Chula Vista's site foreman, Mr. Dan

George of Kyne Construction regarding what was observed at the project site at Sharp Chula Vista the day the violations were discovered.

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

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

to consider the violations as occurring on one water system instead of two water systems and imposing a fine that is half (\$11,000) of the recommended \$22,000 to Sharp Chula Vista.

President Lopez presented 6c for discussion:

- c) AUTHORIZE THE GENERAL MANAGER AND DISTRICT STAFF TO EXPLORE, NEGOTIATE AND ENTER INTO A LETTER OF INTENT OR MEMORANDUM OF UNDERSTANDING (LOI/MOU) BETWEEN THE DISTRICT AND CADIZ, INC. FOR THE PURCHASE OF 5,000 ACRE-FEET PER YEAR (AFY) OF RAW WATER AND TO APPROVE THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) NOTICE OF EXEMPTION FOR THE POTENTIAL WATER PURCHASE.

Director Robak inquired why the District was entertaining a relationship with Cadiz, Inc. as he felt it was not looking positive for the project and it is very controversial. General Manager Watton indicated that the District wishes to indicate interest in reserving water supplies from the project as it becomes an additional water resource should the project come to fruition. He stated there is no cost or risk to the District to reserve supplies from the project. Regarding environmental impacts, there are no environmental considerations relative to the District as the water would be conveyed to the Otay WD through existing MWD and CWA infrastructure (no new infrastructure would need to be built).

In response to an inquiry from Director Thompson, General Manager Watton indicated that MWD is currently charging approximately \$700 per AF to wheel the Colorado River water through the QSA. Staff has estimated a fair wheeling rate for Cadiz water would be closer to \$200 per AF or a little under. He stated if the District can get the Cadiz water for this rate, it is a good deal. However, if it is wheeled at the QSA rate it would not be a reasonable rate. General Manager Watton indicated in response to another inquiry from Director Robak, that no other agency in San Diego, including CWA, is seeking an agreement with Cadiz as they only have 50,000 AF available and it is already fully subscribed. CWA had interest, but they have other sources they are also exploring.

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

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

to approve staffs' recommendation.

President Lopez presented 6d for discussion:

- d) APPROVE AN AGREEMENT WITH THE LAW FIRM OF STUTZ, ARTIANO, SHINOFF AND HOLTZ, A PROFESSIONAL CORPORATION, FOR A TERM OF TWO (2) YEARS THROUGH DECEMBER 31, 2017, TO PROVIDE GENERAL COUNSEL SERVICES

General Manager Watton indicated that this is a discretionary item for the board and staffs' sense is that the board is happy with the services provided by Stutz Artiano, Shinoff and Holtz, LLC (SASH). Staff has attached to the report a survey comparing general counsel service hourly cost among the local agencies and it is felt that SASH's rates are competitive. Staff is also pleased with the firm's work and, thus, staff is recommending the renewal of the District's agreement with SASH.

Director Thompson suggested that he would like a discussion in the future of the rationale for a retainer. General Manager Watton indicated that typically the District is below the retainer amount, but there are some months where the District is over the retainer due to more legal activity. He stated that the District only pays for the hours worked by the firm.

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

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

to approve staffs' recommendation.

ACTION ITEMS

8. FINANCE, ADMINISTRATION AND INFORMATION TECHNOLOGY

- a) APPROVE THE DISTRICT'S AUDITED FINANCIAL STATEMENTS INCLUDING THE INDEPENDENT AUDITOR'S UNQUALIFIED OPINION FOR FISCAL YEAR ENDED JUNE 30, 2015

Senior Accountant Marissa Dychitan indicated that staff is recommending that the board approve the District's audited financial statements, including the Independent Auditors' unqualified opinion for the fiscal year ended June 30, 2015. She stated that Teaman, Ramirez & Smith, Inc. performed the audit and found that, in all material respects, the financial statements correctly represent the financial position of the District. Please reference the Committee Action notes (Attachment A) attached to the staff report for further details of Ms. Dichitan's and the Auditor's (Mr. Rich Teaman's) report.

Mr. Teaman indicated in response to an inquiry from Direct Robak that from his firm's observation, the District is well funded and managed and the District seems to take the appropriate steps to assure the financial stability of the District.

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

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

to approve staffs' recommendation.

9. WATER OPERATIONS AND ENGINEERING

- a) APPROVE AMENDMENT NO. 4 TO THE EXISTING CONTRACT WITH AECOM TECHNICAL SERVICES, INC. (AECOM) FOR THE DESIGN OF THE OTAY MESA DESALINATION CONVEYANCE AND DISINFECTION SYSTEM PROJECT; INCREASING THE CONTRACT BY \$22,425, RESULTING IN A HIGHER CONTRACT AMOUNT NOT-TO-EXCEED \$3,800,863

Environmental Compliance Specialist Lisa Coburn-Boyd indicated that staff is requesting the board to approve amendment number four (4) to the District's existing contract with AECOM Technical Services, Inc. (AECOM) for the design of the Otay Mesa Desalination Conveyance and Disinfection System Project. Please reference the Committee Action notes (Attachment A) attached to the staff report for further details of Ms. Coburn-Boyd's report.

General Manager Watton indicated that the State of Baja should be receiving tenders to build the desalination plant in the next four (4) weeks. NSC Agua has submitted their tender. He indicated that Mexico will buy a majority of the water from the project and that he has submitted a letter on behalf of the District to the State of Baja restating the District's desire to purchase water from the project and indicating the amount of water the District is interested in purchasing.

It was discussed that the EIR/EIS does includes the construction of a pump station and water treatment facility should they be required.

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

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

to approve staffs' recommendation.

- b) APPROVE TWO (2) AGREEMENTS FOR METERED EMERGENCY INTERCONNECTIONS BETWEEN OTAY AND THE HELIX WATER DISTRICT AT BLOSSOM LANE AND IVY STREET

Senior Civil Engineer Steve Beppler indicated that staff is requesting the board's approval of two (2) agreements for metered emergency interconnections between Otay WD and the Helix WD at Blossom Land and Ivy Street in Lemon Grove. Please reference the Committee Action (Attachment A) notes attached to the staff report for further details of Mr. Beppler's report.

General Manager Watton noted that this item was supported by committee, but the committee had interest in the location of all District interconnects. He noted there are two maps attached to staff's report showing all the District's interconnections (31 total interconnections).

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

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

to approve staffs' recommendation.

10. BOARD

- a) DISCUSSION OF THE 2015 BOARD MEETING CALENDAR

There was discussion that there was no urgent business to be heard and staff is prepared if the December 2015 board meeting is canceled as has been done in the past. It was suggested that the meeting be held on the calendar and a cancellation be posted if the meeting is not needed.

INFORMATIONAL ITEM

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

- c) RECEIVE THE FINDINGS OF THE 2015 CUSTOMER AWARENESS AND OPINION SURVEY (BUELNA)

Communications Officer Armando Buelna indicated that staff is presenting the results of the 2015 Customer Awareness and Opinion Survey. He indicated that this is a statistically reliable survey based on telephone interviews of residential customers of the District. The survey was performed by Rea & Parker Research, Inc. between August 31 and September 9, 2015. He indicated that Drs. Rea and Parker are in attendance of today's meeting and will be presenting the results of the survey. Please reference the Committee Action notes (Attachment A) attached to the staff report for further details of Mr. Buelna's and Drs. Rea and Parker's report.

Dr. Parker indicated in response to an inquiry from Director Robak that cell phone respondents are a little different demographically than respondents who have a landline and they wished to track in the survey cell phone respondents' views and experience with the District to see if, and how, they differ from landline customers.

The board was interested in knowing how the reduction in water use by the District's customers is impacting the District's budget. General Manager Watton indicated that staff would be presenting this information at an upcoming Workshop for the Board.

REPORTS

12. GENERAL MANAGER'S REPORT

CWA Report

General Manager Watton indicated with regard to CWA's lawsuit with MWD that the judge awarded the statute pre-judgement interest of 10% which brings the judgement to \$240+ million. It is expected that MWD will appeal the judgement. The interest for post judgement is set at 7% for the length of the appeal process.

He also shared that he has provided handouts on the dias and the first is an update on ACWA's proposed ballot measure related to Proposition 218; a letter to ACWA from Ms. Maureen Stapleton, General Manager of CWA, regarding their not vetting the ballot measure through the ACWA members and Mr. Tim Quinn's, ACWA Executive Director, response to CWA's letter; and information on the California Water Fix for the Delta Tunnels.

Mr. Watton also presented information from his report. He reported on the District's preparedness and planning for storm related flooding, Safety Training,

the Countywide GIS Image Project, the FY 2015 Comprehensive Annual Financial Report, the Rosarito Desalination Project, recycled water fire hydrant installations, the Ralph W. Chapman Water Reclamation Facility Indirect Potable Reuse/Direct Potable Reuse project with Sweetwater Authority, and water purchases.

13. DIRECTORS' REPORTS/REQUESTS

Director Robak indicated that he felt that the annual Customer Survey is a great tool, especially with regard to measuring the effectiveness of the Water Conservation Garden (WCG) as it is the only tool that provides data on the WCG. He stated that the District did a very good job in handling the break at Hillsdale and that he received good feedback from the community as well. He indicated that he attended a quarterly meeting of the Conservation Action Committee at the SDG&E Energy Conservation Center. Mr. Charles Fishman, an author who wrote a book on water, presented at the meeting. He indicated Mr. Fishman has a perspective on water that encompasses the world, far beyond the Southern California paradigm. He also shared that Mr. John Bolthouse has submitted his resignation as the Executive Director of the WCG effective December 18 and has accepted a new position as the Executive Director of the Friends of Balboa Park organization. He lastly shared that he attended the South County Economic Development Council's Elected Officials event and was asked to provide a report on the Otay WD. He indicated that he spoke on the inequitable recycled water rate increase that is being proposed on the Otay WD by the City of San Diego and that the information was well received. He stated the East County Chamber of Commerce is formally supporting the District's position on the City's recycled rate increase.

Director Smith reported, in the interest of transparency, that he created a sole proprietor civil engineering services company last month. The company's name is Smith Civil Engineering Solutions.

14. PRESIDENT'S REPORT

President Lopez reported on meetings he attended during the month of October 2015 (a list of meetings he attended is attached). He also acknowledged the agencies and organizations who supported the District's position on the City of San Diego's proposed recycled water rate increase to the Otay WD.

15. CLOSED SESSION

The board recessed to closed session at 6:10 p.m. to discuss the following matter:

- a) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9:

1 CASE

b) PUBLIC EMPLOYEE PERFORMANCE EVALUATION [GOVERNMENT CODE §54957.6

TITLE: GENERAL MANAGER

The board reconvened at 8:33 p.m. and General Counsel Dan Shinoff reported that the board met in closed session and took no reportable action on item *a* above. Director Thompson reported with regard to item *b*, that he and Director Smith served on the Ad Hoc General Manager Evaluation Committee. He stated that the Board conducted the General Manager's performance evaluation in closed session and the board is very pleased with General Manager Watton's performance over the last year.

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

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

to amend the General Manager's contract to extend it an additional year to 2018 and a provide a salary increase of 2% effective July 1, 2015 and an adjustment effective July 1, 2016 based on the same formula for the employees scheduled to become effective the same date, July 1, 2016. The 2016 increase would be a minimum of 2% and a maximum of 3%. The board also directs General Counsel to draft the amendment to the General Managers contract based on these parameters.

Director Thompson acknowledged that the District's General Manager is one of the highest paid General Managers of a public agency in the County. He indicated the reason the District's General Manager is one of the highest paid is because he is one of the very best in the County. He stated the members of the board, of which a number has many years of experience in both the private and public sectors, recognizes the value the General Manager provides the District with his experience and knowledge of the industry. He indicated that his salary is a recognition of his career contributions and experience in the industry. Director Thompson noted that the proposed increase provided the General Manager is in line with the increases provided the employees of the District. The extension of the 3rd year is on his contract is to encourage him to continue his service with the District.

General Manager Watton thanked the board and indicated that he is honored to be the General Manager of the District. He stated that it has been a great experience and he is humbled by the board's confidence in him. He again thanked the board for the review and the kind words.

16. ADJOURNMENT

With no further business to come before the Board, President Lopez adjourned the meeting at 8:40 p.m.

President

ATTEST:

District Secretary

President's Report
November 4, 2015 Board Meeting

A) Meetings attended during the Month of October 2015:

- 1) **October 6:**
 - a. **Attended the District's Ad Hoc Salt Creek Golf Course Development Committee.** Discussed future of the Salt Creek Golf Course. Attendees: Director Thompson, General Manager Watton, Bill McWethy, Fred Grand and Alan Nevin
 - b. **Attended the District's Ad Hoc Salt Creek Golf Course Development Committee.** Follow-up discussion to earlier morning meeting above regarding the future of the Salt Creek Golf Course. Attendees: Director Thompson and General Manager Watton
- 2) **October 7: OWD Regular Board Meeting**
- 3) **October 13: Attended Southwestern College's Board Meeting to accept their Resolution of Support for Zonal Rating for the City of San Diego's Recycled Water Rate.**
- 4) **October 14: Attended the District's Employee Recognition Luncheon.**
- 5) **October 16: Committee Agenda Briefing.** Met with General Manager Watton to review items that will be presented at the October committee meetings.
- 6) **October 19: Attended the District's Desalination Project Committee.** Discussed and received an update on the Rosarito Desalination Project.
- 7) **October 21: Attended the District's Finance, Administration and Communications Committee.** Reviewed, discussed, and made recommendation on items that will be presented at the November board meeting.
- 8) **October 22: Attended the City of Chula Vista's Ribbons and Shovels Event.** Attendees: Director Thompson
- 9) **October 27: Board Agenda Briefing.** Met with General Manager Watton and General Counsel Dan Shinoff to review items that will be presented at the November 4 Board Meeting.

10) **October 28:**

- a. **Interview with Univision** regarding the City of San Diego's proposed recycled water rate increase.
- b. **Attended the Press Conference hosted by Otay Water District and City of Chula Vista.** Shared information on the City of San Diego's proposed recycled water rate increase.

AGENDA ITEM 7a



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	February 3, 2016
SUBMITTED BY:	Dan Martin Engineering Manager	PROJECT:	P2531-001103 DIV. NOs.: 2 & 5 P2532-001103 P2535-001103
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief, Engineering <input checked="" type="checkbox"/> German Alvarez, Assistant General Manager <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Approve Change Order No. 7 to the Contract with Olympus & Associates, Inc. for the 944-1, 944-2, & 458-2 Reservoir Interior/Exterior Coatings & Upgrades Project		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board) approve Change Order No. 7 (Exhibit B) to the existing contract with Olympus & Associates, Inc. (Olympus) in the credit amount of <\$87,259.87> for the 944-1, 944-2, & 458-2 Reservoir Interior/Exterior Coatings & Upgrades Project. See Exhibits A-1 and A-2 for Project locations.

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to execute Change Order No. 7 in the credit amount of <\$87,259.87> to the construction contract with Olympus for the 944-1, 944-2, & 458-2 Reservoir Interior/Exterior Coatings & Upgrades Project.

ANALYSIS:

At the October 1, 2014 Board Meeting, the Board awarded a construction contract in an amount of \$1,206,008 to Olympus to replace the existing interior and exterior coatings for the 944-1,

944-2, and 458-2 Reservoirs. In addition to replacing the coatings of the reservoirs, the Project includes structural upgrades to comply with the current American Water Works Association (AWWA) and the Occupational Safety and Health Administration standards for both Federal (OSHA) and State (Cal-OSHA) levels.

Since the award of the construction contract, substantial structural repair work was identified at the 944-1 (Install Date January 1963), 944-2 (Install Date June 1992), and 458-2 (Install Date October 1967) Reservoirs. Although an internal (dive) inspection was performed at the Reservoirs in advance of the Project, the extent of the required repairs could not be assessed until removal of the existing coating was completed. The contract does include a Board approved Structural Modification Allowance item, which was established to address structural deficiencies identified during construction. A Work Order was approved against the allowance on June 12, 2015, to construct structural roof support system repairs at the 944-2 Reservoir.

On September 2, 2015 the Board approved a budget increase in the amount of \$325,000 to cover the costs of change orders associated with the Project. Additionally, at the September 2, 2015 and October 7, 2015 Board Meetings, the Board approved contract Change Order Nos. 2 through 6. Table 1 below provides a summary of the approved contract change orders for the Project. Each change order addressed both cost and time impacts associated with the unforeseen work and serves as total compensation to the contractor.

Table 1. Summary of Board Approved Change Orders

Change Order	Description	Approval Date	Value	Time (Days)
1	458-2 Structural floor repairs	6/17/15	\$41,778.00	20
2	458-2 Idled Equipment during structural floor and roof repairs	9/10/15	\$44,458.00	30
3	458-2 Disposal of additional Coal Tar	9/10/15	\$4,073.00	3
4	458-2 Floor coating change to 100% solids product	10/16/15	\$28,071.00	0
5	944-1 Structural rafter repairs	10/16/15	\$46,204.33	32
6	944-1 Overflow replacement/repairs	10/16/15	\$11,413.89	2
		Total	\$175,998.22	87

With the approval of the change orders summarized above, the contract completion date was revised from June 13, 2015 to September 8, 2015. Throughout the contract, Olympus has been notified that the District

will be assessing liquidated damages associated with the late delivery of the Project.

Section 00400 (Form A) of the contract between the District and Olympus includes provisions for liquidated damages associated with completion of the work beyond the contract time. Per the contract, liquidated damages accrue at a rate of one thousand dollars (\$1,000) per calendar day until substantial completion is reached. Olympus substantially completed the contract on December 3, 2015. In accordance with the contract provisions, the District has withheld liquidated damages from progress payment requests. Change Order No. 7, Exhibit B which is the subject of this staff report, reconciles the final number of liquidated damages assessed and adjusts the final contract amount accordingly.

Additionally, Change Order No. 7 serves as a contract closeout change order and will credit the contract for items furnished by the District to Olympus at the request of Olympus, including the following: replacement of an existing 14-inch butterfly valve which was damaged by the contractor; compensation for damaged pavement; and premium time associated with specialty inspection on weekends. In total, Change Order No. 7 is a credit to the District in the amount of <\$87,259.87>.

The District's Construction Manager sent Change Order No. 7 to Olympus on December 17, 2015. To date, Olympus has not executed the change order and returned it to the Construction Manager. In the absence of an executed change order from Olympus, staff is recommending that approval of Change Order No. 7 be processed unilaterally in substantially the same form as shown in Exhibit B so that closeout of the contract can be completed.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

Funding for the overall Project comes from CIP's P2531, P2532, and P2535. The total budget is \$2,175,000.

The total budget for CIP P2531 (944-1 Reservoir), as approved by the Board at the September 2, 2015 Board Meeting, is \$390,000. Total expenditures, plus outstanding commitments and forecast, are \$345,384. See Attachment B-1 for budget detail.

The total budget for CIP P2532 (944-2 Reservoir), as approved by the Board at the September 2, 2015 Board Meeting, is \$946,000. Total expenditures, plus outstanding commitments and forecast, are \$939,584. See Attachment B-2 for budget detail.

The total budget for CIP P2535 (458-2 Reservoir), as approved by the Board at the September 2, 2015 Board Meeting, is \$839,000. Total expenditures, plus outstanding commitments and forecast, are \$794,657. See Attachment B-3 for budget detail.

Based on a review of the financial budget, the Project Manager anticipates that the budgets for CIP's P2531, P2532, and P2535 are sufficient to support the Project.

The Finance Department has determined that, under the current rate model, 100% of the funding is available from the Replacement Fund for CIP's P2531, P2532, and P2535.

STRATEGIC GOAL:

This Project supports the District's Mission statement, "To provide high value water and wastewater services to the customers of the Otay Water District in a professional, effective, and efficient manner" and the General Manager's Vision, "A District that is at the forefront in innovations to provide water services at affordable rates, with a reputation for outstanding customer service."

LEGAL IMPACT:

None.

DM/RP:jf

P:\WORKING\CIP P2531 & P2532 - 944-1 & 2 Reservoir Int-Ext Coating\Staff Reports\BD 02-03-16\BD 02-03-16 Staff Report 944-1 944-2 458-2 Reservoir CO 07(DM-RP).docx

- Attachments:
- Attachment A - Committee Action
 - Attachment B-1 - Budget Detail for P2531
 - Attachment B-2 - Budget Detail for P2532
 - Attachment B-3 - Budget Detail for P2535
 - Exhibit A-1 - Location Map for 944-1 & 944-2
 - Exhibit A-2 - Location Map for 458-2
 - Exhibit B - Change Order No. 7



ATTACHMENT A

SUBJECT/PROJECT: P2531-001103 P2532-001103 P2535-001103	Approve Change Order No. 7 to the Contract with Olympus & Associates, Inc. for the 944-1, 944-2, & 458-2 Reservoir Interior/Exterior Coatings & Upgrades Project
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee (Committee) reviewed this item at a meeting held on January 19, 2016, and the following comments were made:

- Staff recommended that the Board approve Change Order No. 7, Exhibit B to the staff report, to the existing contract with Olympus & Associates, Inc. (Olympus) in the credit amount of <\$87,259.87> for the 944-1, 944-2, & 458-2 Reservoir Interior/Exterior Coatings & Upgrades Project.
- Staff presented their report to the Committee, which included a background of the Project and previous Change Orders. It was noted that on September 2, 2015, the Board approved a budget increase in the amount of \$325,000 to cover the costs of change orders associated with the Project. Table 1, which is shown on Page 2 of the staff report, provides a summary of the approved contract change orders.
- Staff indicated that Olympus accepted Change Orders Nos. 2 through 6 that addressed both cost and time impacts associated with unforeseen work. With the approval of the change orders, the contract completion date was revised from June 13, 2015 to September 8, 2015.
- It was discussed that Section 00400 (Form A) of the contract between the District and Olympus includes provisions for liquidated damages associated with completion of the work beyond the contract time. Liquidated damages accrue at a rate of one thousand dollars (\$1,000) per calendar day until substantial completion is reached. Staff noted that Olympus substantially completed the contract on December 3, 2015, and that the District has withheld liquidated damages from progress payment requests.

- Staff stated that Change Order No. 7, Exhibit B of the staff report, reconciles the final number of liquidated damages assessed and adjusts the final contract amount accordingly.
- Change Order No. 7 also serves as a contract closeout change order and will credit the contract for items furnished by the District to Olympus at the request of Olympus, including the following:
 - Replacement of an existing 14-inch butterfly valve that was damaged by the contractor;
 - Compensation for damaged pavement; and
 - Premium time associated with specialty inspection on weekends.

In total, Change Order No. 7 is a credit to the District in the amount of <\$87,259.87>.

- Staff indicated that the Construction Manager sent Change Order No. 7 to Olympus on December 17, 2015. To date, Olympus has not executed the change order and returned it to the Construction Manager. In the absence of an executed change order from Olympus, staff recommended that the approval of Change Order No. 7 be processed unilaterally in substantially the same form as shown in Exhibit B so that closeout of the contract can be completed.
- Staff noted that prior to the Committee meeting, Olympus submitted correspondences to the District disputing the liquidated damages. The company also indicated that additional information will be submitted at a later time. Staff stated that the disputes are not a new issue for this Project as they were already communicated by correspondence back in June 2015, which the District has already reviewed and provided a response to Olympus. Staff also noted that the most recent correspondence from Olympus lacks detail. For these reasons, staff believes that the District can move forward with Change Order No. 7. Copies of all correspondences were provided to the Committee.
- The Committee inquired if the Project caused any impacts to residents in the area. Staff stated that some residents complained about the noise from the Project. District staff met with the contractor about the issue and noticed that the contractor was not following the District's contract specifications as old equipment was being utilized for the Project. The contractor obtained new equipment to meet the District's specifications. Staff stated that the contractor's management of personnel and equipment caused inefficiencies with

the Project and related contract completion delays and indicated that these issues are well documented by District Staff.

- At the request of the Committee, staff was asked to double-check to see that no impacts were made to the private access road at the Project's site. Subsequent to the Committee meeting, staff followed up on the Committee's request and confirmed that the District's Construction Manager is tracking a punch list item at the 944-1/944-2 Reservoir site that involves damage to an existing rock wall. The affected Property Owner Association (POA) values the wall repair at \$120.00. In December 2015, Olympus was asked to make restitution to the POA for the damaged rock wall. On January 25, 2016, staff followed up with the POA who confirmed that they have not received restitution and also confirmed that there are no other outstanding POA items. In the absence of payment by Olympus to the POA for damage to the rock wall, staff will deduct the disputed amount from retention being withheld on the contract until the issue is resolved.
- In response to a question from the Committee, staff stated that there should be no major maintenance issues with this reservoir in the next 15-20 years. In addition, there is a two-year warranty on the work that has been completed with this project. During the warranty period, District staff will closely monitor the reservoir to ensure that no structural damage occurs.
- In response to a question from the Committee, Legal Counsel stated that the District has previously processed a unilateral change order that was similar to this Project.

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



ATTACHMENT B-1 – Budget Detail for P2531

SUBJECT/PROJECT:	Approve Change Order No. 7 to the Contract with Olympus & Associates, Inc. for the 944-1, 944-2, & 458-2 Reservoir Interior/Exterior Coatings & Upgrades Project
P2531-001103	
P2532-001103	
P2535-001103	

Otay Water District					Date Updated: 12/28/15
P2531-944-1 Reservoir Interior/Exterior Coating					
<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment & Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor/Comments</i>
390,000					
Planning					
Standard Salaries	468	468	-	468	
Consultant Contracts	3,411	3,411	-	3,411	HDR ENGINEERING INC
Regulatory Agency Fees	25	25	-	25	PETTY CASH CUSTODIAN
Total Planning	3,904	3,904	-	3,904	
Design					
Standard Salaries	4,196	4,196	-	4,196	
Service Contracts	45	45	-	45	SAN DIEGO DAILY TRANSCRIPT
Construction Contracts	90	90	-	90	CLARKSON LAB & SUPPLY INC
Total Design	4,331	4,331	-	4,331	
Construction					
Standard Salaries	50,000	38,297	11,703	50,000	
Construction Contract	245,846	196,698	49,148	245,846	OLYMPUS & ASSOCIATES
	(43,375)	-	(43,375)	(43,375)	OLYMPUS & ASSOCIATES CO 07
Service Contracts	50,000	15,240	34,760	50,000	RF YEAGER
	16,000	13,650	2,350	16,000	ALYSON CONSULTING-CM
Equipment	15,000	7,285	7,715	15,000	VALVE REPLACEMENT
Equipment Charges	78	78	-	78	EQUIPMENT CHARGES
Professional Legal Fees	600	580	20	600	STUTZ ARTIANO SHINOFF
Regulatory Agency Fees	-	-	-	-	PETTY CASH CUSTODIAN
Project Closeout	3,000	-	3,000	3,000	CLOSEOUT
Project Contingency	-	-	-	-	5% CONTINGENCY
Total Construction	337,149	271,828	65,321	337,149	
Grand Total	345,384	280,063	65,321	345,384	



ATTACHMENT B-2 – Budget Detail for P2532

SUBJECT/PROJECT:	Approve Change Order No. 7 to the Contract with Olympus & Associates, Inc. for the 944-1, 944-2, & 458-2 Reservoir Interior/Exterior Coatings & Upgrades Project
P2531-001103	
P2532-001103	
P2535-001103	

Otay Water District					Date Updated: 12/28/15
P2532-944-2 Reservoir Interior/Exterior Coating					
Budget	Committed	Expenditures	Outstanding Commitment &	Projected Final Cost	Vendor/Comments
946,000					
Planning					
Standard Salaries	468	468	-	468	
Consultant Contracts	3,412	3,412	-	3,412	HDR ENGINEERING INC
Regulatory Agency Fees	25	25	-	25	PETTY CASH CUSTODIAN
Total Planning	3,905	3,905	-	3,905	
Design					
Standard Salaries	7,599	7,599	-	7,599	
Professional Legal Fees	-	-	-	-	STUTZ ARTIANO SHINOFF
Consultant Contracts	-	-	-	-	CONSULTANT CONTRACT
Service Contracts	1,129	1,129	-	1,129	MAYER
	45	45	-	45	SAN DIEGO DAILY TRANSCRIPT
Total Design	8,773	8,773	-	8,773	
Construction					
Standard Salaries	180,000	178,423	1,577	180,000	
Construction Contract	587,616	587,616	-	587,616	OLYMPUS & ASSOCIATES
	(82)	-	(82)	(82)	OLYMPUS & ASSOCIATES CO 07
Service Contracts	120,493	120,493	-	120,493	HDR-SPECIALTY INSPECTION
	34,820	34,820	-	34,820	ALYSON CONSULTING-CM
	90	90	-	90	CLARKSON LAB & SUPPLY
	2,356	2,356	-	2,356	WATCHLIGHT CORPORATION
Equipment Charge	1,283	1,283	-	1,283	EQUIPMENT CHARGE
Professional Legal Fees	330	327	3	330	STUTZ ARTIANO SHINOFF
Regulatory Agency Fees	-	-	-	-	PETTY CASH CUSTODIAN
Project Closeout	-	-	-	-	CLOSEOUT
Project Contingency	-	-	-	-	5% CONTINGENCY
Total Construction	926,907	925,408	1,498	926,906	
Grand Total	939,585	938,086	1,498	939,584	

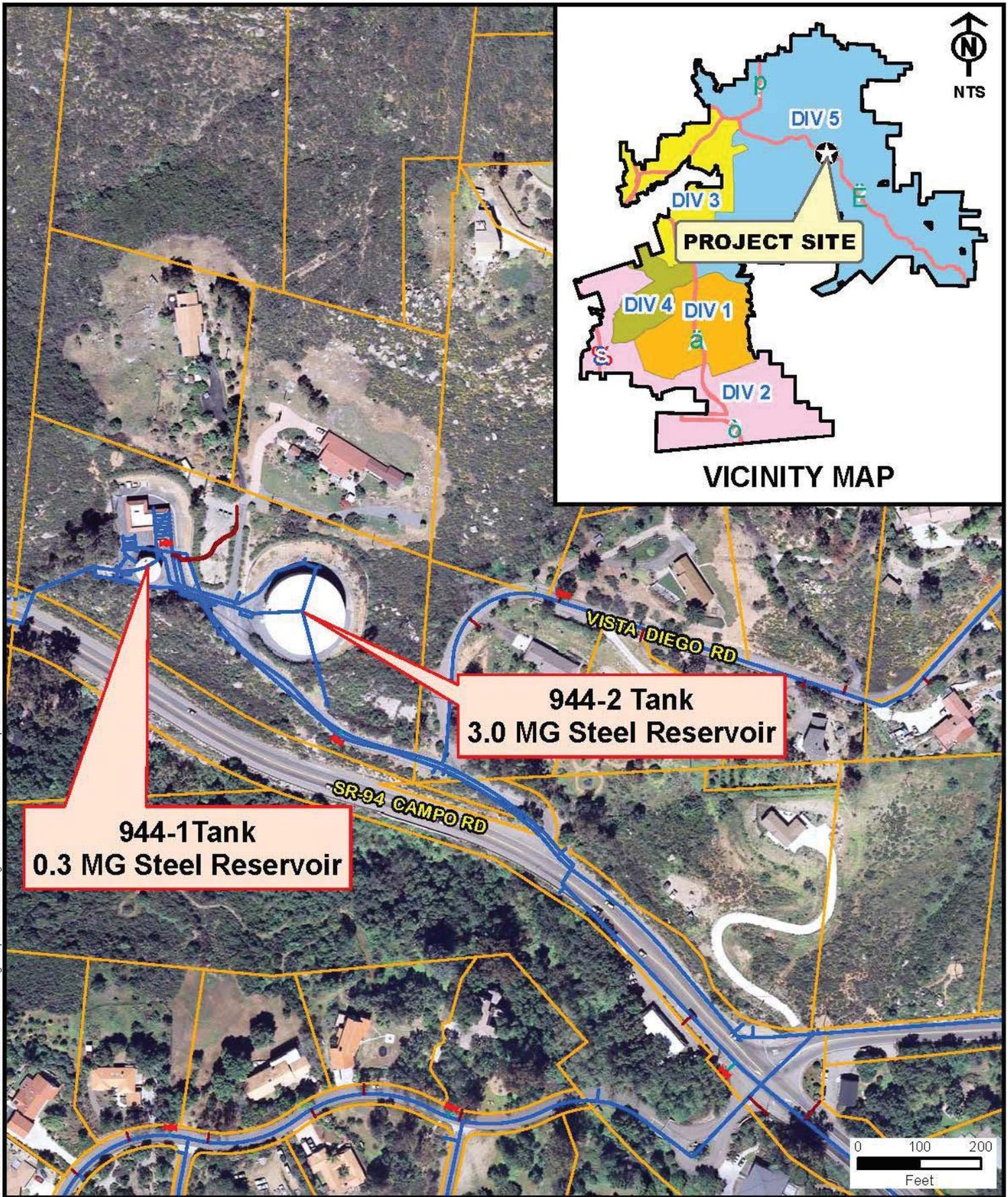


ATTACHMENT B-3 – Budget Detail for P2535

SUBJECT/PROJECT: P2531-001103 P2532-001103 P2535-001103	Approve Change Order No. 7 to the Contract with Olympus & Associates, Inc. for the 944-1, 944-2, & 458-2 Reservoir Interior/Exterior Coatings & Upgrades Project
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Otay Water District					Date Updated: 12/30/15
P2535-458-2 Reservoir Interior/Exterior Coating					
Budget	Committed	Expenditures	Outstanding Commitment & Forecast	Projected Final Cost	Vendor/Comments
839,000					
Planning					
	-	-	-	-	
Total Planning	-	-	-	-	
Design					
Standard Salaries	15,441	15,441	-	15,441	
Professional Legal Fees	440	440	-	440	STUTZ ARTIANO SHINOFF
Consultant Contracts	2,715	2,715	-	2,715	CSI SERVICES INC
Service Contracts	4,610	4,610	-	4,610	MAYER
	89	89	-	89	SAN DIEGO DAILY TRANSCRIPT
Total Design	23,295	23,295	-	23,295	
Construction					
Standard Salaries	125,000	114,328	10,672	125,000	
Construction Contract	548,544	502,041	46,503	548,544	OLYMPUS & ASSOCIATES
	(43,803)		(43,803)	(43,803)	OLYMPUS & ASSOCIATES - CO 07
Service Contracts	47	47	-	47	SAN DIEGO DAILY TRANSCRIPT
	730	730	-	730	S & R TESTING SERVICES
	3,515	3,515	-	3,515	FERGUSON WATERWORKS
	666	666	-	666	CLARKSON LAB & SUPPLY INC
	3,794	3,794	-	3,794	PSOMAS
	3,081	3,081	-	3,081	PACIFIC PIPELINE
	400	400	-	400	R&M SOLUTIONS
	2,958	2,958	-	2,958	DJA INSPECTION
	37,845	37,845	-	37,845	HDR-SPECIALTY INSPECTION
	629	629	-	629	WATCHLIGHT CORPORATION
	13,000	7,650	5,350	13,000	ALYSON CONSULTING-CM
	372	372	-	372	NINYO & MOORE
	63,435	63,435	-	63,435	RF YEAGER - SPECIALTY INSPECTION
Equipment Charge	1,093	1,093	-	1,093	EQUIPMENT CHARGE
Standard Materials	18	18	-	18	STANDARD MATERIALS
Regulatory Agency Fees	38	38	-	38	PETTY CASH CUSTODIAN
Project Closeout	5,000	-	5,000	5,000	
Professional Legal Fees	5,000	-	5,000	5,000	
Project Contingency	-	-	-	-	5% CONTINGENCY
Total Construction	771,362	742,640	28,722	771,362	
Grand Total	794,657	765,936	28,722	794,657	

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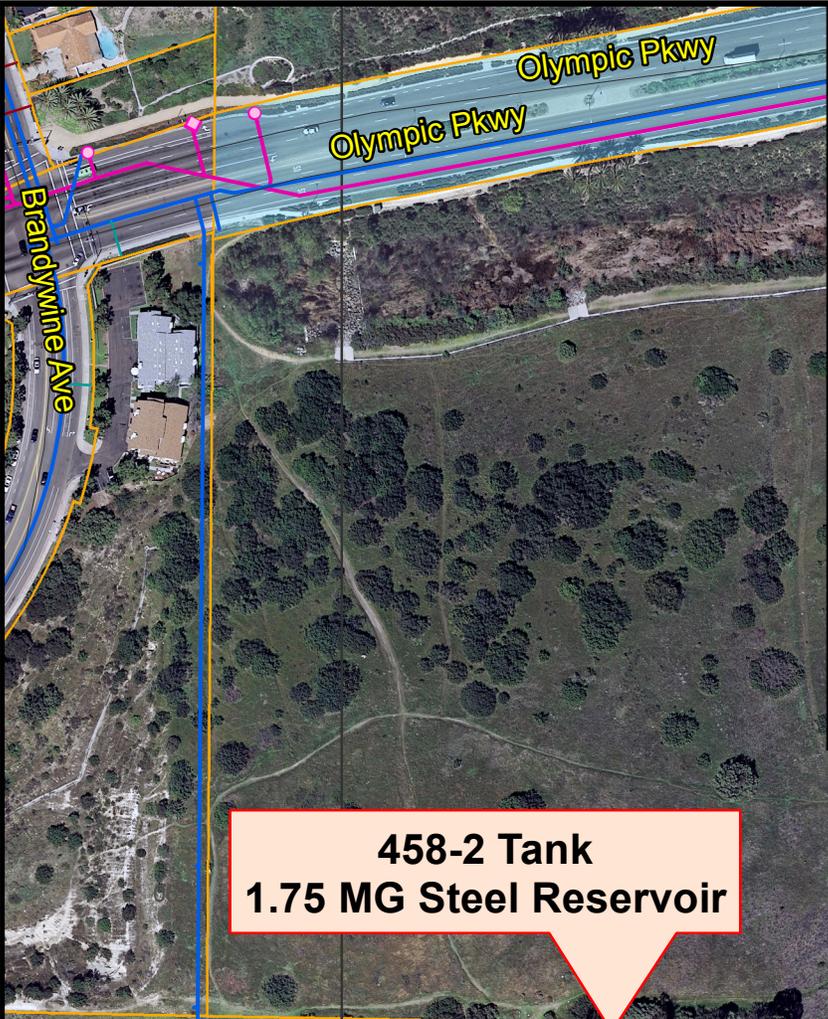
**944-1 Tank
0.3 MG Steel Reservoir**

**944-2 Tank
3.0 MG Steel Reservoir**

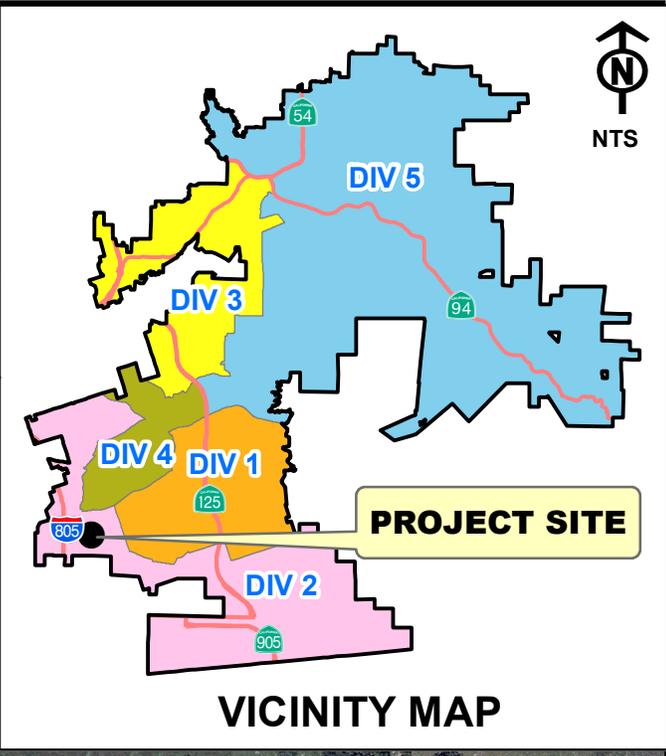
OTAY WATER DISTRICT

**944-1 & 944-2 Reservoir Exterior/Interior Coatings Project
Location Map**

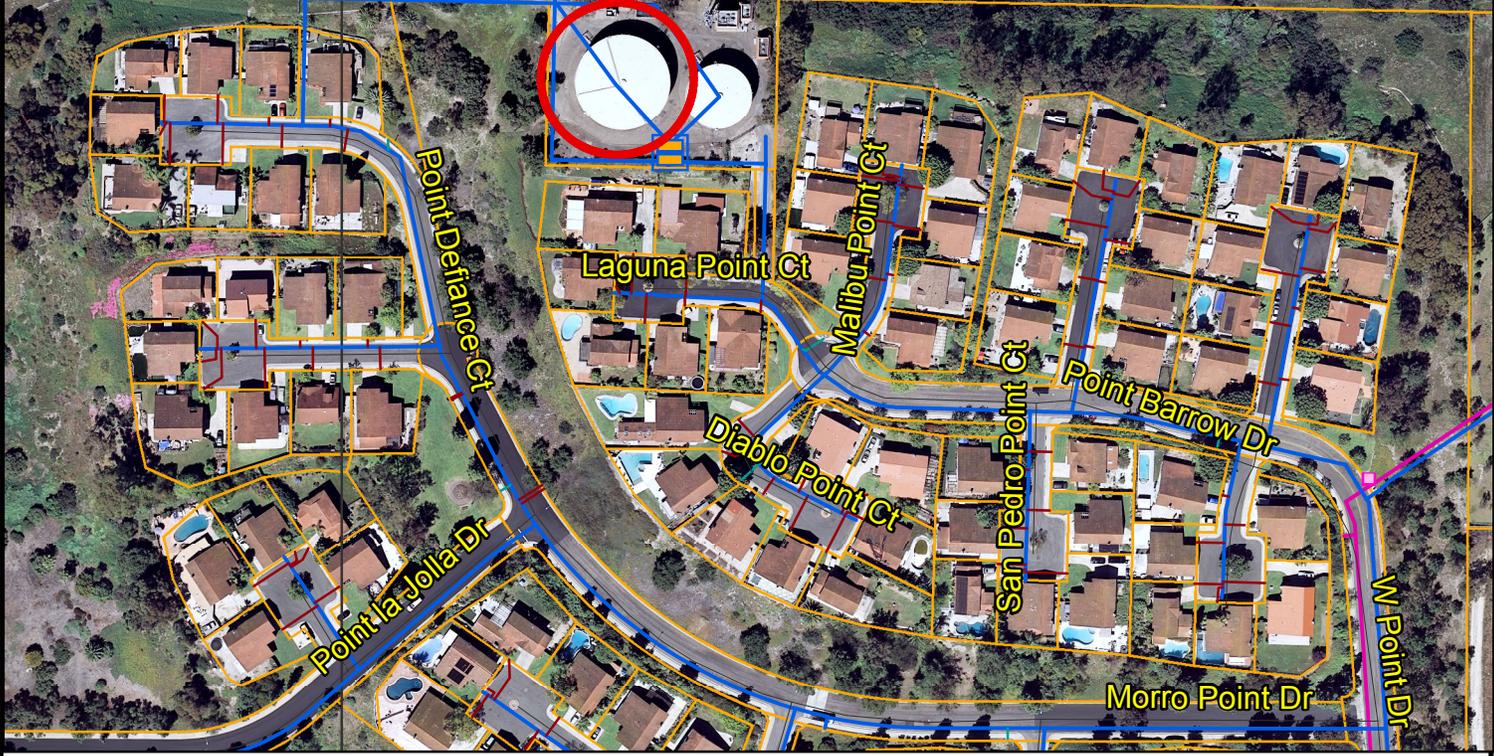
CIP P2531
CIP P2532



**458-2 Tank
1.75 MG Steel Reservoir**



VICINITY MAP



OTAY WATER DISTRICT
458-2 Reservoir Interior/Exterior
Coating and Upgrades



CIP P2535

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OTAY WATER DISTRICT

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

CONTRACT/P.O. CHANGE ORDER No. 7

PROJECT/ITEM: 944-1, 944-2, & 458-2 Reservoir Interior/Exterior Coating & Upgrades

CONTRACTOR/VENDOR: Olympus and Associates Inc.

REF.CIP No.: P2531/P2532/P2535

APPROVED BY: Board

REF. P.O. No: 718662

DATE: 12/17/15

DESCRIPTION:

See attached page 2 of 3 for continuation.

REASON:

See attached page 2 of 3 for continuation.

CHANGE P.O. TO READ:

Revise Contract to deduct \$87,259.87 and add 3 days time for a total Contract amount of \$1,294,746.35 with a Contract Duration of 312 Calendar Days.

ORIGINAL CONTRACT/P.O. AMOUNT:	\$	1,206,008.00
ADJUSTED AMOUNT FROM PREVIOUS CHANGE:	\$	175,998.22
TOTAL COST OF THIS CHANGE ORDER:	\$	(87,259.87)
NEW CONTRACT/P.O. AMOUNT IS:	\$	1,294,746.35
ORIGINAL CONTRACT COMPLETION DATE:		06/13/15
CONTRACT/P.O. TIME AFFECTED BY THIS CHANGE:		Yes
REVISED CONTRACT COMPLETION DATE:		09/11/15

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

CONTRACTOR/VENDOR:

STAFF APPROVALS:

SIGNATURE: _____ PROJ. MGR : _____ DATE: _____

NAME : _____ DIV. MGR : _____ DATE: _____

TITLE: _____ DATE : _____ CHIEF: _____ DATE: _____

COMPANY & ADDRESS: Olympus & Associates, Inc. ASST. GM : _____ DATE: _____

405 Lovitt Lane

DISTRICT APPROVAL:

Reno, NV 89506

GEN. MANAGER: _____ DATE: _____

COPIES: FILE (Orig.), CONTRACTOR/VENDOR, CHIEF-ENGINEERING, CHIEF-FINANCE, ENGR. MGR.
 ACCTS PAYABLE, INSPECTION, PROJ. MGR., ENGR. SECRETARY, PURCHASING, PROJECT BINDER

Description of Work

<u>Description</u>	<u>Increase</u>	<u>Decrease</u>	<u>Time</u>
<u>Item No. 1:</u> Reimbursement for liquidated damages from September 11, 2015 until Substantial Completion on December 3, 2015 (83 Calendar days at \$1,000/calendar day)		\$83,000.00	0
<u>Item No. 2:</u> Reimbursement for asphalt concrete removal, base repair and replacement of damaged asphalt concrete paving at the 458-2 Reservoir. (\$0.75/SF Base Remove/Replace and \$12.00/SF Asphalt 0"-6") (Credit 180 SF at \$12.75/SF)		\$2,295.00	0
<u>Item No. 3:</u> Add 3 calendar days due to weather impacts per Contract Specifications 00700-8.5	\$0.00	\$0.00	3
<u>Item No. 4:</u> Reimbursement for District labor and equipment costs to replace the existing 14-inch butterfly valve at the 458-2 Reservoir.		\$1,508.18	0
<u>Item No. 5:</u> Reimbursement for additional inspection costs outside normal work hours per Section 00800-1.2 at the 944-1 Reservoir.		\$375.00	0
<u>Item No. 6:</u> Reimbursement for 1.5" Grind and Pave of damaged asphalt concrete paving at the 944-2 Reservoir. (\$11.67 1.5" Grind & Pave) (Credit 7 SF at \$11.67/SF)		\$81.69	
Sub Total Amount	\$0.00	\$87,259.87	3
Total Net Change Order Amount	(\$87,259.87)		

Reason:

- Item No. 1:
Pursuant to contractual provisions, failure of the Contractor to complete the work within the time allowed will result in damages being sustained by the District for each calendar day the Contractor fails to substantially complete all work. The adjusted Contract complete date was September 11, 2015 and substantial completion was achieved on December 3, 2015 resulting in 83 days of liquidated damages. This change order is required to reimburse the District for costs associated with the Contractor not completing the project within the allotted time.
- Item No. 2:
The Contractor damaged existing asphalt concrete paving including base materials at the 458-2 Reservoir. In lieu of replacing the damaged asphalt concrete paving the contractor elected to utilize the District's 2016 As-Needed Paving Services Contract pricing to reimburse the District for the associated repair cost. This change order is required to reimburse the District for costs associated with damaged asphalt concrete replacement at the 458-2 Reservoir.
- Item No. 3:
Contract Documents Section 00700-8.5 provides for no cost time extensions due to weather impacts on the project progress. Weather impacted the project three (3) days between September and October 2015. The project was impacted on September 15, October 5 and October 16, 2015 due to weather.
- Item No. 4:
During sandblasting operations at the 458-2 Reservoir the Contractor damaged the existing to remain 14-inch butterfly valve on the reservoir fill line. The Contractor purchased and tested a replacement valve, however they were not licensed to complete the valve replacement and elected to utilize District staff to complete the work. This change order is required to reimburse the District for labor and equipment costs associated with the valve replacement.

Item No. 5:

Contract Documents Section 00800-1.2 provides for reimbursement of additional expenses of Owner's personnel and inspection services resulting from work outside normal working hours. The Contractor requested and was granted authorization to work on November 14 and November 28, 2015 with the provision for reimbursement of additional inspection costs. The delta between overtime and regular time inspection costs is \$25/hr. A total of 15 hours of overtime inspection was provided requiring premium time reimbursement. This change order is required to reimburse the District for additional costs associated with providing inspection outside normal working hours as requested by the Contractor.

Item No. 6:

The Contractor damaged existing asphalt concrete paving at the 944-2 Reservoir. In lieu of replacing the damaged asphalt concrete paving the contractor elected to utilize the District's 2016 As-Needed Paving Services Contract pricing to reimburse the District for the associated repair cost. This change order is required to reimburse the District for costs associated with damaged asphalt concrete replacement at the 944-2 Reservoir.

[Print](#) | [Close Window](#)

Subject: Rain Day 9/15

From: lyndsey1282@gmail.com

Date: Wed, Sep 16, 2015 8:30 am

To: Douglas Cook <dcook@alysonconsulting.com>, kcameron@otaywater.gov

Good morning,

We would like to request a rain day credit for yesterday.

Thank you for your time and consideration.

Sincerely,

Lyndsey

Sent from my iPhone

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[Print](#) | [Close Window](#)

Subject: 10/05/2015_Rain Day

From: Gtsiopoulos <gtsiopoulos@aol.com>

Date: Tue, Oct 06, 2015 1:52 pm

To: dcook@alysonconsulting.com, kcameron@otaywater.gov

Hello,

We would like to request a rain day for yesterday as both of our sites were shut down due to the rain.

Thank you,

Lyndsey Tsiopoulos

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[Print](#) | [Close Window](#)

Subject: 458-2 Weather Day and Permission to Work Saturday

From: Gtsiopoulos <gtsiopoulos@aol.com>

Date: Fri, Oct 16, 2015 10:54 am

To: dcook@alysonconsulting.com, kcameron@otaywater.gov

Good Morning,

We were unable to work today due to the weather. We would like to request a weather day as we had to send everyone home.

Secondly, we would like permission to work tomorrow to mop the tank roof. This was the plan for today but we are now unable to do so. There will be no surface preparation or inspection necessary. All we will be doing is mopping and cleaning the roof for the coating application as scheduled for Monday.

Please let me know if this is possible.

Thank you,

Lyndsey



...Dedicated to Community Service

2554 SWEETWATER SPRINGS BOULEVARD, SPRING VALLEY, CALIFORNIA 91978-2096
TELEPHONE: 670-2222, AREA CODE 619

December 4, 2015

**INVOICE #CWK-00014
WO 988**

Olympus & Associates, Inc.
Attn: Lazarus Tsiapos
405 Lovitt Lane
Reno, NV 89506

RE: Date of Loss: 10/28/15
Occurrence: This work order is labor and equipment charges, for the replacement of inlet valve to 458 tank. It was originally changed out at Otay's expense. However, the contractor damaged the new valve so contractor is being billed for the change out this time.

Below is the final billing for the above work order. (To ensure proper credit, please return one copy of invoice with your payment in the enclosed envelope)

If you have any question regarding this invoice, please call Kevin Cameron at 619.670.2248.

LABOR: (Amounts include base pay, overtime and fringe and overhead % calculations)

	No. of Hours		
Dept 3225--Water Systems Operations Dept	13.00	1,389.58	1,389.58
EQUIPMENT:			
VE174 Class 7 Service/Utility Body	3.00	44.10	
VE202 Class 4 Contractors Body	3.00	34.50	
VE177 Compact Car	1.00	10.00	
VE168 Class 2 Pick Up	3.00	30.00	118.60
INVOICE TOTAL			<u>1,508.18</u>

ATTACHMENT B

FY 2016 As-Needed Paving Services Bid Score Sheet

Months 1-6

Item	Wght	Type of Service	Kirk Paving		ABC Construction		Miller Paving		Carolino And Son Engineering		Frank & Son Paving	
			Unit Bid	Total	Unit Bid	Total	Unit Bid	Total	Unit Bid	Total	Unit Bid	Total
			Price	Score	Price	Score	Price	Score	Price	Score	Price	Score
1	10	Asphalt 0"-6"	\$ 12.00	120	\$ 15.70	157.00			17.03	170.30	\$ 16.00	160.00
2	5	Asphalt 7"-12"	\$ 12.25	61.25	\$ 15.90	79.50			14.07	70.35	\$ 14.00	70.00
3	5	Cap/Sheet 0"-1"	\$ 0.20	1	\$ 0.21	1.05			0.5	2.50	\$ 0.50	2.50
4	1	Satin Seal	\$ 0.02	0.02	\$ 0.18	0.18			0.05	0.05	\$ 0.04	0.04
5	1	Traffic Stripping	\$ 0.25	0.25	\$ 0.26	0.26			0.6	0.60	\$ 0.90	0.90
6	3	Grinding	\$ 0.75	2.25	\$ 0.50	1.50			1	3.00	\$ 0.50	1.50
7	1	Traffic Loops	\$ 1.00	1	\$ 1.00	1.00			1	1.00	\$ 10.00	10.00
8	3	Sand/Seal	\$ 6.50	19.5	\$ 3.00	9.00			0.2	0.60	\$ 0.40	1.20
9	1	Base Rem/Rep	\$ 0.75	0.75	\$ 2.00	2.00			7	7.00	\$ 1.90	1.90
10	10	Saw Cut 0"-6"	\$ 0.75	7.5	\$ 0.35	3.50			0.7	7.00	\$ 0.40	4.00
11	5	Saw Cut 6"-12"	\$ 0.15	0.75	\$ 0.35	1.75			0.75	3.75	\$ 0.25	1.25
12	1	Saw Cut 12"+	\$ 0.15	0.15	\$ 0.35	0.35			0.75	0.75	\$ 0.50	0.50
13	1	Chip Seal*	\$ 1.50	1.5	\$ 1.00	1.00			0.75	0.75	\$ 1.50	1.50
14	3	1.5" Grind & Pav	\$ 11.67	35.01	\$ 2.60	7.80			1.11	3.33	\$ 2.45	7.35
Score Month 1-6			250.93		265.89		0		270.98		262.64	

Months 7-12

Item	Score	Type of Service	Kirk Paving		ABC Construction		Miller Paving		Carolino And Son Engineering		Frank & Son Paving	
			Unit Bid	Total	Unit Bid	Total	Unit Bid	Total	Unit Bid	Total	Unit Bid	Total
			Price	Score	Price	Score	Price	Score	Price	Score	Price	Score
1	10	Asphalt 0"-6"	\$ 12.00	120	\$ 15.70	157.00			17.03	170.30	\$ 15.00	150.00
2	5	Asphalt 7"-12"	\$ 12.25	61.25	\$ 15.90	79.50			14.07	70.35	\$ 16.00	80.00
3	5	Cap/Sheet 0"-1"	\$ 0.20	1	\$ 0.21	1.05			0.5	2.50	\$ 0.45	2.25
4	1	Satin Seal	\$ 0.02	0.02	\$ 0.18	0.18			0.05	0.05	\$ 0.05	0.05
5	1	Traffic Stripping	\$ 0.25	0.25	\$ 0.26	0.26			0.6	0.60	\$ 0.95	0.95
6	3	Grinding	\$ 0.75	2.25	\$ 0.50	1.50			1	3.00	\$ 0.50	1.50
7	1	Traffic Loops	\$ 1.00	1	\$ 1.00	1.00			1	1.00	\$ 10.00	10.00
8	3	Sand/Seal	\$ 6.50	19.5	\$ 3.00	9.00			0.2	0.60	\$ 0.40	1.20
9	1	Base Rem/Rep	\$ 0.75	0.75	\$ 2.00	2.00			7	7.00	\$ 1.90	1.90
10	10	Saw Cut 0"-6"	\$ 0.75	7.5	\$ 0.35	3.50			0.7	7.00	\$ 0.50	5.00
11	5	Saw Cut 6"-12"	\$ 0.15	0.75	\$ 0.35	1.75			0.75	3.75	\$ 0.50	2.50
12	1	Saw Cut 12"+	\$ 0.15	0.15	\$ 0.35	0.35			0.75	0.75	\$ 0.50	0.50
13	1	Chip Seal*	\$ 1.50	1.5	\$ 1.00	1.00			0.75	0.75	\$ 1.50	1.50
14	3	1.5" Grind & Pav	\$ 11.67	35.01	\$ 2.60	7.80			1.11	3.33	\$ 2.45	7.35
Score Month 7-12			250.93		265.89		0		270.98		264.7	
Total Score			501.86		531.78		0		541.96		527.34	

AGENDA ITEM 7b



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	February 3, 2016		
SUBMITTED BY:	Stephen Beppler Senior Civil Engineer	PROJECT:	S2033-003103	DIV. NO.:	5
	Bob Kennedy Engineering Manager				
APPROVED BY:	<input checked="" type="checkbox"/> Rod Posada, Chief, Engineering				
	<input checked="" type="checkbox"/> German Alvarez, Assistant General Manager				
	<input checked="" type="checkbox"/> Mark Watton, General Manager				
SUBJECT:	Reject Lowest Bid by GRFCO, Inc. and Award of a Construction Contract to Transtar Pipeline, Inc. for the Rancho San Diego Basin Sewer Rehabilitation - Phase 1 Project				

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board of Directors (Board):

1. Reject the lowest bid by GRFCO, Inc. for being non-responsive for the Rancho San Diego Basin Sewer Rehabilitation - Phase 1 Project; and
2. Award a construction contract to the second lowest bidder Transtar Pipeline, Inc. (Transtar) and to authorize the General Manager to execute an agreement with Transtar for the Rancho San Diego Basin Sewer Rehabilitation - Phase 1 Project in an amount not-to-exceed \$970,970 (see Exhibit A for Project location).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

For the Board to reject the lowest submitted bid by GRFCO, Inc. for being non-responsive and obtain Board authorization for the General Manager to enter into a construction contract with the second lowest

bidder, Transtar, for the Rancho San Diego Basin Sewer Rehabilitation - Phase 1 Project in an amount not-to-exceed \$970,970.

ANALYSIS:

The District provides sanitary sewer collection service in the Jamacha drainage basin located in the northern area of the District. Deficiencies throughout the sewer service area have been observed and documented by closed-circuit television inspection and condition assessment. This phase of sewer improvements consists of sewer system repairs at 14 locations within the Rancho San Diego Basin (see Exhibit A for Project location). This Project is one of several that will address the noted deficiencies to maintain the sewer collection system.

The sewer improvements involve the replacement of approximately 3,252 linear feet of 8-inch gravity sewer, four (4) new sewer manholes, reconnection of sewer lines and laterals, maintaining sewer service, restoration of pavement and landscaping, removal of trees, traffic control, erosion control, protection of existing utilities, and all testing and inspection as required by the Contract Documents.

The Project was advertised on October 14, 2015 on the District's website and several other publications, including the San Diego Union-Tribune. A Pre-Bid Meeting was held on October 29, 2015, which was attended by one (1) general contractor, followed by a site visit to those areas of work that are on private property. Two (2) addenda were sent out to all bidders and plan houses to distribute the County of San Diego Excavation Permit and address questions and clarifications to the contract documents during the bidding period. Bids were publicly opened on November 17, 2015, with the following results:

	CONTRACTOR	TOTAL BID AMOUNT
1	GRFCO, Inc. Brea, CA	\$958,200.00
2	Transtar Pipeline, Inc. San Diego, CA	\$970,970.00
3	Wier Construction Escondido, CA	\$1,021,196.00
4	Paul Hanson Equipment, Inc. El Cajon, CA	\$1,027,432.00
5	Palm Engineering Construction Co., Inc. San Diego, CA	\$1,152,720.00
6	Burtech Pipeline, Inc. Encinitas, CA	\$1,474,564.00

The Engineer's Estimate is \$950,000.

A review of the bids was performed by District staff, during which several irregularities were identified in the GRFCO bid documents. The irregularities documented in Exhibit B include:

1. Insufficient response to Company Background Questionnaire - Form G, Question 4.3 regarding apparent apprenticeship violations of the State of California Labor Code;
2. Failure to disclose current debarment of company officer George Frost by the City of San Diego in Company Background Questionnaire - Form G, Question 5.2;
3. Failure to provide safety data for three (3) most recent years in Company Safety Questionnaire - Form H (only two years provided); and
4. Failure to include a copy of the two addenda issued for the Project with the bid package, as directed in the addenda.

These irregularities were determined to be significant enough to reject the GRFCO bid proposal for being non-responsive. GRFCO provided a response to the letter in an email (Exhibit C). This has not altered the District's decision on the non-responsiveness of their bid. For General Counsel's opinion on the District's ability to reject the GRFCO bid proposal, refer to Exhibit D.

In addition, a bid protest was filed by the third low bidder, Wier Construction (Exhibit E), claiming the first and second low bidders were non-responsive for not acknowledging the addenda in accordance with provided instructions. District staff and General Counsel analyzed the protest and provided a response (Exhibit F) indicating that the claim was valid against GRFCO, but not Transtar.

Staff reviewed the second lowest bid, which was submitted by Transtar, for conformance with the contract requirements and discovered that Transtar had minor irregularities in one document such as the Company Safety Questionnaire - Form H was not signed. It was also noted that, notwithstanding the irregularities, Transtar has a spotless safety record. Transtar was advised of the missing signature and follow-up question data (Exhibit G) and a signed Form H was submitted (Exhibit H) with no changes to the answers and missing information added. The irregularities in Transtar's bid were thus determined not to be significant enough to deem their bid non-responsive as it was limited to one document and did not affect price or provide an advantage.

Accordingly, staff determined that Transtar was the lowest responsive and responsible bidder. Transtar holds a Class A, General Engineering, Contractor's License, which meets the contract

document's requirements, and is valid through June 30, 2016. The reference checks indicated a very good to excellent performance record on similar projects. An internet background search of the company was performed and revealed no outstanding issues with this company.

Staff verified that the bid bond provided by Transtar is valid. Staff will also verify that Transtar's Performance Bond and Labor and Materials Bond are valid prior to execution of the contract.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

The total budget for CIP S2033, as approved in the FY 2016 budget, is \$6,000,000. Total expenditures, plus outstanding commitments and forecast including this contract, are \$2,691,654.22. See Attachment B for budget detail.

Based on a review of the financial budget, the Project Manager anticipates that the budget for CIP S2033 is sufficient to support the Project.

The Finance Department has determined that, under the current rate model, 100% of the funding is available from the Replacement Fund.

STRATEGIC GOAL:

This Project supports the District's Mission statement, "To provide high value water and wastewater services to the customers of the Otay Water District in a professional, effective, and efficient manner" and the General Manager's Vision, "A District that is at the forefront in innovations to provide water services at affordable rates, with a reputation for outstanding customer service."

LEGAL IMPACT:

None.

SB/BK:jf

P:\WORKING\CIP S2033 Sewer System Rehabilitation\Staff Reports\BD 02-03-16 RSD Ph 1 Constr\BD 02-03-16 Staff Report RSD Basin Sewer Rehab Phase 1 Award Construction Project.Docx

Attachments: Attachment A - Committee Action
 Attachment B - Budget Detail
 Exhibit A - Location Map
 Exhibit B - District Rejection of GRFCO Non-Responsive
 Bid Proposal
 Exhibit C - GRFCO Email Response to Bid Rejection

Exhibit D - General Council Memo on Bid Responsiveness
Exhibit E - Wier Construction Bid Protest Letter
Exhibit F - District Response to Bid Protest
Exhibit G - District Letter to Transtar on Form H
Exhibit H - Transtar Letter with Signed Form H



ATTACHMENT A

SUBJECT/PROJECT: S2033-003103	Reject Lowest Bid by GRFCO, Inc. and Award of a Construction Contract to Transtar Pipeline, Inc. for the Rancho San Diego Basin Sewer Rehabilitation - Phase 1 Project
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee (Committee) reviewed this item at a meeting held on January 19, 2016, and the following comments were made:

- Staff recommended that the Board:
 - Reject the lowest bid by GRFCO, Inc. for being non-responsive for the Rancho San Diego Basin Sewer Rehabilitation - Phase 1 Project; and
 - Award a construction contract to the second lowest bidder Transtar Pipeline, Inc. (Transtar) and to authorize the General Manager to execute an agreement with Transtar for the Rancho San Diego Basin Sewer Rehabilitation - Phase 1 Project in an amount not-to-exceed \$970,970
- Staff indicated that the District is in the process of addressing sanitary sewer collection system deficiencies identified by closed-circuit television inspection and condition assessment. It was noted that this phase of sewer improvements consists of repairs at 14 locations within the Rancho San Diego Basin.
- The sewer improvements involve the replacement of about 3,252 feet of 8-inch gravity sewer, 4 new sewer manholes, sewer reconnections, surface restoration, traffic control, and other work as required by the Contract Documents.
- Staff discussed the bid process and indicated that six (6) bids were received on November 17, 2015, ranging from \$958,200 to \$1,474,564. The engineer's estimate is \$950,000.
- It was noted that the bid of the apparent low bidder GRFCO was reviewed by staff and several irregularities were identified, with four (4) of particular note to find the bid non-responsive. One of the items, the failure to include a copy of the issued addenda with the bid package, as called for in the addenda, was the basis of a bid protest filed by the third low bidder Wier Construction. Staff also stated that the bid protest also

contended that the second low bidder Transtar also did not include the addenda with their bid; but this claim was not valid. GRFCO provided a response to the rejection of their bid which did not alter the District's decision on their non-responsiveness.

- Staff reviewed Transtar's bid and an irregularity was identified in Form H, Company Safety Questionnaire, with the form not signed and several follow-up question data missing. After consulting with General Counsel, Transtar was advised of the issue and they furnished a completed signed form with no changes to questions already answered from the version included in the Bid. Staff noted that the irregularity of the Transtar bid was not deemed significant enough to find their bid non-responsive.
- Staff determined that Transtar is the lowest responsive and responsible bidder. No issues were discovered in reference checks and internet background search. Staff confirmed Transtar's Class A Contractor's License and active registration with the State Department of Industrial Relations (per SB854). Staff indicated that Transtar has not previously worked for the District.
- At the request of the Committee, staff stated that they will provide an update on the number of agencies that Transtar has worked with. Subsequently to the Committee's request, staff reviewed Transtar's references which indicated that the company has done work for the City of San Diego, City of Del Mar, Olivenhain Water District, and the State of California.
- Staff discussed that they are in the process of coordinating a timeline with Hillsdale High School, the contractor and the traffic control company to help minimize any impacts to the community. The Committee commented that coordinating with all parties should also help the District avoid or minimize change orders for the Project.
- The Committee inquired about the overall cost of this Project. Staff indicated this project is one of several projects that is included in the total budget for CIP S2033. It amounts to \$6 million dollars and covers continual sewer improvement projects for six years.
- The Committee commented about the Engineer's Estimate being lower than the proposed bids from candidates. Staff stated that inflation could be one reason bids came in higher than the Engineer's Estimate. Staff stated that the estimate was based on the last project with Arrieta Construction, and during that time there was a recession.

- The Committee inquired if the November 30, 2015, Rejection Letter (Exhibit B) basically expressed the District's right to reject any and all bids. Legal Counsel stated yes. In addition, Legal Counsel advised that the District has the right to reject bids that have any irregularities at all. It was noted that staff had determined there were four (4) irregularities in GRFCO's bid proposal, which were significant enough to reject the proposal. It was noted that staff had determined there were four (4) irregularities in GRFCO's bid proposal, which were significant enough to reject the proposal.
- In response to a comment from the Committee, staff indicated that they had contacted the third low bidder, Wier Construction, and confirmed that the company was satisfied with the District's response to their bid protest.

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



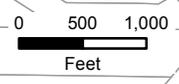
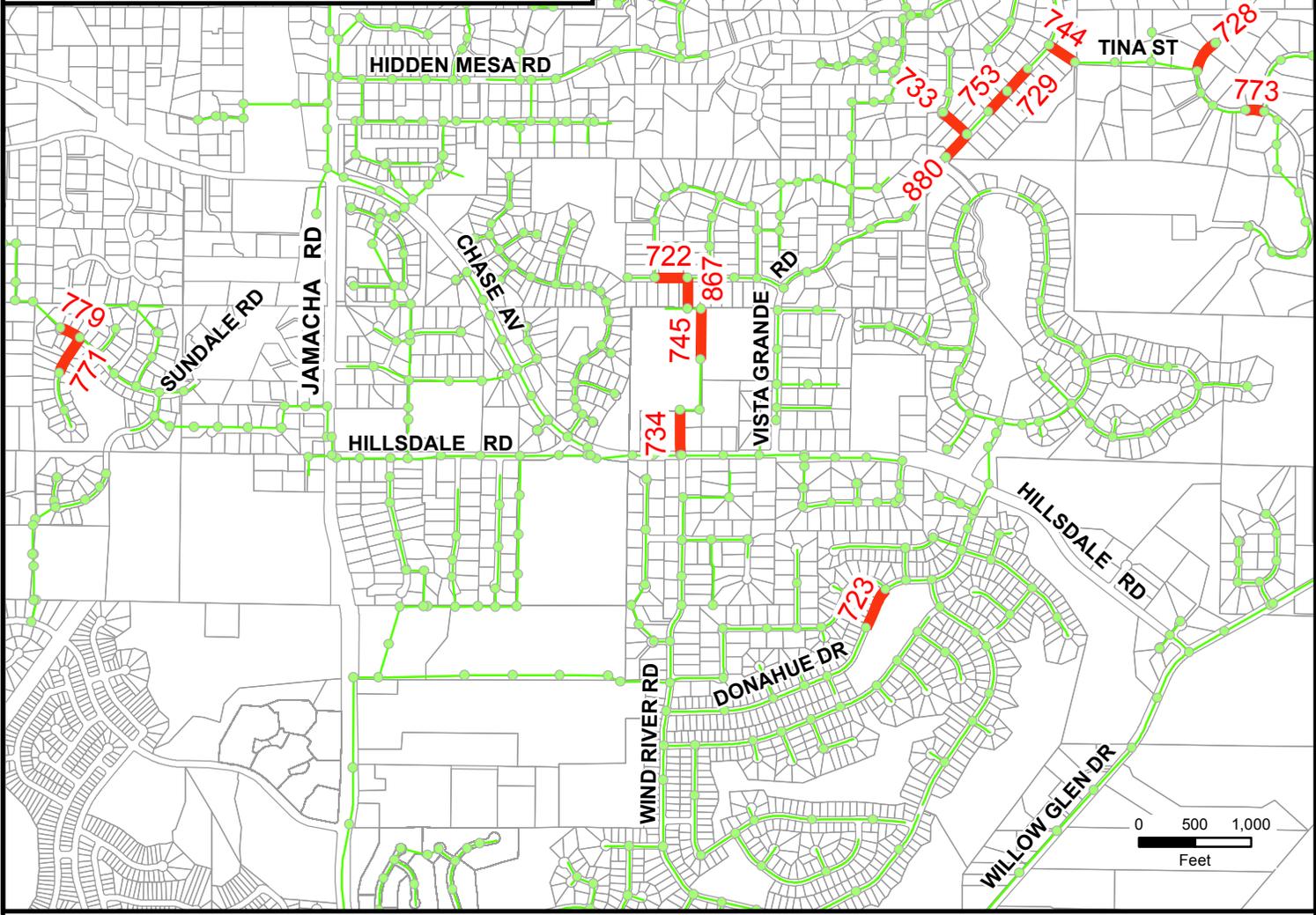
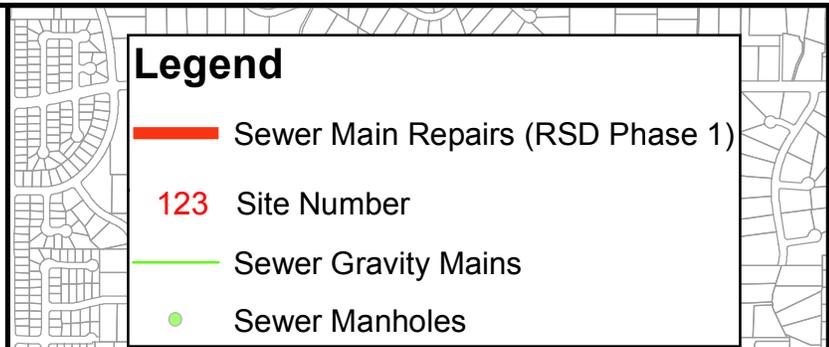
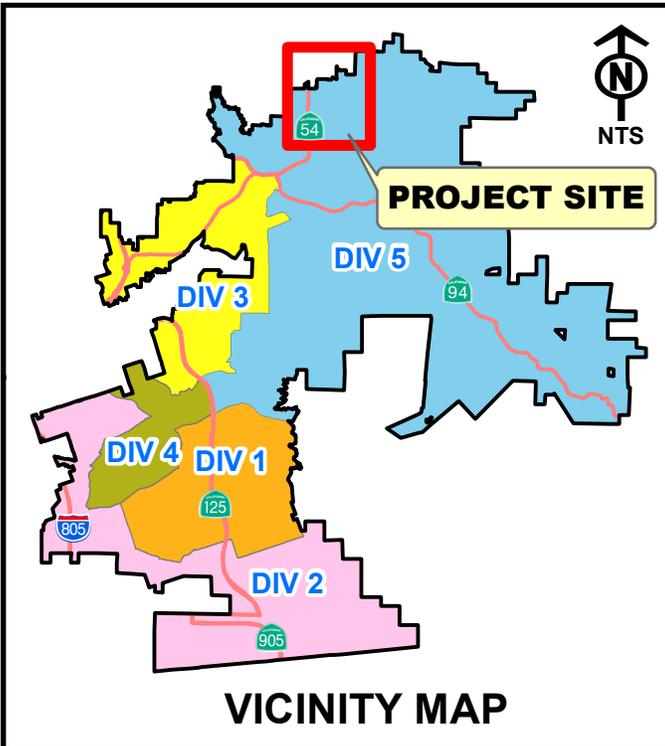
ATTACHMENT B – Budget Detail

SUBJECT/PROJECT:	Reject Lowest Bid by GRFCO, Inc. and Award of a Construction Contract to Transtar Pipeline, Inc. for the Rancho San Diego Basin Sewer Rehabilitation - Phase 1 Project
S2033-003103	

Level	Title1	Committed	Expenditures	Outstanding Commitment	Projected Final Cost	Vendor	
Planning	Regulatory Agency Fees	\$100.00	\$100.00	\$0.00	\$100.00	PETTY CASH CUSTODIAN	
	Standard Salaries	\$220,584.09	\$220,584.09	\$0.00	\$220,584.09		
	Total	\$220,684.09	\$220,684.09	\$0.00	\$220,684.09		
Design	Consultant Contracts	\$152,957.78	\$152,957.78	\$0.00	\$152,957.78	AEGIS ENGINEERING	
		\$20,720.00	\$20,720.00	\$0.00	\$20,720.00	DARNELL & ASSOCIATES INC	
		\$21,445.89	\$21,445.89	\$0.00	\$21,445.89	SOUTHERN CALIFORNIA SOIL	
		\$21,538.00	\$21,085.50	\$452.50	\$21,538.00	NINYO & MOORE GEOTECHNICAL	
		\$6,995.00	\$6,995.00	\$0.00	\$6,995.00	AIRX UTILITY SURVEYORS INC	
		\$71,183.15	\$71,183.15	\$0.00	\$71,183.15	ARCADIS US INC	
	Professional Legal Fees	\$1,000.00	\$419.52	\$580.48	\$1,000.00	STUTZ ARTIANO SHINOFF	
	Service Contracts		\$5,004.94	\$4,065.33	\$939.61	\$5,004.94	MAYER REPROGRAPHICS
			\$384.90	\$384.90	\$0.00	\$384.90	SAN DIEGO DAILY TRANSCRIPT
			\$333.20	\$333.20	\$0.00	\$333.20	THE SAN DIEGO UNION-TRIBUNE
			\$1,500.00	\$1,500.00	\$0.00	\$1,500.00	CHICAGO TITLE
	Standard Salaries	\$491,071.77	\$491,071.77	\$0.00	\$491,071.77		
	Total		\$794,134.63	\$792,162.04	\$1,972.59	\$794,134.63	

Construction	Consultant Contracts	\$50,150.00	\$30,150.00	\$20,000.00	\$50,150.00	ALYSON CONSULTING
		\$2,400.00	\$2,400.00	\$0.00	\$2,400.00	RBF CONSULTING
		\$24,747.94	\$24,747.94	\$0.00	\$24,747.94	CALIFORNIA BANK & TRUST
	Construction Contracts	\$470,210.77	\$470,210.77	\$0.00	\$470,210.77	ARRIETA CONSTRUCTION
		\$970,970.00	\$0.00	\$970,970.00	\$970,970.00	TRANSTAR PIPELINE INC
	Regulatory Agency Fees	\$13,018.27	\$13,018.27	\$0.00	\$13,018.27	COUNTY OF SAN DIEGO
	Reimbursement Agreements	\$11,675.00	\$11,675.00	\$0.00	\$11,675.00	COUNTY OF SAN DIEGO
	Standard Salaries	\$133,663.52	\$103,663.52	\$30,000.00	\$133,663.52	
	Total	\$1,676,835.50	\$655,865.50	\$1,020,970.00	\$1,676,835.50	
	Budget	\$6,000,000.00				
Total to Date	\$2,691,654.22	\$1,668,711.63	\$1,022,942.59	\$2,691,654.22		

Expenditures through November 25, 2015.



OTAY WATER DISTRICT
RANCHO SAN DIEGO BASIN
SEWER REHABILITATION PHASE 1



P:\WORKING\CIP S2033 Sewer System Rehabilitation\Graphics\RSD Phase 1\S2033_RSD Sewer Basin Phase 1_Location Map_Dec.2015.mxd

EXHIBIT B



...Dedicated to Community Service

2554 SWEETWATER SPRINGS BOULEVARD, SPRING VALLEY, CALIFORNIA 91978-2004
TELEPHONE: 670-2222, AREA CODE 619

www.otaywater.gov

Sent via electronic mail and Certified Return Receipt
USPS 7015166000083624500
Project No.: S2033-003102

November 30, 2015

George Frost
GRFCO, Inc.
P.O. Box 1747
Brea, CA 92822-1747

Subject: Rancho San Diego Basin Sewer Rehabilitation – Phase 1 (CIP S2033);
Rejection of Non-Responsive Bid Proposal

Dear Mr. Frost:

The Otay Water District (District) has reviewed your bid proposal for the Rancho San Diego Basin Sewer Rehabilitation – Phase 1 (CIP S2033) submitted on November 17, 2015, and discovered several irregularities in your bid. As a result, your bid has been determined to be non-responsive. As stated in the Bid Proposal – Form A, the District reserves the right to reject any and all bids. The following irregularities in particular render the bid non-responsive:

- Company Background Questionnaire – Form G, Question 4.3: Insufficient response regarding apparent apprenticeship violations of the State of California Labor Code.
- Company Background Questionnaire – Form G, Question 5.2: Failure to disclose current debarment of the company officer George Frost by the City of San Diego.
- Company Safety Questionnaire – Form H: The form requests safety data for the three most recent years, only two years, 2013 and 2014, were provided.
- Addenda Acknowledgement: Failure to include a copy of the two addenda with the bid package in accordance with the directions provided in the addenda.

Please do not hesitate to contact me at 619-670-2209 if you have any questions in this matter.

George Frost
Rancho San Diego Basin Sewer Rehabilitation – Phase 1 (CIP S2033);
Rejection of Non-Responsive Bid Proposal
November 30, 2015
Page 2 of 2.

Sincerely,
OTAY WATER DISTRICT

A handwritten signature in blue ink, appearing to read "Stephen Beppler", with a long horizontal flourish extending to the right.

Stephen Beppler, PE
Senior Civil Engineer

SB:jf

cc: Rod Posada
Bob Kennedy

EXHIBIT C

Steve Beppler

From: Jim Jackson <grfcoinc@gmail.com>
Sent: Tuesday, December 01, 2015 9:19 AM
To: Steve Beppler
Cc: Rod Posada; Bob Kennedy
Subject: Re: RSD Basin Sewer Rehab Phase 1 - GRFCO Bid Rejection
Attachments: 12012015.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Good Morning Mr. Beppler,

Per your correspondence yesterday, GRFCO has the following comments:

- Form G, Question 4.3 - Per Chapter 2, Article 10 of the California Code 230.1 (attached), GRFCO notified the local apprenticeship programs (within the geographic area) prior to project commencements. The Laborer's Union via the DLSE cited GRFCO for not notifying a second apprenticeship program that was outside the geographic area. All claims have been appealed and are awaiting judgement. Therefore, there is no conviction, conviction date, or no disciplinary action. GRFCO contends that the question was answered correctly.
- Form G, Question 5.2 - The question reads "In the past 10 years...". Southern California Underground was debarred by the city of San Diego in June of 2000 which exceeds 10 years. GRFCO contends that the question was answered correctly.
- Form H - GRFCO had no payroll in 2012 and commenced building projects in 2013. GRFCO was only able to report the "two" most recent years; 2013 and 2014. 2012 was zero and thus left blank. GRFCO contends that the question was answered correctly.
- Addenda Acknowledgement - GRFCO twice recognized both addendums prior to bid:
 1. Per Email on November 17th at 1:06 PM, GRFCO requested confirmation of two Addendums. At 1:08 PM, confirmation was received from the District.
 2. On page 2 of 9 (Form A) of the bid proposal, GRFCO recognized Addendums 1 and 2.

The Districts intent and purpose to have the bidding contractor (GRFCO) confirm recognition of all addendums has been met.

GRFCO employee's have had recent success in building a District project. At your convenience, GRFCO respectfully requests a conference with yourself and/or Mr. Rod Posada to discuss these items in greater detail.

Time is of the essence. Please respond as soon as possible.

Thank you for your time,

Jim Jackson

On Tue, Dec 1, 2015 at 8:09 AM, Steve Beppler <Steve.Beppler@otaywater.gov> wrote:

Per your voicemail request this morning, please find attached a copy of your bid proposal for the Rancho San Diego Basin Sewer Rehabilitation Phase 1 project.

Stephen Beppler, P.E.

Senior Civil Engineer

Phone: [\(619\) 670-2209](tel:(619)670-2209)

Fax: [\(619\) 670-8920](tel:(619)670-8920)

steve.beppler@otaywater.gov

Otay Water District

2554 Sweetwater Springs Boulevard

Spring Valley, CA 91978

From: Steve Beppler

Sent: Monday, November 30, 2015 5:02 PM

To: 'grfcoinc@gmail.com' <grfcoinc@gmail.com>

Subject: RSD Basin Sewer Rehab Phase 1 - GRFCO Bid Rejection

Dear Mr. Frost,

Otay Water District regrets to inform you that your bid for the subject project has been determined to be non-responsive. Please see the attached letter for specifics.

Stephen Beppler, P.E.

Senior Civil Engineer

Phone: [\(619\) 670-2209](tel:(619)670-2209)

Fax: [\(619\) 670-8920](tel:(619)670-8920)

steve.beppler@otaywater.gov

Otay Water District

2554 Sweetwater Springs Boulevard

Spring Valley, CA 91978

Click [here](#) to report this email as spam.

4. CRIMINAL ACTIONS

	Yes	No
1. Has your company or any owner or officer of your company ever been convicted of a federal or state crime of fraud, theft, or any other act of dishonesty?		✓
2. Has your company or any owner or officer of your company ever been found guilty in a criminal action for making any false claim or material misrepresentation to any public agency or entity?		✓
3. Has any state or local agency taken any disciplinary action against your company or any owner or officer of your company?	✓	

If 'Yes' to any of the above provide details for each on the lines below including, but not limited to, the person or persons convicted, the name of the victim, the date of conviction, the court and case number, the crime and year convicted.

3. The Laborer's Union filed 3 claims on Apprenticeship notification to the DWE. All three claims are under appeal

5. CONTRACT AWARD

	Yes	No
1. Has your company ever been denied an award of a public works contract based on a finding by a public agency that your company was not a responsible bidder?	✓	✓
2. In the past ten (10) years, has your company or any owner or officer of your company been listed on the Excluded Parties List System (EPLS), debarred, disqualified, removed or otherwise prevented from bidding on, or completing, any government agency or public works project for any reason?		✓

If 'Yes' to any of the above provide details for each on the lines below including, but not limited to, year of the event, the owner, the project, entity denying the award, the basis for the finding by the public agency, name of the organization debarred.

1. See attached

**SECTION 00470
COMPANY SAFETY QUESTIONNAIRE
(FORM H)**

Company Name: GRFCO, INC.
 Person Completing Form (Print): G. Frost
 Signature: [Signature] Date: Nov. 17, 2015
 Title: Pres Phone Number: (951) 657-8887

IMPORTANT: Falsifying information or failure to provide known information could jeopardize or delay award of a contract.

SAFETY PERFORMANCE

1. List your company's Interstate Experience Rating Modifier (ERM) for the three most recent years.

20	<u>14</u>	<u>155</u>
20	<u>13</u>	<u>86</u>
20	_____	_____

2. List your company's number of injuries/illnesses from your OSHA 300 logs for the three most recent years.

	20	<u>14</u>	20	<u>13</u>	20	_____
a. Fatalities		<u>0</u>		<u>0</u>		_____
b. OSHA recordable incidents		<u>4</u>		<u>1</u>		_____
c. Lost work day incidents		<u>3</u>		<u>0</u>		_____
d. Total lost work days		<u>59</u>		<u>0</u>		_____
e. Total hours worked		_____		_____		_____

3. Please provide copies of the following upon award:

Check if Available

- a. OSHA 300 logs for the most recent three years and current year-to-date
- b. Verification of ERM from your insurance carrier
- c. Injury/Illness Report
- d. Complete written Safety Program
- e. Training Plans
- f. Training Certificates for Employees
- g. Emergency Response Training

Primary contractors must submit all information requested on No. 3 (a-g) to the District. Subcontractors must submit information (a-c) to the District and d-g to the primary contractor and should be made available to the District upon request.

4. Company Safety Contact

a. Name: Jim Jackson
 b. Phone: (951) 657-8887

This information is provided free of charge by the Department of Industrial Relations from its web site at www.dir.ca.gov. These regulations are for the convenience of the user and no representation or warranty is made that the information is current or accurate. See full disclaimer at http://www.dir.ca.gov/od_pub/disclaimer.html.

Chapter 2. California Apprenticeship Council
Subchapter 1. Apprenticeship
Article 10. Required Apprentices On Public Works Contract

New query

§230.1. Employment of Apprentices on Public Works.

(a) Contractors, as defined in Section 228 to include general, prime, specialty or subcontractor, shall employ registered apprentice(s), as defined by Labor Code Section 3077, during the performance of a public work project in accordance with the required one hour of work performed by an apprentice for every five hours of labor performed by a journeyman, unless covered by one of the exemptions enumerated in Labor Code Section 1777.5 or this subchapter. Unless an exemption has been granted, the contractor shall employ apprentices for the number of hours computed above before the end of the contract. Contractors who are not already employing sufficient registered apprentices (as defined by Labor Code Section 3077) to comply with the one-to-five ratio must request the dispatch of required apprentices from the apprenticeship committees providing training in the applicable craft or trade and whose geographic area of operation includes the site of the public work by giving the committee written notice of at least 72 hours (excluding Saturdays, Sundays and holidays) before the date on which one or more apprentices are required. If the apprenticeship committee from which apprentice dispatch(es) are requested does not dispatch apprentices as requested, the contractor must request apprentice dispatch(es) from another committee providing training in the applicable craft or trade in the geographic area of the site of the public work, and must request apprentice dispatch(es) from each such committee, either consecutively or simultaneously, until the contractor has requested apprentice dispatches from each such committee in the geographic area. All requests for dispatch of apprentices shall be in writing, sent by first class mail, facsimile or email. Except for projects with less than 40 hours of journeyman work, each request for apprentice dispatch shall be for not less than an 8 hour day per each apprentice, or 20% of the estimated apprentice hours to be worked for an employer in a particular craft or trade on a project, whichever is greater, unless an employer can provide written evidence, upon request of the committee dispatching the apprentice or the Division of Apprenticeship Standards, that circumstances beyond the employer's control prevent this from occurring. If a non-signatory contractor declines to abide by and comply with the terms of a local committee's standards, the apprenticeship committee shall not be required to dispatch apprentices to such contractor. Conversely, if in response to a written request no apprenticeship committee dispatches, or agrees to dispatch during the period of the public works project any apprentice to a contractor who has agreed to employ and train apprentices in accordance with either the apprenticeship committee's standards or these regulations within 72 hours of such request (excluding Saturdays, Sundays and holidays) the

contractor shall not be considered in violation of this section as a result of failure to employ apprentices for the remainder of the project, provided that the contractor made the request in enough time to meet the above-stated ratio. If an apprenticeship committee dispatches fewer apprentices than the contractor requested, the contractor shall be considered in compliance if the contractor employs those apprentices who are dispatched, provided that, where there is more than one apprenticeship committee able and willing to unconditionally dispatch apprentices, the contractor has requested dispatch from all committees providing training in the applicable craft or trade whose geographic area of operation include the site of the public work. Nothing in this section shall affect the right of a Contractor who participates in and employs registered apprentices from programs approved under Labor Code Section 3075 outside the geographic area of the public work from employing said apprentice(s) on the site of the public work in order to meet the ratio requirement of Labor Code Section 1777.5.

(b) Apprentices employed on public works shall be paid the applicable apprentice prevailing per diem wage rate, available from DAS, and derived from the Director's survey of wages paid on public works in the geographic area of the craft or trade. DAS shall refer complaints alleging any contractor's failure to pay the proper apprentice prevailing wage rate on a public works project to the Division of Labor Standards Enforcement for investigation and appropriate action.

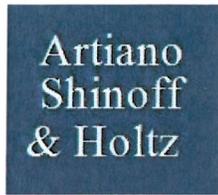
(c) Apprentices employed on public works can only be assigned to perform work of the craft or trade to which the apprentice is registered. Work of the craft or trade consists of job duties normally assigned to journeymen in the apprenticeable occupation. Where an employer employs apprentices under the rules and regulations of the California Apprenticeship Council, as set forth in Labor Code Section 1777.5(c)(2), apprentices employed on public works must at all times work with or under the direct supervision of journeyman/men. The on-the-job training shall be in accordance with the apprenticeship standards and apprenticeship agreement under which the apprentice is training, provided that a contractor shall not be subject to any financial or administrative obligations to a trust fund or employee benefit plan unless the contractor has so agreed.

(d) The provisions of this regulation shall not apply to contractors on public works projects that were bid prior to July 1, 2009. Such contractors shall comply with the version of this regulation that was in effect prior to July 1, 2009.

Note: Authority cited: Section 1777.7, Labor Code. Reference: Section 1777.5, Labor Code.

HISTORY

1. New section filed 4-9-90 as an emergency; operative 4-9-90 (Register 90, No. 17). A Certificate of Compliance must be transmitted to OAL within 120 days or emergency language will be repealed on 8-7-90.
2. Repealed by operation of Government Code section 11346.1(g) 120 days from effective date (Register 91, No. 47).
3. New section filed 4-10-92; operative 5-11-92 (Register 92, No. 21).
4. Amendment filed 1-17-2002; operative 2-16-2002 (Register 2002, No. 3).



A Professional Corporation

MEMORANDUM

TO: Mark Watton, General Manager
FROM: Richard E. Romero, Assistant General Counsel
DATE: December 30, 2015
RE: Discretion Regarding Bid Responsiveness

Because bid protests and challenges to the responsiveness of public works bids are common in the current highly-competitive bidding climate, you have asked for an analysis of the discretion of public entities such as the Otay Water District (“District”) in regard to determining the responsiveness of a bid and, in particular, the discretion to waive or not to waive irregularities in a bid. In short, the District may but is not required to waive irregularities, so long as the irregularity is inconsequential.

As a general matter, the governing board of a water district may, in their discretion, reject any and all bids. (Public Contract Code § 20642.) Public entities in general also have discretion in determining whether a bid is responsive. There is not a bright-line rule as to whether or not a bid is “responsive,” and making such a determination requires an exercise of discretion. Nonetheless, there are some guidelines that assist with the determination of whether or not a bid is responsive. In general, a bid is responsive if it conforms to the specifications and promises to do what the bid requests. (*See, e.g., Ghilotti Constr. Co. v City of Richmond* (1996) 45 Cal.App.4th 897, 904; *see also Williams v Clovis Unified Sch. Dist.* (2007) 146 Cal.App. 4th 757, 764 and *Valley Crest Landscape Inc. v City Council* (1996) 41 Cal.App. 4th 1432, 1438.) Where there are discrepancies in a bid, the bid may nonetheless be considered responsive if the discrepancy is inconsequential.

Discrepancies are inconsequential where they do not (1) affect the amount of the bid; (2) give a bidder an advantage over others (e.g., give a bidder an opportunity to avoid its obligation to perform by withdrawing its bid); (3) be a potential vehicle for favoritism; (4) influence potential bidders to refrain from bidding; or (5) affect the ability to make bid comparisons. (*See Ghilotti Constr. Co. v City of Richmond, supra*, 45 Cal.App.4th at 906-907.) The District may, at its discretion, waive minor irregularities that do not affect the bid price or provide an advantage:

In this case we hold that a public entity may waive inconsequential deviations from contract specifications in a public contract bid. To be considered inconsequential, a deviation must neither give the bidder an unfair competitive advantage nor otherwise defeat the goals of insuring economy and preventing corruption in the public contracting process.

(*Id.* at 900 (emphasis added).) The District is not required to waive irregularities, but the law

December 30, 2015

Page 2 of 2

RE: Discretion Regarding Bid Responsiveness

allows it to make that election. Such discretion is well-established. The *Ghilotti* case cites existing authority that “A basic rule of competitive bidding is that bids must conform to specifications, and that if a bid does not so conform, it may not be accepted.” (*Id.* at 904 (emphasis added).)

In reviewing such an exercise of discretion, the standard is whether the entity’s actions were “arbitrary, capricious, entirely lacking in evidentiary support, or inconsistent with proper procedure” and there is a presumption that an entity’s actions were supported by substantial evidence, with the challenging party bearing the burden of proving otherwise. (*Id.* at 903.) Courts “may not reweigh the evidence and must view it in the light most favorable to the [entity’s] actions, indulging all reasonable inferences in support of those actions.” (*Id.*) There are no due process rights with respect to a responsiveness determination; instead, “the contracting entity must provide the bidder with notice and allow it to submit materials concerning the issue of responsiveness. However, the entity need not conduct a hearing, make formal findings, or otherwise comply with the due process requirements for determining whether a bidder is responsible...” (*Id.* at 904.)

Very truly yours,

ARTIANO SHINOFF & HOLTZ
A Professional Corporation



Richard E. Romero



EXHIBIT E

General Building & Engineering Contractors
License #481419 A & B

November, 23, 2015
Mr. Steve Beppler, P.E.
2554 Sweetwater Springs Boulevard
Spring Valley, CA 91978-2004

Project: Rancho San Diego Basin Sewer Rehabilitation
Subject: Letter of Protest of Bid dated November 17, 2015

Please consider this our formal protest of the bid presented on November 17, 2015, in which GRFCO, Transtar and Wier Construction were the apparent three low bidders in respective order.

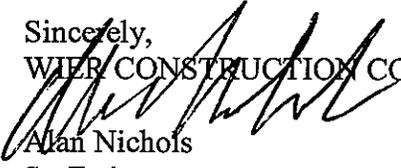
Upon review of the bid results we have discovered an irregularity in the apparent first and second place bidder's bid documents

The first place and second place bidders failed to properly address the acknowledgment of Addendums one and two by not including the addendums with their respective bid documents as required per the contract bid documents. (see attached)

The nature of the irregularity affords an unfair advantage to the other two bidders. Due to this it is our opinion that this irregularity cannot be waived.

Wier Construction Corporation has listed all addendums and included those addendums as required by the contract documents.

We therefore request that the bid(s) presented by GRFCO and Transtar be rejected as non-responsive, and that Wier Construction Corporation be awarded the contract as the lowest responsible bidder.

Sincerely,

WIER CONSTRUCTION CORPORATION
Alan Nichols
Sr. Estimator

Telephone: 760.743.1226
Fax: 760.743.9926

10.2. LUMP SUM ITEMS

When the work is to be submitted on a lump sum basis, a lump sum price shall be submitted in the appropriate place. The total amount to be paid to the Contractor for the bid Item shall be the amount of the lump sum item as adjusted for additions or deletions resulting from changes in the scope by the District. Lump sum items are shown as "LS" under the unit column in the Bid List. For example, a lump sum item such as potholing may involve a number of potholes, however, no matter how many are required, all the work is included in the submitted lump sum amount.

11. SPECIAL BIDDING REQUIREMENTS

In the event there is a need for special bidding procedures and requirements for parts of the work under this contract, such requirements will be set forth in the Supplementary General Conditions, Section 00800.

12. PREPARATION OF PROPOSALS

All blank spaces in the proposal form must be completed in ink, in both words and figures where required. No modifications shall be made to the forms. Any modification to the bid forms not specifically called for in the documents may result in the District rejecting the Bid as non-responsive.

Any proposal may be deemed non-responsive which contains omissions, erasures, alterations, additions of any kind, prices uncalled for, obviously unbalanced prices, or which in any manner shall fail to conform to the conditions of the published Invitation to Bid.

The Bidder shall sign the proposal in the blank space(s) provided therefore. If the Bidder is a sole proprietor, the true name of the fictitious business shall be set forth above, if operating under a fictitious name, together with the signature of the sole proprietor. If the Bidder is a partnership, the true name of the partnership shall be set forth above, together with the signature of the general partner authorized to sign contracts on behalf of the partnership. If the Bidder is a corporation, the legal name of the corporation shall be set forth above, together with the signature of the president and secretary of the corporation in all places where two (2) blank signature lines are provided. If the Bidder is a corporation and only one (1) blank signature line is provided, the president of the corporation shall sign in the blank space provided therefore. If the Bidder is another entity, the true name of the entity shall be set forth above, together with the signature of two senior officials authorized to sign contracts on behalf of the entity in all places where two (2) blank signature lines are provided. If the Bidder is another entity and only one (1) blank signature line is provided, a senior official authorized to sign contracts on behalf of the entity shall sign in the blank space provided therefore.

The Bidder shall submit with their Bid a notarized Noncollusion Affidavit executed by the Bidder by the person or persons set forth above, otherwise the Bid will be regarded as not properly filed.

ADDENDUM NO. 1
TO THE
CONTRACT DOCUMENTS FOR THE
RANCHO SAN DIEGO BASIN SEWER REHABILITATION – PHASE 1
S2033

October 26, 2015

TO: ALL PLANHOLDERS
FROM: OTAY WATER DISTRICT, ENGINEERING DEPARTMENT

The following modifications, additions and/or deletions are made a part of the CONTRACT DOCUMENTS for the construction of the RANCHO SAN DIEGO BASIN SEWER REHABILITATION – PHASE 1 issued fully and completely as if same were set forth therein:

1. ~~Add Appendix A: Excavation Permits attached hereto. Note that information on the Traffic Control Permit is also included in this documentation.~~

Each Contractor shall acknowledge receipt and acceptance of this addendum by submitting the addendum with their proposal and signing in the space provided in Part 2, Contract Form A, Bid Proposal (FORM A), Page 00400-2, Addenda.

Sincerely,

OTAY WATER DISTRICT

By: Stephen Beppler
Stephen Beppler, PE
Senior Civil Engineer

Date: 10/26/2015

Attachment a/s

ADDENDUM NO. 2
TO THE
CONTRACT DOCUMENTS FOR THE
RANCHO SAN DIEGO BASIN SEWER REHABILITATION – PHASE 1
S2033

November 2, 2015

TO: ALL PLANHOLDERS
FROM: OTAY WATER DISTRICT, ENGINEERING DEPARTMENT

The following modifications, additions and/or deletions are made a part of the CONTRACT DOCUMENTS for the construction of the RANCHO SAN DIEGO BASIN SEWER REHABILITATION – PHASE 1 issued fully and completely as if same were set forth therein:

Pre-Bid Meeting Minutes, Questions, and Presentation: The minutes, sign-in sheet, and presentation of the Pre-Bid Meeting and Site Visit of October 29, 2015 are attached hereto.

BIDDER'S QUESTIONS AND DISTRICT'S RESPONSES

1. Question: Can contractors visit locations that are on private property?

Answer: The District requests that contractors do not access private property without permission from the property owner. Contractors shall be respectful of private property.

2. Question: For those unable to attend the pre-bid meeting, can another District led site visit be scheduled to access private property?

Answer: A second site visit (non-mandatory) to private properties has been scheduled to occur on Friday, November 6, 2015 beginning at 10:30 am if there are any interested parties to do so. Contractors shall assemble at the District Board Room in the Administration offices, 2554 Sweetwater Springs Blvd., Spring Valley, CA, prior to driving to the locations. A map to the sites will be provided and is already included in the Pre-Bid Meeting Presentation attached to this addendum.

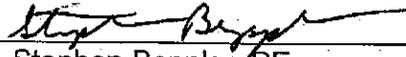
3. Question: Construction of Site 734 (Hillsdale Road Property adjacent to Singing Hills Mobile Estates) in a private driveway appears to limit access to the private property owner. Should there be a construction sequence at this site?

Answer: In order to provide ingress/egress access at all times for the private property owner at Site 734 during construction, demolition of the existing concrete block wall/fence and temporary surface repairs to enable vehicle traffic shall be performed prior to sewer replacement work that would block access from Hillsdale Road. The contractor shall provide a temporary gate throughout construction across this wall/fence opening during non-working hours until the permanent gate is installed.

Each Contractor shall acknowledge receipt and acceptance of this addendum by submitting the addendum with their proposal and signing in the space provided in Part 2, Contract Form A, Bid Proposal (FORM A), Page 00400-2, Addenda.

Sincerely,

OTAY WATER DISTRICT

By: 
Stephen Beppler, PE
Senior Civil Engineer

Date: November 2, 2015

Attachment a/s

EXHIBIT F



...Dedicated to Community Service

2554 SWEETWATER SPRINGS BOULEVARD, SPRING VALLEY, CALIFORNIA 91978-2004
TELEPHONE: 670-2222, AREA CODE 619

www.otaywater.gov

December 2, 2015

Sent via electronic mail and USPS
Project No.: S2033-003102

Alan Nichols
Wier Construction Corporation
2255 Barham Drive
Escondido, CA 92029

Subject: Rancho San Diego Basin Sewer Rehabilitation – Phase 1 (CIP S2033);
Letter of Protest of Bid dated November 17, 2015

Dear Mr. Nichols:

Thank you for your interest in the subject project and for bringing your concerns regarding the responsiveness of certain bids to our attention. The Otay Water District ("District") takes any inquiries seriously and has received and reviewed your November 23, 2015 Letter of Protest of Bid dated November 17, 2015 (the "Protest Letter") related to the Rancho San Diego Basin Sewer Rehabilitation – Phase 1 project (CIP S2033), which opened bids on November 17, 2015. In your Protest Letter, you contend that there are irregularities with the bids of GRFCO, Inc. ("GRFCO") and Transtar Pipeline, Inc. ("Transtar"), the apparent lowest and second lowest bidders, due to your claim that they did not properly address the acknowledgement of the two (2) project addenda issued. Accordingly, you requested that these two (2) bids be deemed non-responsive and rejected and that the contract be awarded to Wier Construction Corporation as the lowest responsive and responsible bidder.

As you are aware, the District, at its discretion, may waive minor irregularities that do not affect the bid price or provide an advantage. Even if the District is not required to do so, the law allows it to make that election. Minor irregularities may include such things as math errors in the bid tabulation, as was the case in your own bid submittal. Ultimately, however, in assessing the responsiveness of a bid, each irregularity is weighed on its own merit and also with other irregularities that may be discovered in the bid. The District alone determines if a bid is responsive or not, including whether or not to waive any irregularities.

Regarding your particular items of protest, all of the bidders acknowledged receipt of the two (2) addenda issued for the project on Page 2 of the Bid Proposal – Form A. You are correct, however, that GRFCO did not include a copy of the two (2) Addenda in their bid package, which has been noted in the District's evaluation of the bids submitted. Your claim against Transtar, on the other hand, is not accurate. Transtar *did* include the requested pages indicated in the language of the addenda. Please note that Addendum

Alan Nichols
Rancho San Diego Basin Sewer Rehabilitation – Phase 1 (CIP S2033);
Letter of Protest of Bid dated November 17, 2015
December 2, 2015
Page 2 of 2.

No. 1 has Page 1 of 1 at the bottom of the sheet. The addendum does not ask for all attachments to be included in the acknowledgement submittal. The same is true for Addendum No. 2, which is two pages long, indicated by Page 1 of 2 and Page 2 of 2 at the bottom of the sheets. Accordingly, there are no irregularities with the Transtar acknowledgement of the Addenda.

Again, we appreciate your attention and responsiveness to this matter. The District has assessed the submitted bids and reviewed all noted irregularities in determining the responsiveness of each bid proposal. We are in the process of finding the GRFCO bid proposal non-responsive and rejecting it for multiple irregularities in their bid proposal, including the Addenda acknowledgements, and moving forward with awarding the project to Transtar, now deemed the lowest responsive and responsible bidder. We thank you again for your bid proposal and interest in ensuring that all bids are properly reviewed.

Please do not hesitate to contact me at 619-670-2209 if you have any questions in this matter.

Sincerely,
OTAY WATER DISTRICT



Stephen Beppler, PE
Senior Civil Engineer

SB:jf

cc: Rod Posada
Bob Kennedy

EXHIBIT G



...Dedicated to Community Service

2554 SWEETWATER SPRINGS BOULEVARD, SPRING VALLEY, CALIFORNIA 91978-2004
TELEPHONE: 670-2222, AREA CODE 619

www.otaywater.gov

December 2, 2015

Sent via electronic mail and USPS
Project No.: S2033-003102

John Brito
Transtar Pipeline, Inc.
10467 Roselle Street
San Diego, CA 92121

Subject: Rancho San Diego Basin Sewer Rehabilitation – Phase 1 (CIP S2033);
Bid Proposal – Company Safety Questionnaire – Form H Certification

Dear Mr. Brito:

The Otay Water District (District) has reviewed your bid proposal for the Rancho San Diego Basin Sewer Rehabilitation – Phase 1 (CIP S2033) project submitted on November 17, 2015. The District has discovered that in Section 00470, Company Safety Questionnaire - Form H, the Signature line is blank. There are also several questions (1.a., 2.j., 3.c., 3.d. and 5.a.) that were answered, but the additional information requested was not provided. A copy of the submitted Form H is attached for your reference. Please submit a new signed and dated copy of Form H that includes the missing clarifications to the questions indicated above. Note that the District will not accept any changes to answers already provided at this time.

Please do not hesitate to contact me at 619-670-2209 if you have any questions. Your timely response to this letter is greatly appreciated.

Sincerely,
OTAY WATER DISTRICT

Stephen Beppler, PE
Senior Civil Engineer

SB:jf

Attachment: Copy of Submitted Form H

cc: Rod Posada
Bob Kennedy

**SECTION 00470
COMPANY SAFETY QUESTIONNAIRE
(FORM H)**

Company Name: TRANSTAR Pipeline, Inc.
 Person Completing Form (Print): John V. Brito
 Signature: _____ Date: 11/17/15
 Title: Vice-President Phone Number: 858 453-0744

IMPORTANT: Falsifying information or failure to provide known information could jeopardize or delay award of a contract.

SAFETY PERFORMANCE

1. List your company's Interstate Experience Rating Modifier (ERM) for the three most recent years.

<u>20 14</u>	<u>1.0</u>	
<u>20 13</u>	<u>1.0</u>	
<u>20 12</u>	<u>1.0</u>	

2. List your company's number of injuries/illnesses from your OSHA 300 logs for the three most recent years.

	<u>20 14</u>	<u>20 13</u>	<u>20 12</u>
a. Fatalities	_____	_____	_____
b. OSHA recordable incidents	_____	_____	_____
c. Lost work day incidents	_____	_____	_____
d. Total lost work days	<u>0</u>	<u>0</u>	<u>0</u>
e. Total hours worked	_____	_____	_____

3. Please provide copies of the following upon award:

Check if Available

- | | |
|---|-------------------------------------|
| a. OSHA 300 logs for the most recent three years and current year-to-date | <input checked="" type="checkbox"/> |
| b. Verification of ERM from your insurance carrier | <input checked="" type="checkbox"/> |
| c. Injury/Illness Report | <input checked="" type="checkbox"/> |
| d. Complete written Safety Program | <input checked="" type="checkbox"/> |
| e. Training Plans | <input checked="" type="checkbox"/> |
| f. Training Certificates for Employees | <input checked="" type="checkbox"/> |
| g. Emergency Response Training | <input checked="" type="checkbox"/> |

Primary contractors must submit all information requested on No. 3 (a-g) to the District. Subcontractors must submit information (a-c) to the District and d-g to the primary contractor and should be made available to the District upon request.

4. Company Safety Contact

a. Name: John Brito
 b. Phone: 858 453-0744

SAFETY PROGRAM

1. SAFETY PROGRAM DOCUMENTATION

Circle One

- a. Do you have a written safety program manual? Yes No
Last revision date _____
- b. Do you have a written safety field manual? Yes No
- c. Are all workers given a booklet that contains work rules, responsibilities and other appropriate information? Yes No

2. POLICY AND MANAGEMENT SUPPORT

- a. Do you have a safety policy statement from an officer of the company? Yes No
- b. Do you have a disciplinary process for enforcement of your safety program? Yes No
- c. Does management set corporate safety goals? Yes No
- d. Does executive management review:
- Accident reports?
 - Inspection reports?
 - Safety statistics?
- e. Do you safety pre-qualify subcontractors? Yes No
- f. Do you have a written policy on accident reporting and investigation? Yes No
- g. Do you have a light-duty, return-to-work policy? Yes No
- h. Is safety part of your supervisor's performance evaluation? Yes No
- i. Do you have a personal protective equipment (PPE) policy? Yes No
- j. Do you have a written substance abuse program? Yes No
If yes, check which apply:
- | | |
|---|---|
| <input type="checkbox"/> Pre-employment testing | <input type="checkbox"/> Return to duty testing |
| <input type="checkbox"/> Random testing | <input type="checkbox"/> Disciplinary process |
| <input type="checkbox"/> Reasonable cause testing | <input type="checkbox"/> Alcohol Testing |
| <input type="checkbox"/> Post accident testing | <input type="checkbox"/> National Institute on Drug Abuse |
| <input type="checkbox"/> Panel Screen | |
- k. Does each level of management have assigned safety duties and responsibilities? Yes No

3. TRAINING AND ORIENTATION

Circle One

- a. Do you conduct safety orientation training for each employee? Yes No
- b. Do you conduct site safety orientation for every person new to the job? Yes No
- c. Does your safety program require safety training meetings for each supervisor (foreman and above)? How often? Yes No
 Weekly Monthly Quarterly Annually
- d. Do you hold tool box/tailgate safety meetings focused on your specific work operations/exposures? Yes No
 Weekly Daily
- e. Do you require equipment operation/certification training? Yes No

4. ADMINISTRATION AND PROCEDURES

- a. Does your written safety program address administrative procedures? Yes No

If yes, check which apply:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Pre-project/task planning | <input checked="" type="checkbox"/> Emergency procedures |
| <input checked="" type="checkbox"/> Record keeping | <input checked="" type="checkbox"/> Audits/inspections |
| <input checked="" type="checkbox"/> Safety committees | <input checked="" type="checkbox"/> Accident investigations/reporting |
| <input checked="" type="checkbox"/> HAZCOM | <input checked="" type="checkbox"/> Training documentation |
| <input checked="" type="checkbox"/> Substance abuse prevention | <input checked="" type="checkbox"/> Hazardous work permits |
| <input checked="" type="checkbox"/> Return-to work | <input checked="" type="checkbox"/> Subcontractor prequalification |

- b. Do you have project safety committees? Yes No
- c. Do you conduct job site safety inspections? How often? Yes No
 Daily Weekly Monthly
- d. Do these inspections include a routine safety inspection of equipment (e.g. scaffold, ladders, fire extinguishers, etc.)? Yes No
- e. Do you investigate accidents? How are they reported? Yes No

<input checked="" type="checkbox"/> Total company	<input checked="" type="checkbox"/> By superintendent
<input checked="" type="checkbox"/> By project	<input checked="" type="checkbox"/> By project manager
<input checked="" type="checkbox"/> By foreman	<input checked="" type="checkbox"/> In accordance with OSHA
- f. Do you discuss safety at all preconstruction and progress meetings? Yes No
- g. Do you perform rigging and lifting checks prior to lifting? Yes No
 For personnel For equipment Heavy lifts (more than 10,000 lbs)

5. WORK RULES

Circle One

a. Do you periodically update work rules?

Yes No

When was the last update? _____

b. What work practices are addressed by your work rules? Check all that apply.

- | | |
|---|--|
| <input checked="" type="checkbox"/> CPR/first aid | <input type="checkbox"/> Access-entrances/stairs |
| <input checked="" type="checkbox"/> Barricades, signs, and signals | <input type="checkbox"/> Respiratory protection |
| <input type="checkbox"/> Blasting | <input type="checkbox"/> Material handling/storage |
| <input type="checkbox"/> Communications | <input type="checkbox"/> Temporary heat |
| <input type="checkbox"/> Compressed air and gases | <input type="checkbox"/> Vehicle Safety |
| <input type="checkbox"/> Concrete work | <input checked="" type="checkbox"/> Traffic control |
| <input type="checkbox"/> Confined-space entry | <input type="checkbox"/> Site visitor escorting |
| <input type="checkbox"/> Cranes/rigging and hoisting | <input type="checkbox"/> Public protection |
| <input type="checkbox"/> Electrical grounding | <input type="checkbox"/> Equipment guards and grounding |
| <input type="checkbox"/> Environmental controls and Occupational health | <input type="checkbox"/> Monitoring Equipment |
| <input checked="" type="checkbox"/> Emergency procedures | <input type="checkbox"/> Flammable material handling/storage |
| <input type="checkbox"/> Fire protection and prevention | <input type="checkbox"/> Site sanitation |
| <input type="checkbox"/> Floor and wall openings | <input checked="" type="checkbox"/> Trenching and excavating |
| <input type="checkbox"/> Fall protection | <input type="checkbox"/> Lockout/Tagout |
| <input type="checkbox"/> Housekeeping | <input type="checkbox"/> Energized/pressurized equipment |
| <input checked="" type="checkbox"/> Ladders and scaffolds | <input type="checkbox"/> Personal protective equipment |
| <input type="checkbox"/> Mechanical equipment | <input type="checkbox"/> Tools, power and hand |
| <input type="checkbox"/> Welding and cutting (hot work) | <input type="checkbox"/> Electrical power lines |
| | <input type="checkbox"/> Other _____ |

6. OSHA INSPECTIONS

a. Have you been inspected by OSHA in the last three years?

Yes No

b. Were these inspections in response to complaints?

Yes No

c. Have you been cited as a result of these inspections?

Yes No

If yes, describe the citations:

EXHIBIT H



December 2, 2015

Stephen Beppler, PE
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978-2004

RE: Rancho San Diego Basin Sewer Rehabilitation-Phase 1 (CIP S2033)
Bid Proposal-Company Safety Questionnaire-Form H Certification-Blank Signature-Missing
information.

Dear Mr. Beppler:

Attached is a copy of the original Safety Questionnaire-Form H with missing information. The Otay bid proposal was over 25 pages long with various signatures, some requiring notary along with a lot of information not normally requested for a proposal. I checked the document several times but overlooked the signature required on the Safety Questionnaire. As to the dates of Safety Program update and hours worked, just ran out of time to get information. Hopefully the attached information will meet your requirements to be able to award a contract to my firm.

Call me if you have any questions or need any additional information. Best way to get a hold of me is Cell 858-740-4236. Look forward to working with your agency.

Sincerely,

A handwritten signature in black ink that reads "John V. Brito". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

John V. Brito
Vice-President/Project Manager

**SECTION 00470
COMPANY SAFETY QUESTIONNAIRE
(FORM H)**

Company Name: Transtar Pipeline, Inc.
 Person Completing Form (Print): John V. Brito
 Signature: J. V. Brito Date: 11/17/15
 Title: Vice-President Phone Number: 858 453-0744

IMPORTANT: Falsifying information or failure to provide known information could jeopardize or delay award of a contract.

SAFETY PERFORMANCE

1. List your company's Interstate Experience Rating Modifier (ERM) for the three most recent years.

20 <u>14</u>	<u>1.0</u>
20 <u>13</u>	<u>1.0</u>
20 <u>12</u>	<u>1.0</u>

2. List your company's number of injuries/illnesses from your OSHA 300 logs for the three most recent years.

	20 <u>14</u>	20 <u>13</u>	20 <u>12</u>
a. Fatalities	<u>0</u>	<u>0</u>	<u>0</u>
b. OSHA recordable incidents	<u>0</u>	<u>0</u>	<u>0</u>
c. Lost work day incidents	<u>0</u>	<u>0</u>	<u>0</u>
d. Total lost work days	<u>0</u>	<u>0</u>	<u>0</u>
e. Total hours worked	<u>5491</u>	<u>4308</u>	<u>5473</u>

3. Please provide copies of the following upon award:

Check if Available

- a. OSHA 300 logs for the most recent three years and current year-to-date
- b. Verification of ERM from your insurance carrier
- c. Injury/Illness Report
- d. Complete written Safety Program
- e. Training Plans
- f. Training Certificates for Employees
- g. Emergency Response Training

Primary contractors must submit all information requested on No. 3 (a-g) to the District. Subcontractors must submit information (a-c) to the District and d-g to the primary contractor and should be made available to the District upon request.

4. Company Safety Contact

a. Name: John Brito
 b. Phone: 858 453-0744

SAFETY PROGRAM

1. SAFETY PROGRAM DOCUMENTATION

Circle One

a. Do you have a written safety program manual? Yes No

Last revision date 7/21/15

b. Do you have a written safety field manual? Yes No

c. Are all workers given a booklet that contains work rules, responsibilities and other appropriate information? Yes No

2. POLICY AND MANAGEMENT SUPPORT

a. Do you have a safety policy statement from an officer of the company? Yes No

b. Do you have a disciplinary process for enforcement of your safety program? Yes No

c. Does management set corporate safety goals? Yes No

d. Does executive management review:

- Accident reports?
- Inspection reports?
- Safety statistics?

e. Do you safety pre-qualify subcontractors? Yes No

f. Do you have a written policy on accident reporting and investigation? Yes No

g. Do you have a light-duty, return-to-work policy? Yes No

h. Is safety part of your supervisor's performance evaluation? Yes No

i. Do you have a personal protective equipment (PPE) policy? Yes No

j. Do you have a written substance abuse program? Yes No
If yes, check which apply:

- | | |
|--|---|
| <input type="checkbox"/> Pre-employment testing | <input type="checkbox"/> Return to duty testing |
| <input checked="" type="checkbox"/> Random testing | <input type="checkbox"/> Disciplinary process |
| <input type="checkbox"/> Reasonable cause testing | <input type="checkbox"/> Alcohol Testing |
| <input type="checkbox"/> Post accident testing | <input type="checkbox"/> National Institute on Drug Abuse |
| <input type="checkbox"/> Panel Screen | |

k. Does each level of management have assigned safety duties and responsibilities? Yes No

3. TRAINING AND ORIENTATION

Circle One

- a. Do you conduct safety orientation training for each employee? Yes No
- b. Do you conduct site safety orientation for every person new to the job? Yes No
- c. Does your safety program require safety training meetings for each supervisor (foreman and above)? How often? Yes No
 Weekly Monthly Quarterly Annually
- d. Do you hold tool box/tailgate safety meetings focused on your specific work operations/exposures? Yes No
 Weekly Daily
- e. Do you require equipment operation/certification training? Yes No

4. ADMINISTRATION AND PROCEDURES

- a. Does your written safety program address administrative procedures? Yes No

If yes, check which apply:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Pre-project/task planning | <input checked="" type="checkbox"/> Emergency procedures |
| <input checked="" type="checkbox"/> Record keeping | <input checked="" type="checkbox"/> Audits/inspections |
| <input checked="" type="checkbox"/> Safety committees | <input checked="" type="checkbox"/> Accident investigations/reporting |
| <input checked="" type="checkbox"/> HAZCOM | <input checked="" type="checkbox"/> Training documentation |
| <input checked="" type="checkbox"/> Substance abuse prevention | <input checked="" type="checkbox"/> Hazardous work permits |
| <input checked="" type="checkbox"/> Return-to work | <input checked="" type="checkbox"/> Subcontractor prequalification |

- b. Do you have project safety committees? Yes No
- c. Do you conduct job site safety inspections? How often? Yes No
 Daily Weekly Monthly
- d. Do these inspections include a routine safety inspection of equipment (e.g. scaffold, ladders, fire extinguishers, etc.)? Yes No
- e. Do you investigate accidents? How are they reported? Yes No
 Total company By superintendent
 By project By project manager
 By foreman In accordance with OSHA
- f. Do you discuss safety at all preconstruction and progress meetings? Yes No
- g. Do you perform rigging and lifting checks prior to lifting? Yes No
 For personnel For equipment Heavy lifts (more than 10,000 lbs)

5. WORK RULES

Circle One

a. Do you periodically update work rules?

Yes No

When was the last update? 7/21/15

b. What work practices are addressed by your work rules? Check all that apply.

- | | |
|---|--|
| <input checked="" type="checkbox"/> CPR/first aid | <input type="checkbox"/> Access-entrances/stairs |
| <input checked="" type="checkbox"/> Barricades, signs, and signals | <input type="checkbox"/> Respiratory protection |
| <input type="checkbox"/> Blasting | <input type="checkbox"/> Material handling/storage |
| <input type="checkbox"/> Communications | <input type="checkbox"/> Temporary heat |
| <input type="checkbox"/> Compressed air and gases | <input type="checkbox"/> Vehicle Safety |
| <input checked="" type="checkbox"/> Concrete work | <input checked="" type="checkbox"/> Traffic control |
| <input type="checkbox"/> Confined-space entry | <input type="checkbox"/> Site visitor escorting |
| <input type="checkbox"/> Cranes/rigging and hoisting | <input type="checkbox"/> Public protection |
| <input type="checkbox"/> Electrical grounding | <input type="checkbox"/> Equipment guards and grounding |
| <input type="checkbox"/> Environmental controls and Occupational health | <input type="checkbox"/> Monitoring Equipment |
| <input checked="" type="checkbox"/> Emergency procedures | <input type="checkbox"/> Flammable material handling/storage |
| <input type="checkbox"/> Fire protection and prevention | <input type="checkbox"/> Site sanitation |
| <input type="checkbox"/> Floor and wall openings | <input checked="" type="checkbox"/> Trenching and excavating |
| <input type="checkbox"/> Fall protection | <input type="checkbox"/> Lockout/Tagout |
| <input type="checkbox"/> Housekeeping | <input type="checkbox"/> Energized/pressurized equipment |
| <input checked="" type="checkbox"/> Ladders and scaffolds | <input type="checkbox"/> Personal protective equipment |
| <input type="checkbox"/> Mechanical equipment | <input type="checkbox"/> Tools, power and hand |
| <input type="checkbox"/> Welding and cutting (hot work) | <input type="checkbox"/> Electrical power lines |
| | <input type="checkbox"/> Other _____ |

6. OSHA INSPECTIONS

a. Have you been inspected by OSHA in the last three years?

Yes No

b. Were these inspections in response to complaints?

Yes No

c. Have you been cited as a result of these inspections?

Yes No

If yes, describe the citations:

AGENDA ITEM 7c



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	February 3, 2016
	Jose Martinez	PROJECT:	DIV. NO. All
SUBMITTED BY:	Asst. Chief Water Operations		
	<input checked="" type="checkbox"/> Pedro Porras, Chief Water Operations		
APPROVED BY:	<input checked="" type="checkbox"/> German Alvarez, Assistant General Manager		
	<input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Approval To Purchase One (1) Replacement Class 4 Utility Truck		

GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize the General Manager to issue a purchase order to Orange Coast Dodge in the amount of \$114,542.00 for the purchase of one (1) replacement Class 4 Utility Truck and declare Unit 154 surplus.

COMMITTEE ACTION: _____

See Attachment "A."

PURPOSE:

To obtain Board authorization to purchase one (1) replacement Class 4 Utility Truck.

ANALYSIS:

Included in the approved FY 2016 budget, as Item 21 under Capital Purchases, is one (1) replacement Class 4 Utility Truck. The purchase is to replace Unit 139, Pump Electrical Utility Service Truck. This unit is utilized for the District's day-to-day maintenance of pump station facilities including but not limited to pumps, motors, air compressors, etc.

Unit 139 is a 2003 Ford F550 truck with 94,891 miles and has a service body, air compressor, and a 15-foot reach 3,200 lb. lifting capacity crane attached. In order to effectively manage the District's fleet, Unit 139 will be rotated into the fleet replacing Unit 154, which belongs to the Meter Maintenance section. Unit 154 is a 2004 Ford F550 with 121,000 miles and has a service body, air compressor, and crane attached. While Unit 139 is one year older, Unit 154 has 27,000 more miles and the attached service body was reused from a previous vehicle. The service body of Unit 154 is in excess of 16-years-old and has a considerable amount of rust and corrosion on the underside of the bed and lower cabinets.

Based on system operation evaluations of work flow history by the Fleet Maintenance Supervisor, Pump Electrical supervision, and management, it is recommended that one (1) new Class 4 Utility Truck be purchased to replace Unit 139. Unit 139 will be rotated into the fleet replacing Unit 154, and Unit 154 will be declared surplus. This action will save the District approximately \$10,000 by eliminating the need to replace a service body on a 12-year-old truck and rotating a lower mileage unit into its position.

In accordance with District policy, bids were solicited for the Class 4 Utility Truck. Three (3) bids were received. Prices received include all applicable fees and taxes and delivery.

Funding for this purchase has been included in CIP P2282, Vehicle Capital Purchases Program.

Dealer	Bid Price
Orange Coast Dodge	\$114,542
Miramar Ford	\$116,002
Tuttle Click Ford	\$120,389

Staff is purchasing a 2016 Dodge Ram 5500 with a service body, crane and air compressor included for a not-to-exceed amount of \$114,542 which is \$25,458 less than budgeted.

FISCAL IMPACT: _____

Projected purchase budget for one (1) Class 4 Utility Truck is \$140,000 based on preliminary research. The purchase of the truck will cost \$114,542 which will be charged against the Vehicle Capital Purchases CIP P2282. The total cost in this account will not exceed budgeted funding.

The total FY16 project budget for the CIP P2282, Vehicle Capital Purchases is \$556,000. Existing expenditures and current encumbrances for the CIP, including the one (1) Class 4 Utility Truck purchased under this request if approved, are \$114,542.00.

Based on the evaluation, the CIP P2282 budget is sufficient to complete the budgeted purchase.

The Finance Department has determined that 100% of the funds are available in the replacement fund.

Expenditure Summary:

Total CIP 2282 Vehicle Replacements FY16 Budget:	\$556,000
Proposed One (1) Class 4 Utility Truck.	(\$114,542)
Approved Vactor truck replacement.	(\$402,831)
Proposed Replacement bed for Unit 184.	(\$11,000)
Projected CIP P2286 FY16 Under Budget:	\$27,627

STRATEGIC GOAL:

Operate the system to meet demand twenty-four hours a day, seven days a week.

LEGAL IMPACT: _____

None.

General Manager

Attachment "A," Committee Action



ATTACHMENT A

SUBJECT/PROJECT:	Approval to Purchase one (1) Class 4 Utility Truck
-------------------------	--

COMMITTEE ACTION:

The Finance, Administration, and Communications Committee reviewed this item at a meeting held on September 23, 2015 and the following comments were made:

- Staff is requesting that the Board authorize a purchase order to Orange Coast Dodge in the amount of \$114,542 for the purchase of one (1) replacement Class 4 Utility Truck and declare Unit 154 as surplus.
- The Class 4 Utility Truck was included in the approved FY 2016 budget as Item 21 under Capital Purchases. The Class 4 Utility Truck will replace Unit 139, Pump Electrical Utility Service Truck.
- Staff solicited bids for a Class 4 Utility Truck in accordance with District policy. Three (3) bids were received and Orange Coast Dodge had the lowest responsive bid at \$114,542. The bid is \$25,458 less than budgeted.

Upon completion of the discussion, the committee supported staffs' recommendation and presentation to the full board on the consent calendar.



DOUGLASS
Truck Bodies
INC.



AGENDA ITEM 7d

STAFF REPORT

TYPE MEETING: Regular Board

MEETING DATE: February 3, 2016

PROJECT:

DIV. NO. All

SUBMITTED BY: Rita Bell, Finance Manager

APPROVED BY: Joseph R. Beachem, Chief Financial Officer

German Alvarez, Assistant General Manager

Mark Watton, General Manager

SUBJECT: Appointment of Auditor for Fiscal Year Ending June 30, 2016

GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize the General Manager to sign the engagement letters from the auditing firm of Teaman, Ramirez & Smith, Inc., to contract for audit services for the 2016 fiscal year.

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

The District is required to retain the services of an independent accounting firm to perform an audit of the District's financial records each year.

ANALYSIS:

At the Board meeting on January 7, 2014, the Board approved Teaman, Ramirez & Smith, Inc., as the District's auditors for a 1-year contract, with four (4) 1-year options, with each option year subject to Board review and approval. On February 2, 2015, the Board authorized the General Manager to engage Teaman, Ramirez & Smith, Inc., for the second option year for the FY 2016 audit.

Staff is recommending the appointment of Teaman, Ramirez & Smith, Inc. as the District's auditors for FY 2016, in conjunction with the

second 1-year contract option. This is based on their staff's knowledge of the District's operations and finances, their technical qualifications, and their performance as the District's auditors during the FY 2014 and FY 2015 audits.

The audit will consist of four major components: 1) Standard Audit Services, to provide an audit opinion on the District's financial statements; 2) Agreed upon procedures related to the District's Investment Policy procedures, to issue a report on staff's compliance with District policy; 3) A State Controllers Report, required by the State of California; and 4) Assistance in preparation of the District's Comprehensive Annual Financial Report (CAFR).

The following is a tentative planning schedule for the major activities involved in completing the FY-2016 financial audit:

- May-2016: Pre-audit fieldwork (3-4 days).
- Aug-2016: Year-end audit fieldwork (4-5 days).
- Nov-2016: Board presentation of the audited financial statements.
- Dec-2016: CAFR submission to Government Finance Officers Association (GFOA).

FISCAL IMPACT:

The fee for auditing services for the Fiscal Year ending June 30, 2016, will be \$27,000. This is an increase of \$700 over the prior year's fee.

STRATEGIC GOAL:

The District ensures its continued financial health through long-term financial planning, formalized financial policies, enhanced budget controls, fair pricing, debt planning, and improved financial reporting.

LEGAL IMPACT:

Required by law.

- Attachments:
- A) Committee Action Form
 - B) Teaman, Ramirez & Smith, Inc. Audit Engagement Letter
 - C) Teaman, Ramirez & Smith, Inc. State Controllers Report Engagement Letter
 - D) Teaman, Ramirez & Smith, Inc. Agreed Upon Procedures Engagement Letter



ATTACHMENT A

SUBJECT/PROJECT:	Appointment of Auditor for Fiscal Year Ending June 30, 2016
-------------------------	---

COMMITTEE ACTION:

The Finance, Administration, and Communications Committee reviewed this item at a meeting held on January 20, 2016 and the following comments were made:

- Staff is requesting that the Board approve the engagement letter with Teaman, Ramirez & Smith, Inc. (TRS) for audit services for FY 2016.
- The fees for the FY 2016 audit services is \$27,000, which is an increase of \$700 over last year.

Upon completion of the discussion, the committee supported staffs' recommendation and presentation to the full board on the consent calendar.



December 17, 2015

Joseph Beachem, Chief Financial Officer
Otay Water District
2554 Sweetwater Springs Blvd
Spring Valley, CA 91778-2004

We are pleased to confirm our understanding of the services we are to provide the Otay Water District (the "District") for the year ended June 30, 2016. We will audit the financial statements of the business-type activities, and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the Otay Water District as of and for the year ended June 30, 2016. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Government Accounting Standards Board* who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist principally of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Schedule of Funding Progress for DPHP
3. Schedule of Changes in the Net Pension Liability and Related Ratios
4. Schedule of Contributions

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and for which our auditors' report will not provide an opinion or any assurance on that other information.

1. Introductory Section
2. Statistical Section

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and; the standards for financial audits contained in *Government Auditing Standards*, issued by

the Comptroller General of the United States, and will include tests of the accounting records of the District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the District's financial statements. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinion is other than unqualified, we will discuss the reasons with you in advance. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors or any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the

appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditor is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures - Internal Controls

Our audit will include obtaining an understanding of the District and its environment, including internal control sufficient to assess the risk of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of the District in conformity with U.S. generally accepted accounting principles and prepare the State Controller's Report (see separate engagement letter) in conformity of the requirements of the California State Controller's Office based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management is reliable and financial information is reliable and properly reported; for the selection and application of accounting principles; and for the preparation and fair presentation in the financial statements in conformity with U.S. generally accepted accounting principles. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and also for ensuring that financial information is reliable, complete and properly recorded. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatement and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws, regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy any fraud and noncompliance with provisions of laws, regulations, illegal acts, violations of contracts or grant agreements, or abuse that we may report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Teaman, Ramirez & Smith, Inc. and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to grantor agencies or their designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purpose of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of our firm. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. In such cases, Teaman, Ramirez & Smith, Inc. is not responsible for the distribution of the copies or information contained therein.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by a grantor or federal agency. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our final audit fieldwork approximately in August 2016 and to issue our reports approximately in October 2016. Richard Teaman is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be \$25,500. Our invoices for these fees will be rendered as work progresses and are payable on presentation. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if have not completed our report. You will be obligated to compensate us for all time expended through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the Otay Water District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

TEAMAN, RAMIREZ & SMITH, INC.



Richard A. Teaman
Certified Public Accountant

RESPONSE:

This letter correctly sets forth the understanding of the Otay Water District.

By: _____

Title: _____

Date: _____



December 17, 2015

Joseph Beachem, Chief Financial Officer
Otay Water District
2554 Sweetwater Springs Blvd
Spring Valley, CA 91778-2004

Dear Joseph:

We are pleased to confirm our understanding of the services we are to provide for the year ended June 30, 2016.

We will prepare the Annual Financial Transactions Report (State Controller's Report) of the Otay Water District (the "District"), which comprise the balance sheet as of June 30, 2016, and the related statements of revenue and expenses and changes in fund equity for the year then ended, and perform a compilation engagement with respect to the State Controller's Report.

The supplementary information that accompanies the State Controller's Report is additional information requested by the California State Controller. The supplementary information will be compiled from information that is the representation of management. We will not audit or review the supplementary information. We will not express an opinion or provide any assurance on such supplementary information.

Our Responsibilities

The objective of our engagement is to—

- 1) prepare the State Controller's Report in accordance with the requirements prescribed by the California State Controller based on information provided by you and
- 2) apply accounting and financial reporting expertise to assist you in the presentation of financial information in the forms prescribed by the California State Controller without undertaking to obtain or provide any assurance that there are no material modifications that should be made to those form in order for them to be in accordance with the requirements prescribed by the California State Controller.

We will conduct our compilation engagement in accordance with Statements on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with applicable professional standards, including the AICPA's *Code of Professional Conduct* and its ethical principles of integrity, objectivity, professional competence, and due care, when performing the services, preparing the State Controller's Report, and performing the compilation engagement.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion nor provide any assurance on the State Controller's Report.

Our engagement cannot be relied upon to identify or disclose any misstatements in the State Controller's Report, including those caused by fraud or error, or to identify or disclose any wrongdoing within the District or noncompliance with laws and regulations. However, we will inform the appropriate level of management of any material errors and any evidence or information that comes to our attention during the performance of our procedures that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our compilation procedures regarding any wrongdoing within the District or noncompliance with laws and regulations that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify and communicate deficiencies or material weaknesses in your internal control as part of this engagement.

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Your Responsibilities

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to assist you in the presentation of the State Controller's Report in accordance with the requirements prescribed by the California State Controller. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:

- 1) The preparation and fair presentation of the State Controller's Report in accordance with the requirements prescribed by the California State Controller and the inclusion of all related informative disclosures that are appropriate, if applicable.
- 2) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the State Controller's Report.
- 3) The prevention and detection of fraud.
- 4) To ensure that the District complies with the laws and regulations applicable to its activities.
- 5) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
- 6) To provide us with—
 - access to all information of which you are aware that is relevant to the fair presentation of the State Controller's Report, such as records, documentation, and other matters.
 - additional information that we may request from you for the purpose of the compilation engagement.
 - unrestricted access to persons within the entity of whom we determine it necessary to make inquiries.
- 7) To include our compilation report in any document containing the State Controller's Report that indicates we have performed a compilation engagement on such prescribed forms and, prior to inclusion of the report, to ask our permission to do so.

You are also responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge, and experience to oversee our services and the preparation of your State Controller's Report. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

Our Report

As part of our engagement, we will issue a report that will state that we did not audit or review the State Controller's Report and that, accordingly, we do not express an opinion, a conclusion, or provide any assurance on them. If, for any reason, we are unable to complete the compilation of your State Controller's Report, we will not issue a report on such prescribed forms as a result of this engagement.

Other Relevant Information

Richard Teaman is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee to prepare the report is included in the fee quoted in the engagement letter to conduct the June 30, 2016 financial audit of the District dated December 17, 2015. The fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the work performed. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as prescribed in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

TEAMAN, RAMIREZ & SMITH, INC.



Richard A. Teaman

Certified Public Accountant

RESPONSE:

This letter correctly sets forth the understanding of the Otay Water District.

By: _____

Title: _____

Date: _____



December 17, 2015

Joseph Beachem, Chief Financial Officer
Otay Water District
2554 Sweetwater Springs Blvd
Spring Valley, CA 91778-2004

Dear Joseph:

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for the Otay Water District (the "District").

We will apply the agreed-upon procedures which the District's management has specified, listed in the attached schedule, for the investments of the District for the fiscal year ending June 30, 2016 (prepared in accordance with generally accepted accounting principles). This engagement is solely to assist the District's management in evaluating the compliance with the District's investment policy. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which this report has been requested or for any other purpose. If for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report as a result of this engagement.

Because the agreed-upon procedures listed in the attached schedule do not constitute an examination, we will not express an opinion on the District's investments or any elements, accounts, or items thereof. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

We will submit a report listing the procedures performed and our findings. This report is intended solely for the information and use of the District, and is not intended to be and should not be used by anyone other than this specified party. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

You are responsible for the presentation of the investments of the District in accordance with generally accepted accounting principles; and for selecting the criteria and determining that such criteria are appropriate for your purposes. You are responsible for assuming all management responsibilities and for overseeing any nonattest services we provide by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience. In addition, you are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for the results of such services.

Richard A. Teaman is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

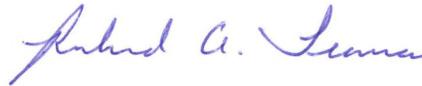
We plan to begin our procedures in approximately August 2016 and, unless unforeseeable problems encountered, the engagement should be completed in October 2016. At the conclusion of our engagement, we will require a representation letter from management that, among other things, will confirm management's responsibility for the presentation of the investments of the District in accordance with generally accepted accounting principles.

Our fees for these services will be \$1,500. The fee is based on anticipated cooperation your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee before we incur the additional costs.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional services arises, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their responsibility for the sufficiency of procedures.

Very truly yours,

TEAMAN, RAMIREZ & SMITH, INC.



Richard A. Teaman
Certified Public Accountant

RESPONSE:

This letter correctly sets forth the understanding of the Otay Water District.

By: _____

Title: _____

Date: _____

Otay Water District Agreed-Upon Procedures

Investments

1. Obtain a copy of the District's investment policy and determine that it is in effect for the fiscal year ended June 30, 2016.
2. Select 4 investments held at year end and determine if they are allowable investments under the District's Investment Policy.
3. For the four investments selected in #2 above, determine if they are held by a third party custodian designated by the District.
4. Confirm the part or original investment amount and market value of the four investments selected above with the custodian or issuer of the investments.
5. Select two investment earnings transactions that took place during the year and recomputed the earnings to determine if they proper amount was received.
6. Trace amounts received for transactions selected at #5 above into the District's bank accounts.
7. Select five investment transactions (buy, sell, trade, or maturity) occurring during the year under review and determine that the transactions are permissible under the District's investment policy.
8. Review supporting documentation for the five investments selected at #7 above to determine if the transactions were appropriately recorded in the District's general ledger.

AGENDA ITEM 7e



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	February 3, 2016
SUBMITTED BY:	Armando Buelna, Communications Officer	PROJECT:	Various DIV.NO. ALL
APPROVED BY:	<input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	2016 Legislative Program Guidelines		

GENERAL MANAGER'S RECOMMENDATION:

That the Board of Directors adopt the 2016 Otay Water District Legislative Program Guidelines.

COMMITTEE ACTION:

See Attachment A.

PURPOSE:

To provide direction to staff and the District's Legislative Advocates in the formulation of the District's response to legislative initiatives on issues affecting the District during the 2016 legislative session.

ANALYSIS:

Otay Water District maintains a set of legislative policy guidelines to direct staff and legislative advocates on issues important to the District. The legislative guidelines are updated annually with the proposed updates presented to the Otay Water District's Board of Directors for review, comment and adoption. The attached 2016 Legislative Program represents policy positions on legislation for the Board's consideration.

Each legislative session, representatives to the California Legislature sponsor some 2,000 or more bills or significant

resolutions. While many bills fail to make it out of their house of origin, many others go on to be signed by the governor and become law. These new laws can affect special districts in substantive ways. The same is true with each session of the House of Representatives and the U.S. Senate.

The 2016 Legislative Program establishes guidelines and policy direction that can be used by staff when monitoring legislative activity to facilitate actions that can be taken quickly in response to proposed bills. The guidelines provide a useful framework for staff when evaluating the potential impact of state or federal legislation on the District. This is particularly helpful when a timely response is necessary to address a last minute amendment to legislation and should calls or letters of support or opposition be needed.

Legislation that does not meet the guidelines as set forth or that has potentially complicated or varied implications will not be acted upon by staff or the legislative advocates, and will instead be presented to the Board directly for guidance in advance of any position being taken.

The 2016 Legislative Guidelines presents staff's initial recommendations for the Board's review, and seeks the Board's recommendations for any additional modifications. Staff will then incorporate feedback into the final document.

In general, the guidelines look to protect the District's interest in a reliable, diverse and affordable water supply. Moreover, they seek to maintain local control over special district actions to protect your Board's discretion and ratepayer interests, and maintain the ability to effectively and efficiently manage District operations. In addition they express the District's ongoing support for water conservation, recycled water, ocean water desalination, capital improvement project development, organization-wide safety and security, binational cooperation, as well as the equitable distribution of water bond proceeds.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

None.

LEGAL IMPACT:

None

Attachments: Attachment A - Committee Action
Attachment B - 2016 Otay Water District Legislative
Program
Attachment C - 2016 Otay Water District Legislative
Program Redline



ATTACHMENT A

SUBJECT/PROJECT:	2015 Legislative Program Guidelines
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COMMITTEE ACTION:

The Finance, Administration, and Communications Committee reviewed this item at a meeting held on January 20, 2016 and the following comments were made:

- Staff is presenting the District's 2016 Legislative Program for the Board's consideration.
- The legislative program was first developed in 2003 and the policy positions in the program are updated annually to address possible issues that may affect the District during the 2016 legislative session.
- The guidelines give policy direction that can be used by staff when monitoring legislative activity to facilitate actions that can be taken quickly in response to proposed bills. Legislation that does not meet the guidelines or that has potentially complicated or varied implications will not be acted upon by staff or the legislative advocates, and will instead be presented to the Board directly for guidance in advance of any position being taken.
- The changes proposed to the program keep Otay WD in alignment with the Water Authority and other San Diego water agencies on topics important to the region.
- Staff is seeking the Board's input for any additional modifications and will then incorporate those comments into the final document.
- In response to an inquiry from the Committee, staff indicated that a *Public Goods Charge* is a tax. Staff has added under *Financial*, item o, "Oppose efforts that: Establish a Public Goods Charge,..." as it is felt it would not be fair to tax residential customers for excessive water use. Further, residential users represent a relatively small portion of water consumption in the State. The

District, thus, opposes the public goods charge/tax and, additionally, opposes any such tax in general.

- The Committee suggested that under *Governance/Local Autonomy*, that the District add an item under, *Support efforts to*, that indicates, "Promote measures that increase broader community and water industry representation/appointments on State decision making bodies."

Upon completion of the discussion, the committee supported staffs' recommendation and presentation to the full board on the consent calendar.

Otay Water District Legislative Program | 2016

Effective Date: 02/03/2016

Legislative Policy Guidelines

The Otay Water Legislative Policy Guidelines for the 2016 Legislative Session includes the following:

Sacramento-San Joaquin Bay Delta (Bay-Delta)

Support efforts to:

- a. Finalize and implement the Bay-Delta Conservation Plan to address Bay-Delta environmental and water quality issues.
- b. Analyze or support a “Portfolio Approach”, “Around-the-Delta”, “right-sized”, or other alternatives that feature smaller conveyance facilities as a way to improve water quality, water transport, and reduce the possibility or impacts of levee failure, lower costs to water users and the public, reduce the level of environmental impacts, while potentially facing fewer legal and political challenges.
- c. Finalize Bay-Delta planning work and ongoing studies of new water storage facilities, and support efforts to promote additional surface and underground water storage infrastructure that are cost effective ensure water availability and quality.
- d. Resolve conflicts between urban and rural water users, water management and the environment in the Bay-Delta.
- e. Provide ongoing federal and state funding for the Bay-Delta, and those which focus attention to Bay-Delta financing, affordability, commitments to pay, and the demand for Bay-Delta water.
- f. Equitably allocate costs of the Bay-Delta solution to all those benefiting from improvements in proportion to the benefits they receive.
- g. Fast-track design, permits and construction for pilot projects in the Bay-Delta to create barriers to keep fish away from Bay-Delta water pumps, improve water quality and supply reliability.
- h. Provide deliberative processes that are designed to ensure meaningful dialogue with all stakeholders in an open and transparent process in order to reduce future conflicts and challenges in implementing a Bay-Delta solution.
- i. Provide a Bay-Delta solution that acknowledges, integrates and supports the development of water resources at the local level.
- j. Improve the ability of water-users to divert water from the Bay-Delta during wet periods when impacts to fish and the ecosystem are lower and water quality is higher.
- k. Improve the existing Bay-Delta water conveyance system to increase flexibility and enhance water supply, water quality, levee stability and environmental protection.
- l. Evaluate long-term threats to the Bay-Delta levees and conveyance system and pursues actions to reduce risks to the state’s water supply and the environment.
- m. Improve coordination of the Central Valley Project and State Water Project Operations.
- n. Provide a Bay-Delta solution and facilities that are cost-effective when compared with other water supply development options for meeting Southern California’s water needs.

- o. Identify the total cost or perform appropriate cost studies to estimate consumer financial impact as well as the expected yield of any Bay-Delta solution before financing and funding decision are made to determine whether the solution is worth the expense.
- p. Provide the State Water Project (SWP) with more flexibility to operate their systems to maximize water deliveries while avoiding unacceptable impacts to third parties, habitat or the environment.
- q. Require a firm commitment and funding stream by all parties to pay for the proportional benefits they will receive from a Bay-Delta solution through take-or-pay contracts or the legal equivalent, and identify the impact to the remaining contractors if one or more contractors default or back out.
- r. Provide “right-sized” facilities to match firm commitments to pay for the Bay-Delta solution.
- s. Provide SWP contractors and their member agencies access to all SWP facilities to facilitate water transfers.
- t. Continue state ownership and operation of SWP as a public resource.
- u. Improve efficiency and transparency of all SWP operations.
- v. Focus on statewide priorities, including construction of an approved method of conveyance of water through or around the Delta that provides water supply reliability to the Delta water uses, promotion of greater regional and local self-sufficiency, surface storage and promotion of water use efficiency.
- w. Provides for the state’s share of funding for Bay-Delta conveyance projects.
- x. Consider complementary investments in local water supply sources, regional coordination, and south of Delta storage as part of an overall comprehensive Bay-Delta solution.
- y. Protects and safeguards San Diego region’s Preferential Rights.

Oppose efforts that:

- a. Require additional reviews or approvals of Delta conveyance options beyond those provided by SBX7-1 (2009).
- b. Transfer control of the State Water Project from the state to Metropolitan Water District of Southern California (MWD), the State Water Contractors, the Central Valley Project Contractors, the State and Federal Water Contractors Authority, or to any entity comprised of MWD and other water contractors.

Recycled Water

Support efforts to:

- a. Reduce restrictions on recycled water usage or promote consistent regulation of recycled water projects to reduce impediments to the increased use of recycled water.
- b. Reduce restrictions on injecting recycled water into basins where there is no direct potable use.
- c. Provide financial incentives for recharge of groundwater aquifers using recycled water.
- d. Make recycled water regulations clear, consolidated, and understandable to expedite related project permitting.
- e. Promote recycled water as a sustainable supplemental source of water.
- f. Allow the safe use of recycled water.
- g. Facilitate development of technology aimed at improving water recycling.
- h. Increasing funding for water recycling projects.
- i. Increase awareness of the ways recycled water can help address the region's water supply challenges.
- j. Create federal and state incentives to promote recycled water use and production.
- k. Establish federal tax incentives to support U.S. companies in the development of new water technologies that can lower productions costs, address by products such as concentrates, and enhance public acceptance of recycled water.
- l. Establish a comprehensive national research and development, and technology demonstration, program to advance the public and scientific understanding of water recycling technologies to encourage reuse as an alternative source of water supply.
- m. Provide incentives for local agencies to work cooperatively, share costs or resources to promote or expand the use of recycled water.
- n. Further refine emergency regulations to reward local suppliers that have invested in using recycled water for landscape irrigation to maintain an incentive to continue expanding areas served by recycled water.
- o. Encourages the use of recycled water in commercial, industrial, institutional, and residential settings.

Oppose efforts that:

- a. Restrict use of recycled water for groundwater recharge.
- b. Establish new water or recycled water fees solely to recover State costs without also providing some benefit.
- c. Create regulatory schemes that alter or limit the existing authority to reuse and recycle water.

Water Services*Support efforts to:*

- a. Provide funding to implement actions identified in the California Water Action Plan to lay a solid fiscal foundation for implementing near-term actions, including funding for water efficiency projects, wetland and watershed restoration, groundwater programs, conservation, flood control, and integrated water management and result in a reliable supply of high-quality water for the San Diego region.
- b. Provide financial support to projects designed to mitigate the potential negative impacts of Global Climate Change on water supply reliability.
- c. Promote the coordination and integration of local, state and federal climate change policies and practices to the greatest extent feasible.
- d. Support ongoing implementation of the Quantitative Settlement Agreement.
- e. Provide reliable water supplies to meet California's short and long-term needs.
- f. Reduce impediments for willing sellers and buyers to engage in water transfer agreements.
- g. Promote desalination pilot studies and projects.
- h. Encourage feasibility studies of water resource initiatives.
- i. Increase funding for infrastructure and grant programs for construction, modernization or expansion of water, wastewater treatment, reclamation facilities and sewer systems including water recycling, groundwater recovery and recharge, surface water development projects and seawater desalination.
- j. Mandate uniform or similar regulations and procedures by state agencies in the processing and administering of grants and programs.
- k. Streamline grant application procedures.
- l. Promote or assist voluntary water transfers between willing buyers and willing sellers and move those transactions through without delay.
- m. Streamline the permitting and approval process for implementing water transfers.
- n. Establish reasonable statewide approaches to sewer reporting standards.
- o. Generate greater efficiencies, better coordinate program delivery, and eliminate duplication in programs for source water protection without lessening the focus on public health of the state's Drinking Water Program.
- p. Target efforts to fix specific issues with water supplies within the state's Drinking Water Program.
- q. Establish federal tax incentives to support U.S. companies in the development of new desalination technologies that can lower production costs, eliminate or reduce impingement or entrainment, reduce energy use, and enhance public acceptance of desalinated water.
- p. Establish a comprehensive national research and development, and technology demonstration program to advance the scientific understanding of desalination to expand its use as an alternative source of water supply.
- q. Require the State Water Resources Control Board to exercise its authority, ensure robust funding, and implement the Salton Sea mitigation and restoration plan, meet state obligations, and work with QSA stakeholders to find workable solutions to ensure the continuation of IID water transfers.
- r. Support solutions to water supply issues that address common challenges, provide a comprehensive approach that is fair to all users, balance the needs of urban and rural

communities, and take into consideration the interests of all stakeholders as well as the impact to the environment.

Further refine emergency drought regulations to eliminate a cap on credits and adjustments so as not to impose undue burden, financial or otherwise, on communities that have already invested in water conservation, development of new water sources, storage, or loss prevention.

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- b. Create unrealistic or costly water testing or reporting protocol.
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- a. Require the federal government and State of California to reimburse special districts for all mandated costs or regulatory actions.
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- f. Continue to reform workers compensation.
- g. Authorize financing of water quality, water security, and water supply infrastructure improvement programs.
- h. Promote competition in insurance underwriting for public agencies.
- i. Establish spending caps on State of California overhead when administering voter approved grant and disbursement programs.
- j. Require disbursement decisions in a manner appropriate to the service in question.
- k. Encourage funding infrastructure programs that are currently in place and that have been proven effective.
- l. Produce tangible results, such as water supply reliability or water quality improvement.
- m. Provide financial incentives for energy projects that increase reliability, diversity, and reduce greenhouse gasses.
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- o. Provide loan or grant programs that encourage water conservation for water users who are least able to pay for capital projects.
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- k. Add new mandates to the Department of Water Resources (DWR) to review and approve Urban Water Management Plans beyond those already addressed in DWR guidelines.
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- m. Increase the cost of property and right-of-way acquisition, or restricts the use of right-of-ways.
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Support efforts to:

- a. Provide funding for water conservation programs.
- b. Encourage the installation of water conserving fixtures in new and existing buildings.
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- k. Develop incentives for developers and existing customers to install water wise landscape in existing developments or new construction.
- l. Encourage large state users to conserve water by implementing water efficient technologies in all facilities both new and retrofit.
- m. Maintain incentives for solar power.
- n. Encourage large state water users to conserve water outdoors.
- o. Educate all Californians on the importance of water, and the need to conserve, manage, and plan for the future needs.
- p. Encourage technological research targeted to more efficient water use.
- q. Give local agencies maximum discretion in selecting conservation programs that work for their customers and the communities they serve.
- r. Require the Department of Water Resources to implement a uniform statewide turf rebate subsidy or incentive program.
- s. Require Property Owners Associations to allow low water use plants, mulch, artificial turf, or semi-permeable materials in well-maintained landscapes.

Oppose efforts that:

- a. Weaken federal or state water efficiency standards.
- b. Introduce additional analytical and reporting requirements that are time-consuming for local agencies to perform and result in additional costs to consumers, yet yield no water savings.
- c. Permit Property Owners Associations to restrict low water use plants, mulch, artificial turf, or semi-permeable materials in landscaping.
- d. Create one-size-fit-all approaches to emergency drought regulations that ignore variations among communities, regions, and counties with respect to their ability to withstand the impact and effects of drought.

Safety, Security and Information Technology

Support efforts to:

- a. Provide funding for information security upgrades to include integrated alarms, access/egress, and surveillance technology.
- b. Provide incentives for utilities and other local agencies to work cooperatively, share costs or resources.
- c. Provide funding for communication enhancements, wireless communications, GIS or other technological enhancements.
- d. Encourage or promote compatible software systems.
- e. Fund infrastructure and facility security improvements that include facility roadway access, remote gate access and physical security upgrades.
- f. Protect state, local and regional drinking water systems from terrorist attack or deliberate acts of destruction, contamination or degradation.
- g. Provide funds to support training or joint training exercises to include contingency funding for emergencies and emergency preparedness.
- h. Equitably allocate security funding based on need, threats and/or population.
- i. Encourage or promote compatible communication systems.
- j. Encourage and promote funding of Department of Homeland Security Risk Mitigation programs.
- k. Recognizes water agencies as emergency responders to damage and challenges caused by wildfires, earthquakes, and other natural disasters, as well as terrorist and other criminal activities that threaten water operations, facilities and supplies.
- l. Provide state grant or other funding opportunities to support seismic risk assessment and mitigation plans, or to mitigate vulnerabilities.

Oppose efforts that:

- a. Create unnecessary, costly, or duplicative security or safety mandates.
- b. Require expanded water system descriptions or additional public disclosure of public water systems details for large water suppliers in Urban Water Management Planning documents, potentially compromising public water systems and creating a conflict with the Department of Homeland Security's recommendation to avoid reference to water system details in plans available to the general public.

Optimize District Effectiveness

Support efforts to:

- a. Give utilities the ability to avoid critical peak energy pricing or negotiate energy contracts that save ratepayers money.
- b. Develop reasonable Air Pollution Control District engine permitting requirements.
- c. Reimburse or reduce local government mandates.
- d. Allow public agencies to continue offering defined benefit plans.
- e. Result in predictable costs and benefits for employees and taxpayers.
- f. Eliminate abuses.
- g. Retain local control of pension systems.
- h. Be constitutional, federally legal and technically possible.

Oppose efforts that:

- a. Restrict the use of, or reallocate, district property tax revenues to the detriment of special districts.
- b. Create unrealistic ergonomic protocol.
- c. Micromanage special district operations.
- d. Balance the state budget by allowing regulatory agencies to increase permitting fees.
- e. Tax dependent benefits.
- f. Require new reporting criteria on energy intensity involved in water supply.

Bi-National Initiatives

Support efforts to:

- a. Promote and finance cross-border infrastructure development such as water pipelines, desalination plants or water treatment facilities to serve the border region.
- b. Develop cooperative and collaborative solutions to cross-border issues.
- c. Develop and enhance communications and understanding of the interdependence of communities on both sides of the border with the goal of improved cross-border cooperation.

Oppose efforts that:

- a. Usurp local control over the financing and construction of water supply and infrastructure projects in the San Diego/Baja California region.

State Water Bonds

Support efforts to:

- a. Ensure San Diego County receives an equitable share of funding from Proposition 1 (2014) with major funding categories being divided by county and funded on a per-capita basis to ensure bond proceeds are distributed throughout the state in proportion to taxpayers' payments on the bonds.
- b. Ensure funding for water infrastructure projects help to resolve conflicts in the state's water system and provide long-term benefits to statewide issues including water supply, reliability, water quality, and ecosystem restoration.
- c. Ensure primary consideration is given to funding priorities established by local and regional entities through their IRWM planning process.
- d. Ensure that the application process for funding is not unnecessarily burdensome and costly, with an emphasis on streamlining the process.
- e. Fund emergency and carryover storage projects including those in San Diego County.
- f. Consolidate administration of all voter-approved water-related bond funding in one place, preserves existing expertise within the state bureaucracy to manage bond funding processes, and provide consistent application and evaluation of bond funding applications.
- g. Expedite the funding for projects that advance the achievement of the co-equal goals of water supply reliability and Delta ecosystem restoration.

Oppose efforts that:

- a. Change the share of funding to make San Diego County's share less equitable, not based on the San Diego County taxpayers' proportional contribution to repayment of the bonds, or change the understanding that all beneficiaries pay an equitable share.
- b. Do not provide funding for infrastructure that resolves statewide or regional conflicts of water supplies.
- c. Do not provide funding that result in net increases in real water supply and water supply reliability.
- d. Commit a significant portion of bond funding to projects that do not result in net increases in real water supply or water supply reliability.

Otay Water District Legislative Program | **20152016**

Effective Date: ~~01/2/073/20156~~

Legislative Policy Guidelines

The Otay Water Legislative Policy Guidelines for the 201~~65~~ Legislative Session includes the following:

Sacramento-San Joaquin Bay Delta (Bay-Delta)*Support efforts to:*

- a. Finalize and implement the Bay-Delta Conservation Plan to address Bay-Delta environmental and water quality issues.
- b. Analyze or support a “Portfolio Approach”, “Around-the-Delta”, “right-sized”, or other alternatives that feature smaller conveyance facilities as a way to improve water quality, water transport, and reduce the possibility or impacts of levee failure, lower costs to water users and the public, reduce the level of environmental impacts, while potentially facing fewer legal and political challenges.
- c. Finalize Bay-Delta planning work and ongoing studies of new water storage facilities, and support efforts to promote additional surface and underground water storage infrastructure that are cost effective ensure water availability and quality.
- d. Resolve conflicts between urban and rural water users, water management and the environment in the Bay-Delta.
- e. Provide ongoing federal and state funding for the Bay-Delta, and those which focus attention to Bay-Delta financing, affordability, commitments to pay, and the demand for Bay-Delta water.
- f. Equitably allocate costs of the Bay-Delta solution to all those benefiting from improvements in proportion to the benefits they receive.
- g. Fast-track design, permits and construction for pilot projects in the Bay-Delta to create barriers to keep fish away from Bay-Delta water pumps, improve water quality and supply reliability.
- h. Provide deliberative processes that are designed to ensure meaningful dialogue with all stakeholders in an open and transparent process in order to reduce future conflicts and challenges in implementing a Bay-Delta solution.
- i. Provide a Bay-Delta solution that acknowledges, integrates and supports the development of water resources at the local level.
- j. Improve the ability of water-users to divert water from the Bay-Delta during wet periods when impacts to fish and the ecosystem are lower and water quality is higher.
- k. Improve the existing Bay-Delta water conveyance system to increase flexibility and enhance water supply, water quality, levee stability and environmental protection.
- l. Evaluate long-term threats to the Bay-Delta levees and conveyance system and pursues actions to reduce risks to the state’s water supply and the environment.
- m. Improve coordination of the Central Valley Project and State Water Project Operations.
- n. Provide a Bay-Delta solution and facilities that are cost-effective when compared with other water supply development options for meeting Southern California’s water needs.

- o. Identify the total cost or perform appropriate cost studies to estimate consumer financial impact as well as the expected yield of any Bay-Delta solution before financing and funding decision are made to determine whether the solution is worth the expense.
- p. Provide the State Water Project (SWP) with more flexibility to operate their systems to maximize water deliveries while avoiding unacceptable impacts to third parties, habitat or the environment.
- q. Require a firm commitment and funding stream by all parties to pay for the proportional benefits they will receive from a Bay-Delta solution through take-or-pay contracts or the legal equivalent, and identify the impact to the remaining contractors if one or more contractors default or back out.
- r. Provide “right-sized” facilities to match firm commitments to pay for the Bay-Delta solution.
- s. Provide SWP contractors and their member agencies access to all SWP facilities to facilitate water transfers.
- t. Continue state ownership and operation of SWP as a public resource.
- u. Improve efficiency and transparency of all SWP operations.
- v. Focus on statewide priorities, including construction of an approved method of conveyance of water through or around the Delta that provides water supply reliability to the Delta water uses, promotion of greater regional and local ~~self-sufficiency~~self-sufficiency, surface storage and promotion of water use efficiency.
- w. Provides for the state’s share of funding for Bay-Delta conveyance projects.
- x. Consider complementary investments in local water supply sources, regional coordination, and south of Delta storage as part of an overall comprehensive Bay-Delta solution.
- y. Protects and safeguards San Diego region’s Preferential Rights.
- ~~x.~~—

Oppose efforts that:

- a. Require additional reviews or approvals of Delta conveyance options beyond those provided by SBX7-1 (2009).
- b. Transfer control of the State Water Project from the state to Metropolitan Water District of Southern California (MWD), the State Water Contractors, the Central Valley Project Contractors, the State and Federal Water Contractors Authority, or to any entity comprised of MWD and other water contractors.
- ~~a.~~

Recycled Water

Support efforts to:

- a. Reduce restrictions on recycled water usage or promote consistent regulation of recycled water projects to reduce impediments to the increased use of recycled water.
- b. Reduce restrictions on injecting recycled water into basins where there is no direct potable use.
- c. Provide financial incentives for recharge of groundwater aquifers using recycled water.
- d. Make recycled water regulations clear, consolidated, and understandable to expedite related project permitting.
- e. Promote recycled water as a sustainable supplemental source of water.
- f. Allow the safe use of recycled water.
- g. Facilitate development of technology aimed at improving water recycling.
- h. Increasing funding for water recycling projects.
- i. Increase awareness of the ways recycled water can help address the region's water supply challenges.
- j. Create federal and state incentives to promote recycled water use and production.
- k. Establish federal tax incentives to support U.S. companies in the development of new water technologies that can lower productions costs, address by products such as concentrates, and enhance public acceptance of recycled water.
- l. Establish a comprehensive national research and development, and technology demonstration, program to advance the public and scientific understanding of water recycling technologies to encourage reuse as an alternative source of water supply.
- m. Provide incentives for local agencies to work cooperatively, share costs or resources to promote or expand the use of recycled water.
- n. Further refine emergency regulations to reward local suppliers that have invested in using recycled water for landscape irrigation to maintain an incentive to continue expanding areas served by recycled water.
- o. Encourages the use of recycled water in commercial, industrial, institutional, and residential settings.
- ~~m.~~

Oppose efforts that:

- a. Restrict use of recycled water for groundwater recharge.
- b. Establish new water or recycled water fees solely to recover State costs without also providing some benefit.
- c. Create regulatory schemes that alter or limit the existing authority to reuse and recycle water.

Water Services

Support efforts to:

- a. Provide funding to implement actions identified in the California Water Action Plan to lay a solid fiscal foundation for implementing near-term actions, including funding for water efficiency projects, wetland and watershed restoration, groundwater programs, conservation, flood control, and integrated water management and result in a reliable supply of high-quality water for the San Diego region.
- b. Provide financial support to projects designed to mitigate the potential negative impacts of Global Climate Change on water supply reliability.
- c. Promote the coordination and integration of local, state and federal climate change policies and practices to the greatest extent feasible.
- d. Support ongoing implementation of the Quantitative Settlement Agreement.
- e. Provide reliable water supplies to meet California's short and long-term needs.
- f. ~~Support legislation that r~~Reduces impediments for willing sellers and buyers to engage in water transfer agreements.
- g. Promote desalination pilot studies and projects.
- h. Encourage feasibility studies of water resource initiatives.
- i. Increase fundings for infrastructure and grant programs for construction, modernization or expansion of water, wastewater treatment, reclamation facilities and sewer systems including water recycling, groundwater recovery and recharge, surface water development projects and seawater desalination.
- j. Mandate uniform or similar regulations and procedures by state agencies in the processing and administering of grants and programs.
- k. Streamline grant application procedures.
- l. Promote or assist voluntary water transfers between willing buyers and willing sellers and move those transactions through without delay.
- m. Streamline the permitting and approval process for implementing water transfers.
- n. Establish reasonable statewide approaches to sewer reporting standards.
- o. Generate greater efficiencies, better coordinate program delivery, and eliminate duplication in programs for source water protection without lessening the focus on public health of the state's Drinking Water Program.
- ~~n-p.~~Target efforts to fix specific issues with water supplies within the state's Drinking Water Program.
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- q. Give local agencies maximum discretion in selecting conservation programs that work for their customers and the communities they serve.
- r. Require the Department of Water Resources to implement a uniform statewide turf rebate subsidy or incentive program.
- q.s. Require Property Owners Associations to allow low water use plants, mulch, artificial turf, or semi-permeable materials in well-maintained landscapes.

Oppose efforts that:

- a. Weaken federal or state water efficiency standards.
- b. Introduce additional analytical and reporting requirements that are time-consuming for local agencies to perform and result in additional costs to consumers, yet yield no water savings.
- c. Permit Property Owners Associations to restrict low water use plants, mulch, artificial turf, or semi-permeable materials in landscaping.
- d. Create one-size-fit-all approaches to emergency drought regulations that ignore variations among communities, regions, and counties with respect to their ability to withstand the impact and effects of drought.

Safety, Security and Information Technology

Support efforts to:

- a. Provide funding for information security upgrades to include integrated alarms, access/egress, and surveillance technology.
- b. Provide incentives for utilities and other local agencies to work cooperatively, share costs or resources.
- c. Provide funding for communication enhancements, wireless communications, GIS or other technological enhancements.
- d. Encourage or promote compatible software systems.
- e. Fund infrastructure and facility security improvements that include facility roadway access, remote gate access and physical security upgrades.
- f. Protect state, local and regional drinking water systems from terrorist attack or deliberate acts of destruction, contamination or degradation.
- g. Provide funds to support training or joint training exercises to include contingency funding for emergencies and emergency preparedness.
- h. Equitably allocate security funding based on need, threats and/or population.
- i. Encourage or promote compatible communication systems.
- j. Encourage and promote funding of Department of Homeland Security Risk Mitigation programs.
- k. Recognizes water agencies as emergency responders to damage and challenges caused by wildfires, earthquakes, and other natural disasters, as well as terrorist and other criminal activities that threaten water operations, facilities and supplies.
- k.l. Provide state grant or other funding opportunities to support seismic risk assessment and mitigation plans, or to mitigate vulnerabilities.

Oppose efforts that:

- a. Create unnecessary, costly, or duplicative security or safety mandates.
- b. Require expanded water system descriptions or additional public disclosure of public water systems details for large water suppliers in Urban Water Management Planning documents, potentially compromising public water systems and creating a conflict with the Department of Homeland Security's recommendation to avoid reference to water system details in plans available to the general public.

Optimize District Effectiveness

Support efforts to:

- a. Give utilities the ability to avoid critical peak energy pricing or negotiate energy contracts that save ratepayers money.
- b. Develop reasonable Air Pollution Control District engine permitting requirements.
- c. Reimburse or reduce local government mandates.
- d. Allow public agencies to continue offering defined benefit plans.
- e. Result in predictable costs and benefits for employees and taxpayers.
- f. Eliminate abuses.
- g. Retain local control of pension systems.
- h. Be constitutional, federally legal and technically possible.

Oppose efforts that:

- a. Restrict the use of, or reallocate, district property tax revenues to the detriment of special districts.
- b. Create unrealistic ergonomic protocol.
- c. Micromanage special district operations.
- d. Balance the state budget by allowing regulatory agencies to increase permitting fees.
- e. Tax dependent benefits.
- f. Require new reporting criteria on ~~emergency energy~~ intensity involved in water supply.

Bi-National Initiatives

Support efforts to:

- a. Promote and finance cross-border infrastructure development such as water pipelines, desalination plants or water treatment facilities to serve the border region.
- b. Develop cooperative and collaborative solutions to cross-border issues.
- c. Develop and enhance communications and understanding of the interdependence of communities on both sides of the border with the goal of improved cross-border cooperation.

Oppose efforts that:

- a. Usurp local control over the financing and construction of water supply and infrastructure projects in the San Diego/Baja California region.

State Water Bonds

Support efforts to:

- a. Ensure -San Diego County receives an equitable share of funding from Proposition 1 (2014) with major funding categories being divided by county and funded on a per-capita basis to ensure bond proceeds are distributed throughout the state in proportion to taxpayers' payments on the bonds.
- b. Ensure funding for water infrastructure projects -help to resolve conflicts in the state's water system and provide long-term benefits to statewide issues including water supply, reliability, water quality, and ecosystem restoration.
- c. Ensure -primary consideration is given to funding priorities established by local and regional entities through their IRWM planning process.
- d. Ensure that the application process for funding is not unnecessarily burdensome and costly, with an emphasis on streamlining the process.
- e. Fund emergency and carryover storage projects including those in San Diego County.
- f. Consolidate administration of all voter-approved water-related bond funding in one place, preserves existing expertise within the state bureaucracy to manage bond funding processes, and provide consistent application and evaluation of bond funding applications.
- g. Expedite the funding for projects that advance the achievement of the co-equal goals of water supply reliability and Delta ecosystem restoration.

Oppose efforts that:

- a. Change the share of funding to make San Diego County's share less equitable, not based on the San Diego County taxpayers' proportional contribution to repayment of the bonds, or change the understanding that all beneficiaries pay an equitable share.
- b. Do not provide funding for infrastructure that resolves statewide or regional conflicts of water supplies.
- c. Do not provide funding that result in net increases in real water supply and water supply reliability.
- d. Commit a significant portion of bond funding to projects that do not result in net increases in real water supply or water supply reliability.



AGENDA ITEM 8a

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	February 3, 2016
SUBMITTED BY:	Mark Watton, General Manager	PROJECT:	Various DIV.NO. ALL
APPROVED BY:	<input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Local Area Formation Commission (LAFCO) Special Districts 2015 Election		

GENERAL MANAGER'S RECOMMENDATION:

That the Board consider casting votes for a Regular District Member and an Alternate District Member on LAFCO's Commission, eight (8) positions on LAFCO's Special District's Advisory Committee, and to extend the terms of the Regular District Member positions in the LAFCO Special Districts 2015 Election.

COMMITTEE ACTION:

See Attachment A.

PURPOSE:

To present for the Board's consideration the LAFCO Special Districts 2015 Election ballots.

ANALYSIS:

In August 2015, LAFCO solicited nominations for a Regular District Member and an Alternate District Member to serve on their Commission. They received two (2) nominations for the Regular Member position and four (4) nominations for the Alternate Member position. Mssrs. Edmund K. Sprague, Olivenhain Municipal Water District, and George E. McManigle, Mission Resource Conservation District, are seeking the Regular Member position. Mr. Sprague is the current Alternate Member. The four nominations for the Alternate Member position are Mr. Mark Robak, Otay Water District; Mr. Dennis A. Sanford, Rainbow Municipal Water District; Mr. Joel A. Scalzitti, Helix Water District; and Ms. Judy Hanson, Leucadia Wastewater District.

LAFCO had also solicited nominations for eight (8) positions on its Special District's Advisory Committee. There are nine (9) candidates nominated to the Special Districts Advisory Committee (see ballot in

Attachment C). Mr. Gary Croucher, Otay Water District, currently serves on the Special Districts Advisory Committee and is seeking re-election to his seat on the Committee.

An additional ballot requests that the board vote on extending the term for the Regular Member seat currently held by Jo Mackenzie, Vista Irrigation District, to 2020 and also extend the term of the Regular Member position currently up for election to 2019.

The four (4) ballots for the elections along with the Nominating Committee's report and recommendations (Attachment C), and the candidates' nomination forms (Attachment D) are attached. Incumbents names appear in *italics*. Also attached are letters from the candidates seeking the District's support of their nomination (Attachment E). The ballots must be submitted to LAFCO by February 26, 2016.

FISCAL IMPACT: Joe Beachem, Chief Financial Officer

None.

STRATEGIC GOAL:

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

LEGAL IMPACT:

None.

Attachments:

- Attachment B: LAFCO Correspondence
- Attachment C: LAFCO Nominating Committee Report and Ballots
- Attachment D: Candidates' Nomination Forms
- Attachment E: Candidates' Letters Requesting Support of their Nomination



ATTACHMENT A

SUBJECT/PROJECT:	Local Area Formation Commission (LAFCO) Special Districts 2015 Election
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COMMITTEE ACTION:

The Finance, Administration, and Communications Committee reviewed this item at a meeting held on January 20, 2016 and referred it to the full board for discussion as an action item.



STAY WATER DISTRICT
RECEIVED

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

2015 DEC -7 PM 6:24

San Diego Local Agency Formation Commission

Website: www.sdlafco.org

Chairman

Bill Horn
County Board of
Supervisors

December 3, 2015

Vice Chairman

Sam Abed
Mayor
City of Escondido

TO: Independent Special Districts of San Diego County

FROM: Executive Officer
Local Agency Formation Commission

Members

Dianne Jacob
County Board of
Supervisors

SUBJECT: 2015 Special Districts Election

Andrew Vanderlaan
Public Member

Lorie Zapf
Councilmember
City of San Diego

Lorraine Wood
Councilmember
City of Carlsbad

Jo MacKenzie
Vista Irrigation District

Vacant
Special District

Alternate Members

Greg Cox
County Board of
Supervisors

Chris Cate
Councilmember
City of San Diego

Racquel Vasquez
Councilmember
City of Lemon Grove

Ed Sprague
Olivenhain Municipal
Water District

Harry Mathis
Public Member

Executive Officer

Michael D. Ott

Legal Counsel

Michael G. Colantuono

By our letter of August 7, 2015, we solicited nominations for two Local Agency Formation Commission (LAFCO) positions: one LAFCO regular district member and one LAFCO alternate district member, and eight positions on LAFCO's Special Districts Advisory Committee. By the deadline of October 9, 2015, two nominations for the regular member, and four nominations for the alternate member, and nine nominations for the eight positions on the Advisory Committee were received.

As required by the Selection Committee Rules, all eligible nominations were forwarded to a Nominating Committee. The 2015 Nominating Committee was comprised of Dennis Shepard (North County Cemetery District), Julie Nygaard (Tri-City Health Care District) and William Haynor (Whispering Palms Community Services District). After a Candidates Forum was held on November 19, 2015 in conjunction with the San Diego Chapter of the California Special District Association's Quarterly Dinner Meeting, LAFCO Consultant Harry Ehrlich and Michael Ott, LAFCO's Executive Officer met with the Nominating Committee on November 23, 2015 to discuss a recommended slate of nominees for the open positions. A copy of the Nominating Committee's Report and Recommendations is attached (**Attachment 1**). Special District Election Ballots and Vote Certification forms on which to record your votes are also attached (**Attachment 2**). A list of the eligible independent special districts is provided for your convenience in label format (**Attachment 3**). Please note that LAFCO staff has not included any of the candidates' promotional materials with the election materials. Lastly, attached are the Special District Summary of Nominations and copies of Nomination Forms (**Attachment 4**).

With respect to ballots, there is a separate ballot for each position: **yellow** for the LAFCO regular special district member; **blue** for the

LAFCO alternate special district member; **buff** for term extensions for two regular positions; and **green** for the advisory committee member. **Be sure each ballot is marked only for the number of positions to be voted for in that category. A ballot that is cast for more than the indicated number of positions will be disregarded.**

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

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

The deadline for receipt of the ballots by LAFCO is **February 26, 2016**. The Selection Committee Rules require that marked ballots be returned **by certified mail, return receipt requested**. Facsimile (FAX) ballots and certification forms will be accepted, **if necessary to meet the ballot deadline**, but originals must be submitted as soon as possible thereafter.

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

Please contact me or Tamaron Luckett at (858) 614-7755 if you have any questions.



MICHAEL D. OTT
Executive Officer

MDO:trl

Attachments

- (1) Nominating Committee Report and Recommendations
- (2) Special District Election Ballot and Vote Certification Forms:
 - Regular Member-Yellow
 - Alternate Member-Blue
 - Term Extension Regular Member-Buff
 - Advisory Committee Member-Green
- (3) Independent Special District List
- (4) Independent Special District Summary of Nominations and Copies of Nomination Forms



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San Diego Local Agency Formation Commission

Website: www.sdlafco.org

Chairman

Bill Horn
County Board of
Supervisors

December 3, 2015

Vice Chairman

Sam Abed
Mayor
City of Escondido

TO: Independent Special Districts in San Diego County

FROM: 2015 Special Districts Election Nominating Committee

Members

Dianne Jacob
County Board of
Supervisors

SUBJECT: Nominating Committee Report and Recommendations

Andrew Vanderlaan
Public Member

Lorie Zapf
Councilmember
City of San Diego

Lorraine Wood
Councilmember
City of Carlsbad

Jo MacKenzie
Vista Irrigation District

Vacant
Special District

In 2015, independent special district nominations were solicited for: one regular district member on the Local Agency Formation Commission (LAFCO) with a term expiring in May 2017 (proposed for extension to 2019) and one alternate district member with a term expiring in May 2019 and eight positions on the Special Districts Advisory Committee with a term expiring in October 2019. By the deadline of October 9, 2015, our office received two nominations for the LAFCO regular member position, four nominations for the LAFCO alternate member position and nine nominations for the eight positions on the Advisory Committee.

Alternate Members

Greg Cox
County Board of
Supervisors

Chris Cate
Councilmember
City of San Diego

Racquel Vasquez
Councilmember
City of Lemon Grove

Ed Sprague
Olivenhain Municipal
Water District

Harry Mathis
Public Member

Executive Officer

Michael D. Ott

As required by the Selection Committee Rules, a nominating committee was appointed to review the nominations submitted, and to prepare a list of recommended candidates. According to the Selection Committee Rules, the nominating committee is appointed by the chairperson or vice chair of the Special Districts Advisory Committee. A Candidates Forum, conducted by LAFCO Consultant Harry Ehrlich and Executive Officer Michael Ott was scheduled on November 19th as part of the quarterly dinner meeting in conjunction with the San Diego Chapter of the California Special Districts Association. All candidates were invited to attend and present a brief statement of qualifications. In the interest of impartiality, the Nominating Committee decided to conclude its deliberations after the Candidates Forum. In evaluating the nominations, the committee considered special district experience, interest, and knowledge of LAFCO issues. For those nominees who are incumbents, the committee further considered attendance records and meeting participation. The committee also wanted to ensure representation from those types of districts that most often are involved in making recommendations to LAFCO. The nominating committee's recommendation for each category follows:

Legal Counsel

Michael G. Colantuono

NOMINATING COMMITTEE RECOMMENDATIONS

LAFCO Regular Special District Member

The Nominating Committee recommended **Edmund K. Sprague** (Olivenhain Municipal Water District)

LAFCO Alternate Special District Member

The Nominating Committee recommended **Judy Hanson** (Leucadia Wastewater District)

Special District Advisory Committee Member

The Nominating Committee recommended:

Robert L. Thomas (Pomerado Cemetery District)
Tom Kennedy (Rainbow Municipal Water District)
John Pastore (Rancho Santa Fe Community Services District)
Kimberly A. Thorner (Olivenhain Municipal Water District)
Thomas Pocklington (Bonita-Sunnyside Fire Protection District)
Jack Bebee (Fallbrook Public Utility District)
Gary Croucher (Otay Water District)
Erin Lump (Rincon del Diablo Municipal Water District)

Copies of all nominations are attached following this report.

2015 NOMINATING COMMITTEE

DENNIS SHEPARD
NORTH COUNTY CEMETERY DISTRICT

JULIE NYGAARD
TRI-CITY HEALTH CARE DISTRICT

WILLIAM HAYNOR
WHISPERING PALMS COMMUNITY SERVICES DISTRICT

**2015 SPECIAL DISTRICTS ELECTION
BALLOT and VOTE CERTIFICATION
FOR REGULAR LAFCO SPECIAL DISTRICT MEMBER**

VOTE FOR ONLY ONE

* **Edmund K. Sprague** []
(Olivenhain Municipal Water District)

George E. McManigle []
(Mission Resource Conservation District)

Write-In

_____ []
(Print Name)

I hereby certify that I cast the votes of the _____
(Name of District)
at the 2015 Special Districts Selection Committee Election as:

[] the presiding officer, or

[] the duly-appointed alternate board member.

(Signature)

(Title)

(Date)

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

* = Nominating Committee's Recommendation

**Return Ballot and Vote Certification Form to:
San Diego LAFCO
Tameron Lockett
9335 Hazard Way, Suite 200
San Diego, CA 92123
(858) 614-7755 (office) · (858) 614-7766 (FAX)**

**2015 SPECIAL DISTRICTS ELECTION
BALLOT and VOTE CERTIFICATION
FOR ALTERNATE LAFCO SPECIAL DISTRICT MEMBER**

VOTE FOR ONLY ONE

Mark Robak []
(Otay Water District)

Dennis A. Sanford []
(Rainbow Municipal Water District)

Joel A. Scalzitti []
(Helix Water District)

* **Judy Hanson** []
(Leucadia Wastewater District)

Write-In

_____ []
(Print Name)

I hereby certify that I cast the votes of the _____
(Name of District)
at the 2015 Special Districts Selection Committee Election as:

[] the presiding officer, or

[] the duly-appointed alternate board member.

(Signature)

(Title)

(Date)

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

* = Nominating Committee's Recommendation

**Return Ballot and Vote Certification Form to:
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Tameron Lockett
9335 Hazard Way, Suite 200
San Diego, CA 92123
(858) 614-7755 (office) · (858) 614-7766 (FAX)**

**2015 SPECIAL DISTRICTS ELECTION
BALLOT and VOTE CERTIFICATION
FOR TIME EXTENSION REGULAR LAFCO SPECIAL DISTRICT MEMBER**

VOTE FOR THE FOLLOWING

I hereby certify that I cast the votes of the _____
(Name of District)
at the 2015 Special Districts Selection Committee Election as:

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

(Signature)

(Title)

(Date)

Circle either "YES" or "NO" for the following:

[Yes] or [No]: I support a term extension to 2020 for one regular LAFCO special district position currently occupied by Commissioner Jo MacKenzie.

[Yes] or [No]: I support a term extension to 2019 for one regular LAFCO special district position that is currently subject to election.

**Return Ballot and Vote Certification Form to:
San Diego LAFCO
Tameron Lockett
9335 Hazard Way, Suite 200
San Diego, CA 92123
(858) 614-7755 (office) · (858) 614-7766 (FAX)**

**2015 SPECIAL DISTRICTS ELECTION
BALLOT and VOTE CERTIFICATION
FOR SPECIAL DISTRICTS ADVISORY COMMITTEE MEMBER**

VOTE FOR ONLY EIGHT (Incumbents are *italicized*)

- * ***John Pastore*** (Rancho Santa Fe Community Services District) []
- Robert Robeson** (Lakeside Fire Protection District) []
- * **Jack Bebee** (Fallbrook Public Utility District) []
- * ***Gary Croucher*** (Otay Water District) []
- * **Robert L. Thomas** (Pomerado Cemetery District) []
- * **Tom Kennedy** (Rainbow Municipal Water District) []
- * ***Thomas Pocklington*** (Bonita-Sunnyside Fire Protection District) []
- * ***Kimberly A. Thorner*** (Olivenhain Municipal Water District) []
- * **Erin Lump** (Rincon del Diablo Municipal Water District) []

** **Write-Ins**

_____ []

I hereby certify that I cast the votes of the _____
(Name of District)

at the 2015 Special Districts Selection Committee Election as:

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

(Signature)

(Title)

(Date)

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

* = Nominating Committee's Recommendation

**Return Ballot and Vote Certification Form to:
San Diego LAFCO
Tameron Luckett
9335 Hazard Way, Suite 200
San Diego, CA 92123
(858) 614-7755 (office) · (858) 614-7766 (FAX)**

**2015 SPECIAL DISTRICTS ELECTION
SUMMARY OF NOMINATIONS
REGULAR and ALTERNATE SPECIAL DISTRICT LAFCO COMMISSIONER and
ADVISORY COMMITTEE POSITIONS**

LAFCO Regular Special District Member Candidates

Edmund K. Sprague *
(Olivenhain Municipal Water District)

George E. McManigle
(Mission Resource Conservation District)

LAFCO Alternate Special District Member Candidates

Mark Robak
(Otay Water District)

Dennis A. Sanford
(Rainbow Municipal Water District)

Joel A. Scalzitti
(Helix Water District)

Judy Hanson*/**
(Leucadia Wastewater District)

Special Districts Advisory Committee Candidates

John Pastore (Rancho Santa Fe Community Services District) */**

Robert Robeson (Lakeside Fire Protection District)

Jack Bebee (Fallbrook Public Utility District)*

Gary Croucher (Otay Water District)*/**

Robert L. Thomas (Pomerado Cemetery District)*

Tom Kennedy (Rainbow Municipal Water District)*

Thomas Pocklington (Bonita-Sunnyside Fire Protection District) */**

Kimberly A. Thorner, Esq. (Olivenhain Municipal Water District) */**

Erin Lump (Rincon del Diablo Municipal Water District)*

*= Nominating committee's recommendation

**=Incumbents

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

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BY LAFCO:

SEP 30 2015

2015 LOCAL AGENCY FORMATION COMMISSION
NOMINATION / RESUME

(Office Use)

SAN DIEGO LAFCO

NOMINATED BY:

District Name:	Olivenhain Municipal Water District
District Phone:	(760) 753-6466

NAME OF NOMINEE:

Name:	Edmund K. Sprague
Address:	1966 Olivenhain Road
Phone:	(760) 753-6466

NOMINATED FOR:

<i>Please check one box Refer to the List of Incumbents.</i>	LAFCO POSITION:
	<input checked="" type="checkbox"/> Regular Special District Member (Term expires in 2017) <input type="checkbox"/> Alternate Special District Member (Term expires in 2019)

	SPECIAL DISTRICTS ADVISORY COMMITTEE POSITION:
	<input type="checkbox"/> Special Districts Advisory Committee (Term expires in 2019)

DISTRICT EXPERIENCE:	<p>Appointed to OMWD Board in 2008 representing Division 5, providing him a great deal of experience managing water, wastewater, and parks and recreation services to over 80,000 customers.</p> <p>Currently serves as President of the Board. Also served as President of the Board from 2009 to 2012.</p> <p>Currently serves on OMWD's Ad Hoc Facilities and Ad Hoc Outreach committees.</p> <p>Served on the Board of Directors of the Special District Risk Management Authority in 2011.</p> <p>Served on the California Special District Association's Professional Development Committee for the 2013, 2014, and 2015 terms.</p> <p>Earned the Recognition in Special District Governance certification from the Special District Leadership Foundation in 2010.</p>
-----------------------------	---

LAFCO EXPERIENCE:	<p>Currently serves as LAFCO's Alternate Special District Member.</p> <p>Extensive experience in the fields of water, wastewater, parks, and recreation, and fire protection and prevention, enabling him to bring a uniquely broad perspective to LAFCO.</p>
--------------------------	---

ADDITIONAL INFORMATION:	<p>30 years of experience in fire protection and prevention roles. Began his career in 1986 as a Cadet Firefighter with the City of Escondido's Fire Department. Most recently served as Deputy Fire Chief / Fire Marshal for the North County Fire Protection District with responsibility for managing code enforcement, inspection, plan check, public education, and development-related services.</p> <p>Worked with the City of Carlsbad as a Firefighter, Fire Engineer, Fire Captain, Battalion Chief - Training Officer, and Shift Battalion Chief. During this 26 year period, was a Public Education Officer and a Liaison Officer with North County Dispatch JPA.</p> <p>Lifetime resident of northern San Diego County. Holds bachelors and master's degrees in public administration from San Diego State University and an associate's degree in fire science from Palomar College.</p>
--------------------------------	--

Print name: Edmund K. Sprague	Presiding Officer Authorized Signature: 
-------------------------------	---

**In accordance with Government Code Section 56332, LAFCO Regular and Alternate Special District Commissioners must be members of the legislative body of an independent Special District who reside in San Diego County.*

This form can be downloaded at the following link: <http://www.sdlafco.org/WhatsNew/2015Nomination.doc>

ATTACHMENT 2

DATE RECEIVED
BY LAFCO:

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SEP 24 2015

2015 LOCAL AGENCY FORMATION COMMISSION
NOMINATION / RESUME

(Office Use)

SAN DIEGO LAFCO

NOMINATED BY:

District Name: Mission Resource Conservation District

District Phone: (760) 728-1332

NAME OF NOMINEE:

Name: George E. McManigle

Address: 1780 Rabbit Hill, Fallbrook, CA 92028

Phone: 619 701 7974

NOMINATED FOR:

Please check one box
Refer to the List of
Incumbents.

LAFCO POSITION:

- Regular Special District Member (Term expires in 2017)
- Alternate Special District Member (Term expires in 2019)

SPECIAL DISTRICTS ADVISORY COMMITTEE POSITION:

- Special Districts Advisory Committee (Term expires in 2019)

DISTRICT
EXPERIENCE:

Board member 2010-2015
Vice President 2013- Present

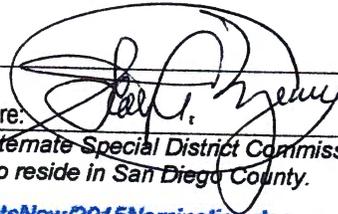
LAFCO EXPERIENCE: None

ADDITIONAL
INFORMATION:

Rainbow Municipal Water district board member 2007-2014
President of board 2010-2014

SCOTT A. MURRAY
Print name:

Presiding Officer Authorized Signature:



*In accordance with Government Code Section 56332, LAFCO Regular and Alternate Special District Commissioners must be members of the legislative body of an independent Special District who reside in San Diego County.

This form can be downloaded at the following link: <http://www.sclafco.org/WhatsNew/2015Nomination.doc>

ATTACHMENT 2

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DATE RECEIVED
BY LAFCO:

OCT - 8 2015

2015 LOCAL AGENCY FORMATION COMMISSION
NOMINATION / RESUME

SAN DIEGO LAFCO

(Office Use)

NOMINATED BY:	
District Name:	Otay Water District
District Phone:	619-670-2280
NAME OF NOMINEE:	
Name:	Mark Robak
Address:	3217 Fair Oaks Lane, Spring Valley, CA 91978
Phone:	619-778-3800
NOMINATED FOR:	
<i>Please check <u>one</u> box Refer to the List of Incumbents.</i>	LAFCO POSITION: () Regular Special District Member (Term expires in 2017) (x) Alternate Special District Member (Term expires in 2019)
	SPECIAL DISTRICTS ADVISORY COMMITTEE POSITION: () Special Districts Advisory Committee (Term expires in 2019)
DISTRICT EXPERIENCE:	Been on Otay Water Board since elected in 2004. Currently Treasurer. Former head of Engineering & Operations and Financing Committee's. Various other roles. Was previously on Padre Dam Municipal Water District Board 1996-2000. Was President of the Board along with head of various committees, including Santee Lakes.
LAFCO EXPERIENCE:	None, but knowledgeable on process.
ADDITIONAL INFORMATION:	Current alternate and former Chairman of Metro Wastewater Joint Powers Authority (12 agencies). Ex Officio JPA member and Former President of Water Conservation Garden (6 agencies). Commercial real estate broker with 25 years' experience working with local agencies and municipalities. Heartland District Chairman and Board Member for San Diego-Imperial Council of the Boy Scouts of America. San Diego State University Lifetime Alumni Past President of El Cajon Valley Lions Club Various other boards and community service positions
Print name: Jase A. Lopez	Presiding Officer Authorized Signature: 

**In accordance with Government Code Section 56332, LAFCO Regular and Alternate Special District Commissioners must be members of the legislative body of an independent Special District who reside in San Diego County.*

This form can be downloaded at the following link: <http://www.sdlafco.org/WhatsNew/2015Nomination.doc>.

ATTACHMENT 2

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DATE RECEIVED
BY LAFCO:

SEP 21 2015

2015 LOCAL AGENCY FORMATION COMMISSION
NOMINATION / RESUME

(Office Use)

SAN DIEGO LAFCO

NOMINATED BY:

District Name:	<u>Rainbow Municipal Water District</u>
District Phone:	<u>760-728-1178</u>

NAME OF NOMINEE:

Name:	Dennis A. Sanford
Address:	3707 Old Highway 395 Rainbow CA 92028
Phone:	714-299-9865

NOMINATED FOR:

<i>Please check <u>one</u> box Refer to the List of Incumbents.</i>	LAFCO POSITION: <input type="checkbox"/> Regular Special District Member (Term expires in 2017) <input checked="" type="checkbox"/> Alternate Special District Member (Term expires in 2019)
	SPECIAL DISTRICTS ADVISORY COMMITTEE POSITION: <input type="checkbox"/> Special Districts Advisory Committee (Term expires in 2019)
DISTRICT EXPERIENCE:	Served as Director for 5 years Served as President of the Board of Directors 1 year Served as President of North County JPA 1 year Served as Director San Diego County Water Authority 2 years Served as RMWD Santa Margarita Watershed Representative 3 years
LAFCO EXPERIENCE:	As President and Director the RMWD Board of Directors during the FPUD/RMWD situation, I have developed a very good working knowledge of the importance of LAFCO and its functions over the past 2 years. I believe, due to my experience with various public agencies in San Diego County, I could lend valuable insight and favorably contribute to the LAFCO Commission. I have also served as the RMWD LAFCO representative for the past 3 years.
ADDITIONAL INFORMATION:	Served at President of Rainbow Community Planning Group 2 years Served a member of Rainbow Community Planning Group 6 years

Print name: Dennis A. Sanford

Presiding Officer Authorized Signature:

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ATTACHMENT 2

NOMINATED BY:	
District Name:	Helix Water District
District Phone:	(619) 667-6232
NAME OF NOMINEE:	
Name:	Joel A. Scalzitti
Address:	1600 E Lexington Ave El Cajon CA 92019
Phone:	(619) 246-3749
NOMINATED FOR:	
<i>Please check <u>one</u> box Refer to the List of Incumbents.</i>	LAFCO POSITION: <input type="checkbox"/> Regular Special District Member (Term expires in 2017) <input checked="" type="checkbox"/> Alternate Special District Member (Term expires in 2019)
	SPECIAL DISTRICTS ADVISORY COMMITTEE POSITION: <input type="checkbox"/> Special Districts Advisory Committee (Term expires in 2019)
DISTRICT EXPERIENCE:	In my fifth year of service as a board member (2000-2002) & (2012-present) serving on committees such as (The Water Conservation Garden JPIA) (2001 & presently alternate) , Harry Griffin Steering Committee (2000-2002), Helix Audit Committee (2000-2002) & (2013) , ECEDC (2013) alternate. Also serve on the Lake Jennings Committee with revamping the budget from and extensive deficit to the projection of this year being in the positive! In my community I also work with Grossmont High School Advisory Committee and Auto Pathways (2008- present).
LAFCO EXPERIENCE:	I have served for on the Advisory board and observed and studied the duties and actives of LAFCO. Also over the years followed and recognized the issues and have an excellent grasp of the duties and responsibilities of the LAFCO board.
ADDITIONAL INFORMATION:	
Print name: Joel Scalzitti	Presiding Officer Authorized Signature: 

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(Office Use)

SAN DIEGO LAFCO

NOMINATED BY:

District Name:	Leucadia Wastewater District
District Phone:	(760) 753-0155

NAME OF NOMINEE:

Name:	Judy Hanson
Address:	1960 La Costa Avenue, Carlsbad, CA 92009
Phone:	(760) 753-0155

NOMINATED FOR:

<i>Please check <u>one</u> box Refer to the List of Incumbents.</i>	LAFCO POSITION: () Regular Special District Member (Term expires in 2017) (<input checked="" type="checkbox"/>) Alternate Special District Member (Term expires in 2019)
	SPECIAL DISTRICTS ADVISORY COMMITTEE POSITION: () Special Districts Advisory Committee (Term expires in 2019)
DISTRICT EXPERIENCE:	Ms. Hanson has served on Leucadia Wastewater District (LWD) Board of Directors since 1983 and was re-elected in 2012. She is also a member of LWD's Human Resources, Investment & Finance, and Employee Recognition Committees.
LAFCO EXPERIENCE:	Ms. Hanson has served on the Special Districts Advisory Committee since 1996 and has consistently attended LAFCO meetings.
ADDITIONAL INFORMATION:	Ms. Hanson also serves as a Board member of the California Sanitation Risk Management Authority (CSRMA). In addition, she has served on the San Diego Chapter of California Special District Association (CSDA) for approximately seven years, where she held various positions including the Chapter President.

Print name: Paul J. Bushee, General Manager Presiding Officer Authorized Signature: 

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SAN DIEGO LAFCO

NOMINATED BY:	
District Name:	Rancho Santa Fe Community Services District
District Phone:	760-479-4125
NAME OF NOMINEE:	
Name:	John Pastore
Address:	605 Third Street, Encinitas, CA 92024
Phone:	760-479-4121
NOMINATED FOR:	
Please check <u>one</u> box Refer to the <i>List of Incumbents</i> .	LAFCO POSITION: <input type="checkbox"/> Regular Special District Member (Term expires in 2017) <input type="checkbox"/> Alternate Special District Member (Term expires in 2019)
	SPECIAL DISTRICTS ADVISORY COMMITTEE POSITION: <input checked="" type="checkbox"/> Special Districts Advisory Committee (Term expires in 2019)
DISTRICT EXPERIENCE:	Served as General Manager for the Rancho Santa Fe CSD from 1981 thru 1986 and from 1991 thru 2006 Served as General Manager for the Whispering Palms CSD from 1990 thru 2002 Served as General Manager for the Fairbanks Ranch CSD from 1991 thru 2006 Served as General Manager for the Lee Lake Water District from 1990 thru 2006
LAFCO EXPERIENCE:	Have served on the San Diego County Special Districts Advisory Committee representing the Rancho Santa Fe CSD for more than 25 years. Have been involved in more than 50 annexation and detachment proceedings throughout my career. Have been responsible for the formation of two community services district formations in San Diego County from 1986 thru 1990.

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ADDITIONAL INFORMATION:	
Print name: John Pastore	Presiding Officer Authorized Signature: 

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SAN DIEGO LAFCO

NOMINATED BY:

District Name:	Lakeside Fire Protection District
District Phone:	(619)390-2350

NAME OF NOMINEE:

Name:	Robert Robeson
Address:	11508 Bridle Path Lane, Lakeside, CA 92040
Phone:	(619)561-0474, Cell 203-3721

NOMINATED FOR:

Please check <u>one</u> box Refer to the List of Incumbents.	LAFCO POSITION: <input type="checkbox"/> Regular Special District Member (Term expires in 2017) <input type="checkbox"/> Alternate Special District Member (Term expires in 2019)
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	SPECIAL DISTRICTS ADVISORY COMMITTEE POSITION: <input checked="" type="checkbox"/> Special Districts Advisory Committee (Term expires in 2019)
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DISTRICT EXPERIENCE:	2 years of experience as voluntary Liaison Officer Lakeside Fire Protection District. 9 months as Director of the Lakeside Fire Protection District Board - 2015
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LAFCO EXPERIENCE:	Attended a few meetings over the past years, and a lot in 1970, while working on annexation for Cal. Dept. of Forestry in San Diego County.
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ADDITIONAL INFORMATION:	Retired Assistant Chief from Cal. Fire. w/38 years of service, mostly in San Diego, County.
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Print name: Peter Liebig	Presiding Officer Authorized Signature: 
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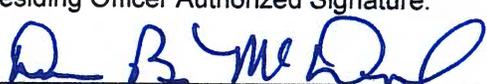
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SAN DIEGO LAFCO	
NOMINATED BY:	
District Name:	Fallbrook Public Utility District
District Phone:	(760) 728-1125, extension 1130
NAME OF NOMINEE:	
Name:	Jack Bebee
Address:	PO Box 2290, Fallbrook, CA 92088; 990 E Mission Rd, Fallbrook, CA 92028
Phone:	(760) 728-1125, extension 1105
NOMINATED FOR:	
<i>Please check <u>one</u> box Refer to the List of Incumbents.</i>	LAFCO POSITION: <input type="checkbox"/> Regular Special District Member (Term expires in 2017) <input type="checkbox"/> Alternate Special District Member (Term expires in 2019)
	SPECIAL DISTRICTS ADVISORY COMMITTEE POSITION: <input checked="" type="checkbox"/> Special Districts Advisory Committee (Term expires in 2019)
DISTRICT EXPERIENCE:	Serve as Assistant General Manager for the District with responsibility to oversee District engineering and operations and plan; budget and manage all District projects.
LAFCO EXPERIENCE:	Has not previously served in any roles with LAFCO.
ADDITIONAL INFORMATION:	
Don McDougal, President Board of Directors Fallbrook Public Utility District	Presiding Officer Authorized Signature: 

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SAN DIEGO LAFCO

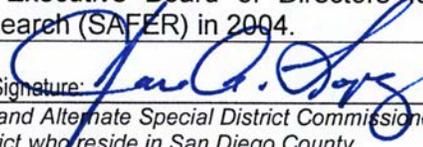
(Office Use)

NOMINATED BY:	
District Name:	Otay Water District
District Phone:	619-670-2280
NAME OF NOMINEE:	
Name:	Gary Croucher
Address:	2554 Sweetwater Springs Blvd., Spring Valley, CA 91978
Phone:	619-670-2280
NOMINATED FOR:	
<i>Please check <u>one</u> box Refer to the List of Incumbents.</i>	LAFCO POSITION: () Regular Special District Member (Term expires in 2017) () Alternate Special District Member (Term expires in 2019)
	SPECIAL DISTRICTS ADVISORY COMMITTEE POSITION: (x) Special Districts Advisory Committee (Term expires in 2019)
DISTRICT EXPERIENCE:	Mr. Gary Croucher was appointed to the Board of the Otay Water District in June 2001 by the SD County Board of Supervisors and following his appointment was elected four times to the Division 3 seat in November 2002, 2006, 2010 and 2014 for four-year terms. Mr. Croucher has served as President of Otay's Board of Directors three times and has served as one of the District's two representatives to CWA since July 2001. He is the current chair of Otay's Engineering, Operations & Water Resources Committee and has been chair of its Finance, Administration & Communications Committee, Employee Negotiations Ad Hoc Committee and served as the alternate representative on the Water Conservation Garden Authority's Board of Directors. He also served on Otay's Desalination Project Committee, Ad Hoc Salt Creek Golf Course Committee, Ad Hoc Legal Committee and Ad Hoc Redistricting Committee. As a member of CWA's Board of Directors, Mr. Croucher is chair of its Legislation, Conservation and Outreach Committee and vice chair of the Audit Committee. He has also served on its Small Contractor Outreach and Opportunities Program and has been past vice chair of its Administrative & Finance Committee and Bay Delta Solutions Ad Hoc Committee. He has been reappointed several times to its Legislative, Conservation and Outreach Committee and Small Contractor Outreach and Opportunity Program Committee. He is also past chair of CWA's Imported Water Committee, a past member of its Colorado River Programs Committee and Conservation Ad Hoc Committee, and past 2 nd Alternate to SANDAG. Mr. Croucher is also a past vice chair of CSDA's San Diego Chapter.

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LAFCO EXPERIENCE:	Mr. Croucher currently serves on LAFCO's Special District Advisory Committee and has served as vice chair of the Special Districts Advisory Committee. He also served as the alternate for Fire Chief Augie Ghio on the LAFCO Task Force on Fire Protection and Emergency Medical Services in the past. He participated as a Board of Director with the LAFCO Municipal Service Review and has experience at the employee and staff level serving on two (2) separate successful Special District Consolidations which were requested by the agencies.
ADDITIONAL INFORMATION:	Mr. Croucher is supported by both Water and Fire Districts and is endorsed by outgoing LAFCO Regular District representative, Mr. Andy Menshek.. Mr. Croucher is a long-time firefighter in San Diego and a resident of Spring Valley. He is the Division Chief for the San Miguel Consolidated Fire Protection District and during his 30 year career as a firefighter, has moved up the ranks from Firefighter, Engineer, Captain and Battalion Chief to his current position as Division Chief. He has also been recognized for numerous achievements including being named Employee of the Year and served as the President of the Executive Board of Directors for Southern Area Fire Equipment Research (SAFER) in 2004.
Print name: <u>Jose A. Lopez</u>	Presiding Officer Authorized Signature: 

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2015 LOCAL AGENCY FORMATION COMMISSION
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(Office Use)

NOMINATED BY:	
District Name:	Pomerado Cemetery District
District Phone:	858-748-5760
NAME OF NOMINEE:	
Name:	Robert L. Thomas
Address:	62505 Avenida Tineo San Diego 92129
Phone:	958-521-8264
NOMINATED FOR:	
Please check one box Refer to the List of Incumbents.	LAFCO POSITION: () Regular Special District Member (Term expires in 2017) () Alternate Special District Member (Term expires in 2019)
	SPECIAL DISTRICTS ADVISORY COMMITTEE POSITION: (X) Special Districts Advisory Committee (Term expires in 2019)
DISTRICT EXPERIENCE:	See Attached
LAFCO EXPERIENCE:	See Attached
ADDITIONAL INFORMATION:	See Attached
Print name: Emma Johnston	Emma Johnston (Presiding Officer Authorized Signature)

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ROBERT L. THOMAS

TRUSTEE, POMERADO CEMETERY DISTRICT

DISTRICT EXPERIENCE:

A Board Member for 12 years, four terms as Board President

Involvement with a three member Board of Trustees advising and directing the General Manager in the following areas:

- Annual budget and financial management
- Capital improvement program
- Staff personnel issues
- Development and approval of district policies and procedures
- Review of public requests and complaints
- Attendance at conference and training sessions

LAFCO EXPERIENCE:

Board President in 2007 when Pomerado Cemetery District updated the sphere of influence and annexed additional property into the district's prevailing boundaries

A 26 year career in California local government with familiarity with LAFCO policies and procedures

ADDITIONAL INFORMATION:

A 26 year career in California city government with the last 13 years as Community Services Director for the City of Poway in which I was responsible for:

- Supervision of 25 full-time employees
- Oversaw city parks and recreation, performing arts center, library and transit services
- Staff advisor to numerous citizen advisory groups
- Served on multiple city and county boards and committees

NOMINATED BY:	
District Name:	Rainbow Municipal Water District
District Phone:	760-728-1178
NAME OF NOMINEE:	
Name:	Tom Kennedy
Address:	3707 Old Highway 395, Fallbrook, CA 92028
Phone:	760-728-1178
NOMINATED FOR:	
<i>Please check one box Refer to the List of Incumbents.</i>	LAFCO POSITION: <input type="checkbox"/> Regular Special District Member (Term expires in 2017) <input type="checkbox"/> Alternate Special District Member (Term expires in 2019)
	SPECIAL DISTRICTS ADVISORY COMMITTEE POSITION: <input checked="" type="checkbox"/> Special Districts Advisory Committee (Term expires in 2019)
DISTRICT EXPERIENCE:	<p>Over 30 years in municipal water and wastewater experience including</p> <p>State of California, San Diego State University Department of Programmed Maintenance -1986-1987</p> <p>City of Vernon – 1991 - 1999</p> <p>Olivenhain Municipal Water District 1999 – 2005 and 2006-2014</p> <p>Rainbow Municipal Water District 2014-present</p> <p>Board Member: San Diego County Water Authority, February 2015 - present</p>
LAFCO EXPERIENCE:	<p>Prior to 2014 my LAFCO experience was limited to simple annexations and boundary adjustments that are normal routine activities of special districts. Since coming to work at RMWD, my experience has increased exponentially. I have read the Cortese-Knox-Hertzberg Local Government Reorganization Act cover to cover and have a dog eared copy on my desk. I have worked with LAFCO staff to interpret complex parts of the statute which can be quite a challenge. We have not always agreed, but the process has given me a broader understanding of the underpinnings of the statute.</p> <p>I am also involved in legislative advocacy where I feel that some minor adjustments to the statute could help clarify how to balance the rights of voters, LAFCO, and special districts. I have long felt that consolidation of Special Districts can be a great benefit for ratepayers, but only where conditions are right for success. If elected to the Special District Advisory Committee, my unique range of experiences can help identify when those conditions are present and provide input to the full Commission on these issues.</p>

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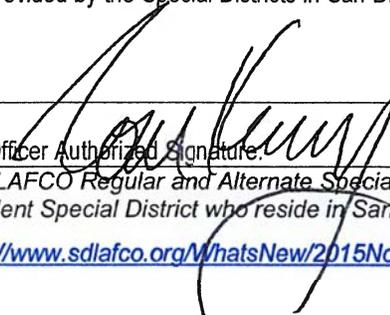
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ADDITIONAL
INFORMATION:

I look forward to working with representatives of other Special Districts to ensure that the delivery of critical services provided by the Special Districts in San Diego County is as smooth and efficient as possible.

Print name: Tom Kennedy

Presiding Officer Authorized Signature: 

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2015 LOCAL AGENCY FORMATION COMMISSION
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(Office Use)

**SAN DIEGO LAFCO
NOMINATED BY:**

District Name:	Bonita-Sunnyside Fire Protection District
District Phone:	(619) 479-2346

NAME OF NOMINEE:

Name:	Thomas Pocklington
Address:	3210 Kennelworth Lane, Bonita, CA 91902
Phone:	(619) 885-1092

NOMINATED FOR:

<i>Please check <u>one</u> box Refer to the List of Incumbents.</i>	LAFCO POSITION:
	<input type="checkbox"/> Regular Special District Member (Term expires in 2017) <input type="checkbox"/> Alternate Special District Member (Term expires in 2019)

	SPECIAL DISTRICTS ADVISORY COMMITTEE POSITION: <input checked="" type="checkbox"/> Special Districts Advisory Committee (Term expires in 2019)
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DISTRICT EXPERIENCE:	First elected to the Bonita-Sunnyside Fire Protection District Board in 1990, Tom is now serving his 7 th term in office. Tom has headed and served on committees that have involved District Policy, Employee and Regulation changes. Tom attends all Board meetings and participates in all district business and has served in all Board positions.
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LAFCO EXPERIENCE:	Tom has actively worked on LAFCO issues over the last 23 years, as a member of the Advisory Committee. These issues include but not limited to annexation, consolidation and LAFCO policy issues. Tom has served on several subcommittees of the Special District Advisory Committee, including the Nomination Committee, water and sewer related issues for Districts with conflicting concerns. Tom is very knowledgeable of the Cortese-Knox-Hertzberg (C-K-H) Act of 2000 and has served as the Chairman of the Advisory Committee.
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ADDITIONAL INFORMATION:	Tom has the full support of the Bonita-Sunnyside FPD and would represent best interest of all Districts in San Diego County. The Board of Directors endorsement is unanimous in favor of Tom's nomination.
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Print name: Mark Scott	Presiding Officer Authorized Signature: 
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SAN DIEGO LAFCO

NOMINATED BY:

District Name:	Olivenhain Muncipal Water District
District Phone:	(760) 753-6466

NAME OF NOMINEE:

Name:	Kimberly A. Thorer
Address:	1966 Olivenhain Road, Encinitas, CA 92024
Phone:	(760) 753-6466

NOMINATED FOR:

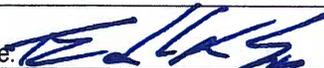
<i>Please check one box Refer to the List of Incumbents.</i>	LAFCO POSITION:
	() Regular Special District Member (Term expires in 2017) () Alternate Special District Member (Term expires in 2019)

	SPECIAL DISTRICTS ADVISORY COMMITTEE POSITION: (<input checked="" type="checkbox"/>) Special Districts Advisory Committee (Term expires in 2019)
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DISTRICT EXPERIENCE:	Ms. Thorer began her tenure with Olivenhain Municipal Water District in October 1996, becoming General Manager on January 1, 2007. Under her direction, OMWD provides water, wastewater services, recycled water, hydroelectricity, and park/recreation facilities on behalf of approximately 80,000 customers over 48 square miles in northern San Diego County.
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LAFCO EXPERIENCE:	Ms. Thorer currently serves as Chair of the San Diego Local Agency Formation Commission's Special Districts Advisory Committee (SDAC). She has served on the SDAC for the past 8 years. She has participated and provided input and guidance on dozens of important LAFCO issues during her tenure and has spoken at many LAFCO hearings on behalf of the SDAC.
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ADDITIONAL INFORMATION:	Ms. Thorer earned a bachelor's degree in political science from the University of Colorado (Boulder) and her Juris Doctorate from Thomas Jefferson School of Law in San Diego. She is past Chair of the San Diego North Economic Development Council's Board of Directors, current member of the Ecke Y Board of Directors, past Chair of the Ecke Y Board Finance Committee, and current member of the San Diego Integrated Regional Water Management Regional Advisory Committee. Since 2008, she holds her Special Districts Administrator certification from the Special District Leadership Foundation.
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Print name: Edmund K. Sprague	Presiding Officer Authorized Signature: 
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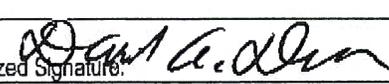
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2015 LOCAL AGENCY FORMATION COMMISSION
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(Office Use)

SAN DIEGO LAFCO

NOMINATED BY:	
District Name:	<u>Rincon del Diablo Municipal Water District</u>
District Phone:	<u>760-745-5522</u>
NAME OF NOMINEE:	
Name:	Erin Lump
Address:	1920 N. Iris Lane, Escondido, CA 92026
Phone:	(760) 215-0601
NOMINATED FOR:	
<i>Please check one box Refer to the List of Incumbents.</i>	LAFCO POSITION: <input type="checkbox"/> Regular Special District Member (Term expires in 2017) <input type="checkbox"/> Alternate Special District Member (Term expires in 2019)
	SPECIAL DISTRICTS ADVISORY COMMITTEE POSITION: <input checked="" type="checkbox"/> Special Districts Advisory Committee (Term expires in 2019)
DISTRICT EXPERIENCE:	I was elected to the Rincon del Diablo Municipal Water District's Board in November of 2014. I currently chair the Fire and Emergency Preparedness Committee and I work closely with staff to ensure public safety and oversee the district's involvement in fire protection services. I also serve on the Public Information & Intergovernmental Relations Committee, with a focus on customer, community, intergovernmental & media relations.
LAFCO EXPERIENCE:	I have spent my entire professional career dedicated to improving government at every level. I would be honored for the opportunity to serve on the LAFCO advisory committee and help meet the 4 main commission goals of: encouraging orderly growth, promoting logical and efficient public services for cities and special districts, streamlining governmental structure, and discouraging premature conversion of prime agricultural and open space lands to urban uses.
ADDITIONAL INFORMATION:	
Print name: <u>DAVID A. DRANE</u>	Presiding Officer Authorized Signature: 

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Board of Directors

Edmund K. Sprague, President
Robert F. Topolovac, Vice President
Lawrence A. Watt, Treasurer
Christy Guerin, Secretary
Gerald E. Varty, Director



General Manager
Kimberly A. Thorner, Esq.
General Counsel
Alfred Smith, Esq.

November 3, 2015

Board President
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978-2096

RE: LAFCO Nominations – Requesting Your Support

Dear Board President:

At its September 16, 2015 regular meeting, the Olivenhain Municipal Water District (OMWD) board of directors unanimously nominated Mr. Edmund (Ed) Sprague for LAFCO's regular special district commissioner position and Ms. Kimberly Thorner for the Special Districts Advisory Committee position. We are writing to respectfully request your support of both of our nominations.

Mr. Sprague currently serves as alternate special district commissioner on LAFCO and has expressed interest in the regular commissioner position. He now serves as OMWD's board president and was appointed to the board in 2008. He concurrently participates on various OMWD committees, including the Ad Hoc Facilities Committee and the Ad Hoc Outreach Committee. Previous accomplishments include serving on CSDA's Professional Development Committee for the 2013, 2014, and 2015 terms, earning his Recognition in Special District Governance certification from the Special District Leadership Foundation in 2010, and serving on the board of directors of the Special District Risk Management Authority in 2011.

As a lifetime resident of northern San Diego County, Mr. Sprague has dedicated his life to serving and protecting the community. His 30 years of experience in fire protection and prevention roles began when he served as a Cadet Firefighter with the City of Escondido's Fire Department. In 1986 he joined the City of Carlsbad Fire Department and rose through the ranks from Firefighter to Battalion Chief. Most recently, he served as Deputy Fire Chief / Fire Marshal for the North County Fire Protection District with responsibility for managing code enforcement, inspection, plan check, public education, and development-related services. Mr. Sprague holds bachelor's and master's degrees in public administration from San Diego State University and an associate's degree in fire science from Palomar College. His education, career in fire protection and prevention, and extensive experience in the fields of water, wastewater, parks and recreation enable him to bring a uniquely broad perspective to LAFCO.

Ms. Thorner's desire to continue serving on the Special Districts Advisory Committee (SDAC) is also well-supported by her outstanding background and experience. She has served on the SDAC since 2007 and presently serves as the SDAC Chair. She has participated and provided input and guidance on dozens of important LAFCO issues during her tenure and has spoken at many LAFCO hearings on behalf of the SDAC.



1966 Olivenhain Road • Encinitas, CA 92024
Phone (760) 753-6466 • Fax (760) 753-1578 • www.olivenhain.com



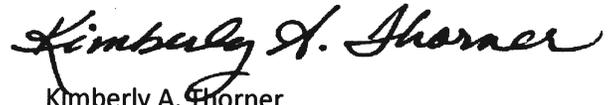
In her role as General Manager for the Olivenhain Municipal Water District (OMWD), which she has held since January 1, 2007, Ms. Thorner provides water, wastewater services, recycled water, hydro-electricity, and park/recreation facilities services on behalf of approximately 80,000 customers over 48 square miles in northern San Diego County. She earned a bachelor's degree in political science from the University of Colorado (Boulder) and her Juris Doctorate from Thomas Jefferson School of Law in San Diego. Ms. Thorner is past Chair of the San Diego North Economic Development Council's Board of Directors, current member of the Eckerly Board of Directors, past Chair of the Eckerly Board Finance Committee, and current member of the San Diego Integrated Regional Water Management Regional Advisory Committee. She holds her Special Districts Administrator certification from the Special District Leadership Foundation since 2008.

Your support for Mr. Sprague and Ms. Thorner is encouraged and greatly appreciated.

Respectfully,



Edmund K. Sprague
OMWD Board President



Kimberly A. Thorner
OMWD General Manager



Helix Water District

Setting standards of excellence in public service

7811 University Avenue
La Mesa, CA 91942-0427

(619) 466-0585
FAX (619) 466-1823
www.hwd.com

November 13, 2015

Otay Water District
Attn: Board President Jose Lopez
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91977

RE: Local Agency Formation Commission Nominations – Requesting Your Support

Dear President Lopez:

On October 7, 2015, the Helix Water District Board of Directors unanimously nominated Director Joel A. Scalzitti to serve as an alternate special district member on the LAFCO Board.

Mr. Scalzitti currently sits on the Special Districts Advisory Committee and has demonstrated an understanding of the importance of special districts in our region. Mr. Scalzitti has observed and studied the duties and activities of LAFCO, and recognizes the issues, duties and responsibilities of LAFCO.

Mr. Scalzitti is currently serving his fifth year on the Helix Water District Board of Directors (2000-2002) and (2012-present). He has served on the following committees: the Water Conservation Garden Joint Powers Authority in 2001 and currently as an alternate; Harry Griffin Park Steering Committee (2000-2002); Helix Water District Audit Committee (2000-2002) and (2013-2014); and the San Diego East County Economic Development Council (2013-present) as an alternate. In addition, as the Lake Jennings Committee Chair, Mr. Scalzitti has been instrumental in moving a budgetary deficit into a positive. Mr. Scalzitti also serves his community working with the Grossmont High School Advisory Committee Auto Pathways (2008-present).

Your support for Mr. Scalzitti is encouraged and greatly appreciated. We believe he will be an asset to our region.

Sincerely,

Carlos V. Lugo
General Manager
Helix Water District





LEADERS IN
ENVIRONMENTAL
PROTECTION

BOARD OF DIRECTORS

ALLAN JULIUSSEN, PRESIDENT
DONALD F. OMSTED, VICE PRESIDENT
JUDY K. HANSON, DIRECTOR
DAVID KULCHIN, DIRECTOR
ELAINE SULLIVAN, DIRECTOR
PAUL J. BUSHEE, GENERAL MANAGER

December 1, 2015

Ref: 16-4775

Board of Directors
Otay Water District
2554 Sweetwater Spring Blvd
Spring Valley, CA 91978

Subject: LAFCO Elections – Request Your Vote for Ms. Judy Hanson

Dear Board of Directors,

On behalf of the Leucadia Wastewater District (LWD) Board of Directors, I am writing to request your vote for Ms. Judy Hanson for the Special District's Board Alternate position in the upcoming LAFCO election. The LWD Board nominated Ms. Hanson for the Alternate Board position at its September 9, 2015 meeting.

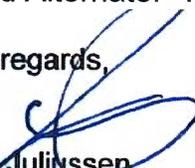
Ms. Hanson presently serves as the Vice Chair of the LAFCO Special District Advisory Committee (SDAC) and has served on this committee since 1996. In addition to the SDAC, Ms. Hanson has an extensive professional background with special districts that has spanned over 50 years. She has been on the LWD Board of Directors since 1983, serving on various Board committees as well as Board president in 2003, 2007 and 2011.

Ms. Hanson has also held various officer positions on the Board of Directors of the San Diego Chapter of the California Special Districts Association (CSDA), serving as Chapter President in 2004. Furthermore, Ms. Hanson was a special district employee for virtually her entire professional career, which included over 33 years of service with the San Dieguito Water District and later the City of Encinitas.

As can be seen, Ms. Hanson's involvement with special districts has been extensive on a personal, professional and political level. Throughout her career, Judy has been a long-time and tireless advocate for special districts from the platform of local control and fiscal conservatism. We are confident that, if elected, Ms. Hanson will continue to make many valuable contributions to LAFCO and represent special districts in a very positive way.

For these reasons, we urge you to vote for Ms. Judy Hanson for the LAFCO Special Districts Board Alternate. Your support is greatly appreciated.

Best regards,


Allan Juliusen
President, Board of Directors



Lakeside Fire Protection District

12216 Lakeside Avenue
Lakeside, CA 92040
Business (619)390-2350
Fax (619)443-1568

Andy Parr
Fire Chief

Monday, December 14, 2015

Governing Board President
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91977

SUBJECT: LAFCO SPECIAL DISTRICTS ADVISORY COMMITTEE - REQUESTING YOUR SUPPORT

Dear Governing Board President,

The Governing Board of the Lakeside Fire Protection District has nominated Lakeside Fire Protection District Director Bob Robeson as a candidate for an opening on the LAFCO SPECIAL DISTRICT'S ADVISORY COMMITTEE. We respectfully request your support for our nomination with your agency's vote for Bob Robeson for this position.

Mr. Robeson is well qualified for this position and is currently serving on the CSA No. 69 CITIZEN'S ADVISORY COMMITTEE and the HEARTLAND FIRE TRAINING AUTHORITY COMMISSION. He is very active in the Community of Lakeside and serves as President of EUCALYPTUS HILLS LANDOWNER'S ASSOCIATION and President of the EUCALYPTUS HILLS FIRE SAFE COUNCIL, which he, in large part, organized. Bob also holds a seat on the LAKESIDE REVITALIZATION COMMITTEE, chaired by Supervisor Dianne Jacob.

Mr. Robeson had an active, 38 year career with the California Department of Forestry. He joined CDF while in high school and worked through the ranks, becoming a Chief Officer and Peace Officer for 23 of his 38 years. As a Chief Officer he worked in San Diego, Orange and Santa Clara Counties and participated on a CDF Vegetation Management Committee in Sacramento; The VMP committee developed the CDF's "Vegetation Management / Controlled Burning Program" in 1981. In 1983 Mr. Robeson returned to the San Diego Unit and organized the unit prescribed burning program, accomplishing 6 contracts by burning and treating over 6000 acres the very first year.

In 2012 the Lakeside Fire District organized a Logistical Volunteer Group (LVG) Program to assist in daily support and logistic operations within the department. In lieu of becoming an LVG, Mr. Robeson volunteered to assist the Fire Chief as a "Volunteer Community Liaison Officer" and Bob worked as a volunteer staff member communicating with the Lakeside Community leaders, organizations and cooperators.

Mr. Robeson is very familiar with LAFCO procedures. In 1975, while working for CDF in the role of a Chief Officer, Bob led the effort on a large annexation for the Grossmont Mt. Helix Fire Protection District. In support of that effort; he met with and attended LAFCO meetings, represented the (former) District in many open and public meetings, completed all of the required LAFCO (and CDF) documentation, and became very familiar with the LAFCO system during that time.

Bob Robeson is engaged with the LAFCO process, is concerned about the interests of all special districts, and wants the future of LAFCO to assure that Fire Districts are represented very well on this very influential committee.

Please join us in supporting Bob Robeson with your Board's vote for a seat on the LAFCO Special District's Advisory Committee.

Respectfully,



Peter A. Liebig, Board President
Lakeside Fire Protection District



January 8, 2016

Mitch Thompson
Otay Water District
2554 Sweetwater Springs Blvd
Spring Valley CA 91978

Subject: Dennis Sanford Nomination for LAFCO Alternate Commissioner Seat

Dear Mr. Thompson:

As you know, there is an election coming up for an Alternate seat on the San Diego Local Agency Formation Commission (LAFCO). The Board of Directors of the Rainbow Municipal Water District nominated me to run for this position- a task I was honored to accept.

Over the last several years I have been working closely with LAFCO staff and others related to a number of topics. While the most publicized efforts were related to the Fallbrook PUD merger application, at Rainbow we have also handled more routine annexations and other less controversial LAFCO activities.

I realize that much has been made in the media about Rainbow and our opposition to the FPUD efforts, but this does not mean that I do not value LAFCO and the important role it plays in our local governments. I was one of the leaders who supported the formation of the Joint Powers Authority and am in favor of consolidations under the right conditions. Unfortunately, the conditions present between RMWD and FPUD were not amenable to a successful merger.

Over the last several years I have gained a great deal of experience and knowledge related to LAFCO and the statutes that are the foundation of its actions. This experience is essential to being a successful member of the Commission.

I would be honored to receive your vote to serve our region as an Alternate Member on the Commission.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dennis Sanford", is written over a horizontal line.

Dennis Sanford
President, RMWD Board of Directors



AGENDA ITEM 8b

STAFF REPORT

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	February 3, 2016
SUBMITTED BY:	Mark Watton, General Manager	W.O./G.F. NO:	DIV. NO.
APPROVED BY:	<input checked="" type="checkbox"/> Susan Cruz, District Secretary <input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Board of Directors 2016 Calendar of Meetings		

GENERAL MANAGER'S RECOMMENDATION:

At the request of the Board, the attached Board of Director's meeting calendar for 2016 is being presented for discussion.

PURPOSE:

This staff report is being presented to provide the Board the opportunity to review the 2016 Board of Director's meeting calendar and amend the schedule as needed.

COMMITTEE ACTION:

N/A

ANALYSIS:

The Board requested that this item be presented at each meeting so they may have an opportunity to review the Board meeting calendar schedule and amend it as needed.

STRATEGIC GOAL:

N/A

FISCAL IMPACT:

None.

LEGAL IMPACT:

None.

Attachment: Calendar of Meetings for 2016

**Board of Directors, Workshops
and Committee Meetings
2016**

Regular Board Meetings:

January 6, 2016
February 3, 2016
March 2, 2016
April 6, 2016
May 4, 2016
June 1, 2016
July 6, 2016
August 3, 2016
September 7, 2016
October 5, 2016
November 2, 2016
December 7, 2016

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

January 20, 2016
February 17, 2016
March 16, 2016
April 20, 2016
May 18, 2016
June 15, 2016
July 20, 2016
August 17, 2016
September 21, 2016
October 19, 2016
November 16, 2016
December 21, 2016

SPECIAL BOARD MEETINGS:

BOARD WORKSHOPS:

Agenda Item 9



STAFF REPORT

TYPE		MEETING			
MEETING:	Regular Board	DATE:	February 3, 2016		
SUBMITTED	Mark Watton	W.O./G.F.	N/A	DIV.	N/A
BY:	General Manager	NO:	NO.		
APPROVED BY:	<input checked="" type="checkbox"/> Mark Watton, General Manager				
SUBJECT:	General Manager's Report				

ADMINISTRATIVE SERVICES:

Purchasing and Facilities:

- **Staff Training and Education** - As part of Purchasing's continuing education goals, staff participated in the half- day Prevailing Wage Update and Workshop organized by CAPPO San Diego and held at San Diego City College with emphasis on the implementation of SB854, the State of California's new public works contractor registration program. Presenting was Eric Rood, Assistant State Labor Commissioner, who has spent the last 15 years working for the Division of Labor Standards Enforcement, also known as the Labor Commissioner's office.

Human Resources:

- **Management Team Training** - HR, in coordination with our Worker's Compensation provider and our Employee Assistance Program, hosted a training in January for our managers, supervisors and lead employees. The training session provided refreshers about these two programs offered and a review of related District procedures.
- **Recruitments** - The District is recruiting for Communications Officer and Communications Assistant positions for an upcoming vacancy expected in June 2016 due to a pending retirement. These positions are critical to District operations.
- **Moss vs. Otay Water District** - The case between Moss and Otay Water District has recently been settled.

Safety & Security:

- **Emergency Preparedness:**

- Emergency Supplies 72-Hour Kits - As part of the District's emergency preparedness plan, 72-hour emergency supplies kits were distributed to the 31 District identified first responders and EOC contacts.
- WebEOC Training Exercise - Staff completed the January 2016 monthly exercise, which consisted of reviewing the District Water Agencies Emergency Collaborative (WAEC) contacts list, updating as needed/required, and e-mailing the information to SDCWA point of contact Carol Olvera, colvera@sdcwa.org.

- **Safety Training and Programs:**

- Active Shooter - Completed training with Customer Service and Engineering front counter staff. Training consisted of Department of Homeland Security recommended actions.
- Respiratory Training - Facilities and Water Systems staff completed medical respiratory evaluations and refresher training.

- **Meetings:**

- Safety Committee - The Committee completed its calendar year 4th quarter meeting. Topics included Confined Space training outline, regulatory requirements, and equipment. Year-to-date injury information and full details of topics covered in the meeting can be accessed on Sharepoint.

INFORMATION TECHNOLOGY AND STRATEGIC PLANNING:

- **Disaster Recovery/Business Continuity** - Staff began the re-engineering of business critical system backup and recovery services. This effort will enhance business continuity of District technology services by co-locating backup systems to a redundant data center facility. In the event of a major service interruption at the Admin facilities, the re-engineered architecture will enable staff to run business critical technology services by redirecting access to the co-location site. The project is expected to be completed by the end of April 2016.
- **Leak Detection Project** - Staff is supporting the Operations department with GPS data and other terrestrial information for the District's leak detection program. The information will be used by the leak detection consultant to produce pipeline status reports.

FINANCE:

- **FY2016 Forecast** - At the request of the Board, staff prepared a full-year forecast of the financial results including, but not limited to, the March 1, 2016 rate increase, City of San Diego recycled price increase, conservation, and the District savings plan.
- **Board of Directors Expenses** - Attached is the Board of Directors Expenses for the 1st Quarter of Fiscal Year 2016 (FY 2016). Expenses for the quarter totaled \$5,829.46 for a total of \$5,829.46 for the first quarter of FY 2016.
- **Turf Removal Rebates** - MWD funded turf removal rebate final inspections were scheduled for Steele Canyon Golf Club and Eastlake III Community Association. In their commercial rebate applications, Steele Canyon Golf Club cited 1,518,310 square feet of grass being removed, while Eastlake III Community Association cited 55,154 square feet. MWD field staff measured representative sample portions of each site to ensure accuracy of the reported square footage, which is the basis for the rebate amount.
- **Financial Reporting:**
 - For the six months ended December 31, 2015, there are total revenues of \$41,713,864 and total expenses of \$42,255,136. The expenses exceeded revenues by \$541,272. The reduced water sales from conservation is driving the year-to-date expenses to exceed the year-to-date revenue.
 - The market value shown in the Portfolio Summary and in the Investment Portfolio Details as of December 31, 2015 total \$82,804,610 with an average yield to maturity of 0.77%. The total earnings year-to-date are \$315,588.

ENGINEERING AND WATER SYSTEM OPERATIONS:

Engineering:

- **SR-11 Potable Water Utility Relocations:** This project consists of the relocation of existing pipelines in Sanyo Avenue and utility easements and is currently in the construction phase. The contractor, Coffman Specialties Inc., has relocated the 10-inch, 12-inch, and 18-inch mains and these mains have been tied into the system. On December 14, 2015, Caltrans was invoiced \$1,367,858 for a partial payment associated with the pipeline relocations and \$143,966 final payment associated with the blow-off relocation. It is anticipated that this construction contract will reach contract acceptance in February, 2016, pending the completion of punch list items. The overall project is within budget and on schedule.
(P2453)

- **944-1, 944-2, & 458-2 Reservoir Interior/Exterior Coatings & Upgrades:** This project consists of removing and replacing the interior and exterior coatings of the 944-1 0.3 MG Reservoir, the 944-2 3.0 MG Reservoir, and the 458-2 1.8 MG Reservoir, along with providing structural upgrades to ensure the tanks comply with both State and Federal OSHA standards as well as the American Water Works Association and the County Health Department standards. The overall project reached substantial completion on December 3, 2015 (beyond the approved contract date). A credit change order to complete the assessment of liquidated damages associated with the project's late delivery will be presented at the February, 2016 Meeting of the Board of Directors. (P2531, P2532, P2535)
- **Ralph W. Chapman Water Reclamation Facility (RWCWRF) Return Activated Sludge (RAS) Pumps Replacement Project:** This Project consists of removal and replacement of the existing 5 horsepower (HP) RAS pumps with upgraded 20 HP units. All planned pump replacements have been completed and this project reached substantial completion on December 23, 2015. Contract acceptance is anticipated in January, 2016, pending the completion of punch list items. The project is within budget and on schedule. (R2111)
- **Sweetwater River Trestle Improvements Project:** This project consists of installing fire protective measures to the underside of the trestle, ensuring the structural integrity of the bridge, and improving safety features for District personnel. The addition of the fire resistance measures will enable the trestle to endure a longer fire event (over three hours with the heat shields, as opposed to about 1.5 hours without). The project reached substantial completion in January, 2016. Contract acceptance is anticipated in February, 2016, pending the completion of punch list items. The project is within budget and on schedule. (R2109)
- **624 Pressure Zone Pressure Reducing Stations (PRSs) and 944-1R Pressure Reducing Station No. 3 Improvements Projects:** This construction project consists of improvements from two (2) Capital Improvement Program (CIP) projects, P2541 and R2110. The CIP P2541 improvements will provide two (2) PRSs feeding the 485 Pressure Zone and 458 Pressure Zones from the 624 Pressure Zone (Terra Nova Drive 624/485 PRS and Sequoia Street 624/458 PRS, respectively) to improve fire flow and enhance system reliability. The CIP R2110 improvements include retrofit of an existing PRS vault (944-1R PRS No. 3) with a sump pump, ventilation system, and hatch drain improvements to mitigate water intrusion. Potholing work for the project has been completed and long-lead items have been ordered. It is anticipated that work to construct the new facilities will begin in early February, 2016. The project is within budget and is scheduled to be completed in March, 2016. (P2541, R2110)

- **Rosarito Desalination:** Staff and representatives from NSC Agua continue to coordinate on complying with the California Water Resources Control Board Drinking Water Program regulatory requirements related to source water quality testing. Comisión Estatal del Agua de Baja California (CEA), an agency that is responsible for regulating the State's water and sewerage industry, issued an invitation to bid to all interested parties for a desalination project in Rosarito. The tenders for the production and conveyance of desalinated water will be evaluated by these state agencies.

The General Manager has continued meeting with Carlo Bonfante, Secretary of Economic Development of the State of Baja California, as the point person for the Governor of Baja California on the desalination Project. The conversations have been focused on the quantity and the price point for the product water and the water quality requirements.

The draft EIR/EIS has been completed and is being reviewed by the Department of State (DOS). The draft EIR/EIS is tentatively scheduled to be ready for its 45-day public review period in February, 2016. (P2451)

- **711-1 & 711-2 Reservoir Interior/Exterior Coatings & Upgrades:** This project consists of removing and replacing the interior and exterior coatings of the 711-1 3.1 MG Reservoir and the 711-2 2.3 MG Reservoir, along with providing structural upgrades, to ensure the tanks comply with both State and Federal OSHA standards as well as the American Water Works Association and the County Health Department standards. The contractor, Advanced Industrial Services, Inc., has started removal of the interior coating at the 711-1 Reservoir. In addition, structural repair work for the roof support system was identified at the 711-1 Reservoir. The contractor has begun work to complete the structural repair, as provided under the project's allowance items. The project is within budget and on schedule to complete in July, 2016. (P2529 & P2530)
- **Operations Yard Property Acquisition Improvements:** This project consists of the construction of an approximate 27,700 square-foot asphalt concrete parking lot including storm drainage facilities, chain link fence, and area lighting. Construction for the project began in January, 2016. The current work consists of site demolition, clearing and grubbing, and erosion control. The project is on schedule to complete in May, 2016. (P2537)
- **980-1 Reservoir Interior/Exterior Coatings & Upgrades:** This project consists of removing and replacing the interior and exterior coatings of the 980-1, 5.0 MG, Reservoir, along with

providing structural upgrades, to ensure the tank complies with both State and Federal OSHA standards as well as the American Water Works Association and the County Health Department standards. At the January, 2016 Board Meeting, the Board authorized the General Manager to enter into an agreement with Advanced Industrial Services, Inc. from Los Alamitos, CA. It is anticipated that construction will begin in February, 2016. The project is on schedule. (P2545)

- **Recycled Water Fire Hydrant Installations:** This project consists of installing fire hydrants/filling stations on the recycled water system for fire suppression. The project includes meeting Title 22 requirements, obtaining regulatory approval, establishing protocol, and site selection. A fill station is proposed at the end of Hunte Parkway. The facility will be a locked enclosure within a public right-of-way with easy access to fire department trucks and street sweepers. Staff submitted the project to be enrolled in Order WQ 2014-0090-DWQ, General Waste Discharge Requirements for Recycled Water Use (General Order). On January 8, 2016 the District received the Notice of Applicability from the San Diego Regional Water Quality Control Board with the requirements that must be met to comply with the General Order. The District will be required to prepare and process an amendment to the existing permit to update the Rules and Regulations for Recycled Water Use and submit a program for training for review and approval by the Regional Board, DDW, and the County DEH. A yearly report will also be required to document the use, training, and inspection performed by the District. (R2122)
- **District Administration Vehicle Charging Stations:** This project consists of the installation of electric charging stations for employee-owned alternative fueled vehicles to support the needs of these vehicles and their limited driving range. The District has retained BSE Electrical, an electrical engineering firm, to prepare the design for two (2) stations. Staff has identified a preliminary location for the two (2) stations that will serve four (4) employee parking spaces near the Administration building's rear employee entry, adjacent to the electric room and emergency generator. Project is anticipated to be complete by October, 2016. (P2547)
- **Storm Water Discharge Permitting:** The District recently obtained coverage from the San Diego Regional Water Quality Control Board (Regional Board) for storm water discharges from the RWCWRF under the revised statewide Industrial General NPDES (National Pollutant Discharge Elimination System) Permit. The revised permit has Numeric Action Levels that, if exceeded, require increased response and monitoring. It also requires specific mandatory BMPs, designation of a Storm Water Pollution Prevention Team, and has more stringent training requirements than the previous Permit. The

treatment plant is the only facility within the District that is designated as an Industrial Facility. Storm water discharges from Reservoirs and Pump Stations within the District flow into city or county storm water systems. District construction projects that disturb an acre or more must obtain coverage for storm water discharges under the Regional Board Construction National Pollutant Discharge Elimination System (NPDES) General Permit and this is generally included as a requirement for Contractors in the project specifications. At the present time, the District does not have any projects under construction that disturb an acre or more.

- **Disposal of Real Estate Properties Declared Surplus by the Board:** The District, through a competitive process based on qualifications and pricing, secured the real estate brokerage services of the Norberg Group to support the disposal of six (6) properties declared surplus by the Board. On March 13, 2015, the District entered into listing agreements with the Norberg Group for the six (6) properties. The District has closed escrow for four (4) of the surplus properties which are located at Steele Canyon Road, Wild Mustang Place, Proctor Valley, and Sweetwater Springs Boulevard. Two (2) surplus properties, located at Dorchester Street and Star Acres, are currently listed.
- **Ralph W. Chapman Water Reclamation Facility (RWCWRF) Indirect Potable Reuse/Direct Potable Reuse (IPR/DPR) with Sweetwater Authority:** Staff from both the District and Sweetwater Authority (SWA) continue to meet to discuss the major issues associated with an IPR/DPR project. Staff has retained Atkins Global and Michael Welch to prepare a high level report identifying the needed upgrades to the RWCWRF, the regulatory issues of an IPR/DPR project, and to produce a rough planning level cost per acre-foot for the product water delivered to SWA's Reservoir. A draft report was submitted to staff for review in December 2015 and it is anticipated that a draft of the report will be submitted to SWA for review and comment by February, 2016.
- For the month of December, 2015, the District sold 19 meters (106.5 EDUs) generating \$1,070,583 in revenue. Projection for this period was 14 meters (21 EDUs), with budgeted revenue of \$190,542. Total revenue for Fiscal Year 2016 is \$2,478,422, against the annual budget of \$2,286,500.

WATER SYSTEM OPERATIONS (Reporting the month of December):

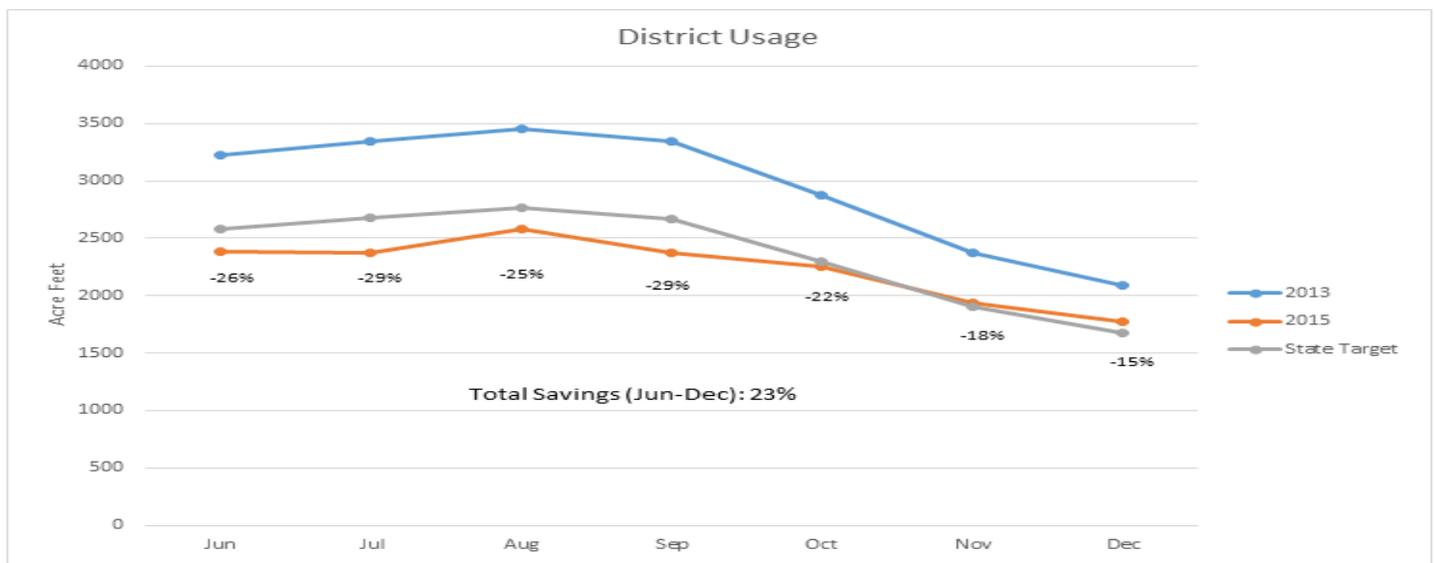
- On January 13, staff coordinated the emergency shutdown and repair of the 944-1 Pump Station discharge pipeline (installed in 1962) that supplies the Jamul area of the District. Based on multiple factors, including but not limited to: depth of pipe, expected excessive ground water and being located within an environmentally sensitive area, an outside contractor, TC Construction, was utilized to perform the work. Repairs were completed to the rusted

section of the blow off riser while the remaining exposed sections of the 16-inch pipeline were found to be in good condition. The ten affected customers were restored to normal service that evening. The work performed by TC Construction, was expeditious, professional, and efficient. The final cost of the repairs performed by the contractor were \$31,123.40.

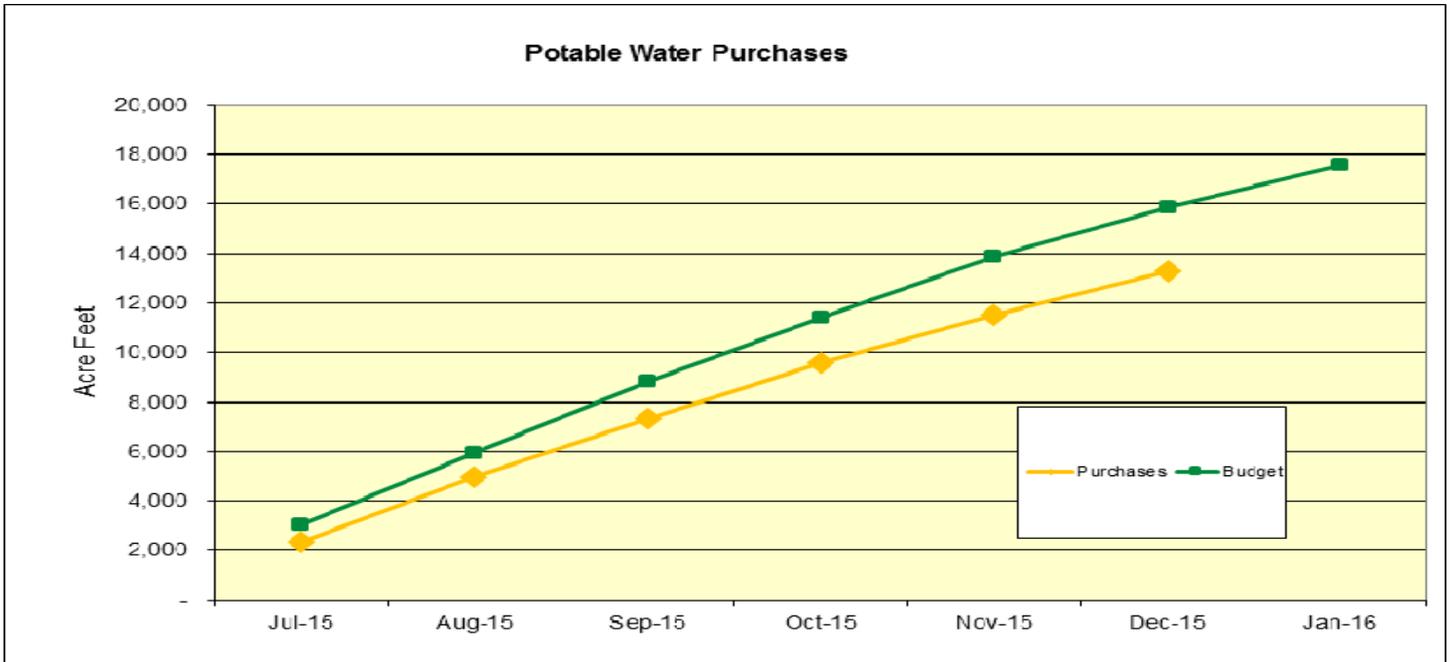
- Beginning on February 1, and into the end of March, pro-active leak detection will be taking place covering approximately 20% of the District's oldest pipelines. Notifications about the project were sent to customers in late January via emails, phone campaigns, District newsletters, and social media. Lastly, written communication was sent to targeted areas, including their respective police departments.
- On February 1, and lasting for approximately one week, District contractors will begin doing semi-annual cleaning of the District's flexible covered reservoirs, as required by the State.
- Staff continues to clean and CCTV the sewer system with no spills being experienced.

Conservation and Water Purchases:

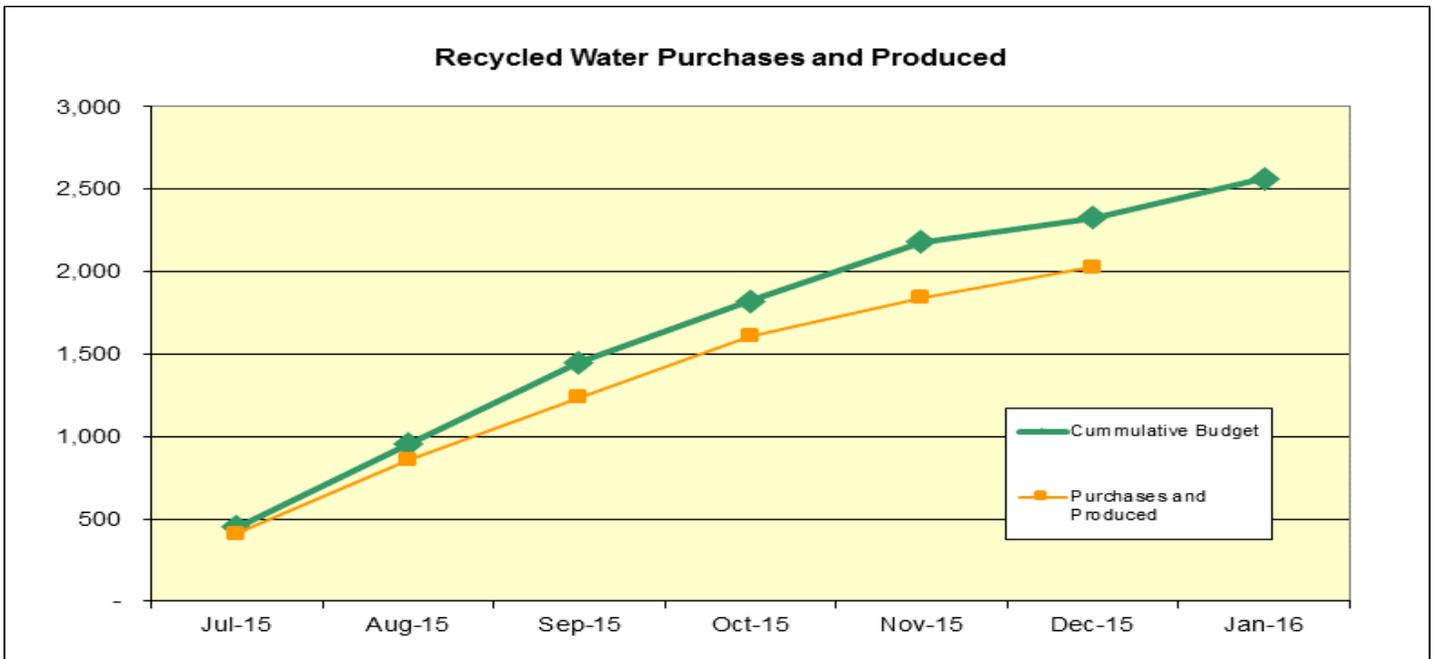
- Conservation Target - The District conserved 15% in December over 2013 totals. To date, the District is exceeding the State mandated target of 20% with a cumulative savings of 23%. Below is a chart showing the District's savings from June through December 2015.



- The December potable water purchases were 1,777.6 acre-feet which is 8.8% below the budget of 1,948.6 acre-feet. The cumulative purchases through December is 13,300.8 acre-feet which is 16.0% below the cumulative budget of 18,839.3 acre-feet.



- The December recycled water purchases and production was 183.9 acre-feet which is 23.1% below the budget of 149.4 acre-feet. The cumulative production and purchases through December is 2,027.2 acre-feet which is 12.9% below the cumulative budget of 2328.5 acre-feet.



Potable, Recycled, and Sewer (Reporting up to the month of November):

- Total number of potable water meters is 49,458.
- Recycled water consumption for the month of December is as follows:
 - Total consumption was 220.2 acre-feet or 71,727,964 gallons and the average daily consumption was 2,313,805 gallons per day.
 - Total cumulative recycled water consumption since July 1, 2015 is 2013.5 acre-feet.
 - Total number of recycled water meters is 712.
- Wastewater flows for the month of December were as follows:
 - Total basin flow, gallons per day: 1,517,677. This is a decrease of 9.2% from December 2014.
 - Spring Valley Sanitation District Flow to Metro, gallons per day: 502,061.
 - Total Otay flow, gallons per day: 1,015,613.
 - Flow Processed at the Ralph W. Chapman Water Recycling Facility, gallons per day: 998,903.
 - Flow to Metro from Otay Water District was 35,516 gallons per day.
- By the end of December there were 6,097 wastewater EDUs.

OTAY WATER DISTRICT
COMPARATIVE BUDGET SUMMARY
 FOR SIX MONTHS ENDED DECEMBER 31, 2015

	Annual Budget	Actual	Budget	YTD Variance	Var %
REVENUES:					
Potable Water Sales	\$ 41,344,900	\$ 19,059,272	\$ 23,257,600	\$ (4,198,328)	(18.1%)
Recycled Water Sales	9,116,000	4,189,183	5,257,200	(1,068,017)	(20.3%)
Potable Energy Charges	2,311,300	970,872	1,121,900	(151,028)	(13.5%)
Potable System Charges	13,292,300	6,776,902	6,762,000	14,902	0.2%
Potable MWD & CWA Fixed Charges	11,946,600	5,305,061	5,286,000	19,061	0.4%
Potable Penalties	888,600	421,516	500,100	(78,584)	(15.7%)
Total Water Sales	<u>78,899,700</u>	<u>36,722,806</u>	<u>42,184,800</u>	<u>(5,461,994)</u>	<u>(12.9%)</u>
Sewer Charges	3,206,300	1,618,012	1,605,200	12,812	0.8%
Meter Fees	66,200	50,414	33,100	17,314	52.3%
Capacity Fee Revenues	1,134,800	691,207	567,400	123,807	21.8%
Non-Operating Revenues	1,873,600	1,075,021	906,600	168,421	18.6%
Tax Revenues	3,897,900	1,507,782	1,319,900	187,882	14.2%
Interest	157,500	48,622	78,800	(30,178)	(38.3%)
Total Revenues	<u>\$ 89,236,000</u>	<u>\$ 41,713,864</u>	<u>\$ 46,695,800</u>	<u>\$ (4,981,936)</u>	<u>(10.7%)</u>
EXPENSES:					
Potable Water Purchases	\$ 32,332,100	\$ 15,202,814	\$ 18,104,300	\$ 2,901,486	16.0%
Recycled Water Purchases	1,705,800	1,023,987	1,059,250	35,263	3.3%
CWA-Infrastructure Access Charge	1,931,400	963,990	964,200	210	0.0%
CWA-Customer Service Charge	1,777,800	904,904	904,800	(104)	(0.0%)
CWA-Reliability Charge	950,400	-	-	-	0.0%
CWA-Emergency Storage Charge	4,681,800	2,379,645	2,379,600	(45)	(0.0%)
MWD-Capacity Res Charge	806,400	402,981	403,200	219	0.1%
MWD-Readiness to Serve Charge	1,798,800	793,627	899,400	105,773	11.8%
Subtotal Water Purchases	<u>45,984,500</u>	<u>21,671,948</u>	<u>24,714,750</u>	<u>3,042,802</u>	<u>12.3%</u>
Power Charges	3,112,800	1,548,485	1,716,200	167,715	9.8%
Payroll & Related Costs	20,381,000	9,996,467	9,944,200	(52,267)	(0.5%)
Material & Maintenance	3,612,800	1,506,840	1,805,640	298,800	16.5%
Administrative Expenses	5,137,800	2,044,271	2,548,850	504,579	19.8%
Legal Fees	250,000	108,525	125,000	16,475	13.2%
Expansion Reserve	2,695,800	1,347,900	1,347,900	-	0.0%
Betterment Reserve	2,400,000	1,200,000	1,200,000	-	0.0%
Replacement Reserve	3,421,000	1,710,500	1,710,500	-	0.0%
New Supply Fee	35,000	17,500	17,500	-	0.0%
OPEB Trust	1,006,000	503,000	503,000	-	0.0%
Sewer Replacement	1,199,300	599,700	599,700	-	0.0%
Total Expenses	<u>\$ 89,236,000</u>	<u>\$ 42,255,136</u>	<u>\$ 46,233,240</u>	<u>\$ 3,978,105</u>	<u>8.6%</u>
EXCESS REVENUES(EXPENSE)	<u>\$ -</u>	<u>\$ (541,272)</u>	<u>\$ 462,560</u>	<u>\$ (1,003,832)</u>	

**OTAY WATER DISTRICT
INVESTMENT PORTFOLIO REVIEW
December 31, 2015**

INVESTMENT OVERVIEW & MARKET STATUS:

The federal funds rate has remained constant for over 5 years. On December 16, 2015, at the Federal Reserve Board's regular scheduled meeting, the federal funds rate was increased from 0.25% to 0.50% in response to the nation's gradual economic improvement. The Committee judges that there has been considerable improvement in labor market conditions this year, and it is reasonably confident that inflation will rise, over the medium term, to its 2 percent objective. The stance of monetary policy remains accommodative after this increase, thereby supporting further improvement in labor market conditions and a return to 2 percent inflation. In determining the timing and size of future adjustments to the target range for the federal funds rate, they went on to say: *"the Committee will assess realized and expected economic conditions relative to its objectives of maximum employment and 2 percent inflation. This assessment will take into account a wide range of information, including measures of labor market conditions, indicators of inflation pressures and inflation expectations, and readings on financial and international developments. In light of the current shortfall of inflation from 2 percent, the Committee will carefully monitor actual and expected progress toward its inflation goal. The Committee expects that economic conditions will evolve in a manner that will warrant only gradual increases in the federal funds rate; the federal funds rate is likely to remain, for some time, below levels that are expected to prevail in the longer run. However, the actual path of the federal funds rate will depend on the economic outlook as informed by incoming data."*

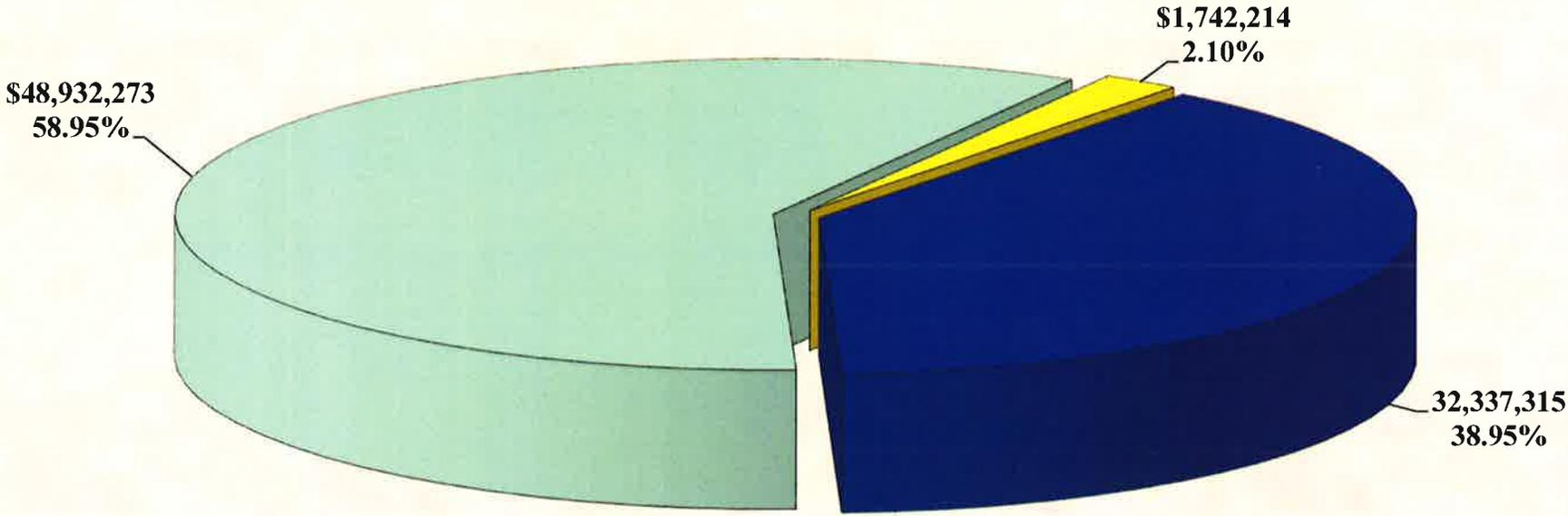
The District's overall effective rate of return at December 31, 2015 was 0.77%, which was one basis points above the previous month. At the same time the LAIF return on deposits has improved over the previous month, reaching an average effective yield of 0.400% for the month of December 2015. Based on our success at maintaining a competitive rate of return on our portfolio during this extended period of low interest rates, no changes in investment strategy regarding returns on investment are being considered at this time. The desired portfolio mix is important in mitigating any liquidity risk from unforeseen changes in LAIF or County Pool policy.

In accordance with the District's Investment Policy, all District funds continue to be managed based on the objectives, in priority order, of safety, liquidity, and return on investment.

PORTFOLIO COMPLIANCE: December 31, 2015

<u>Investment</u>	<u>State Limit</u>	<u>Otay Limit</u>	<u>Otay Actual</u>
8.01: Treasury Securities	100%	100%	0
8.02: Local Agency Investment Fund (Operations)	\$50 Million	\$50 Million	\$15.9 Million
8.02: Local Agency Investment Fund (Bonds)	100%	100%	0
8.03: Federal Agency Issues	100%	100%	58.95%
8.04: Certificates of Deposit	30%	15%	.10%
8.05: Short-Term Commercial Notes	25%	10%	0
8.06: Medium-Term Commercial Debt	30%	10%	0
8.07: Money Market Mutual Funds	20%	10%	0
8.08: San Diego County Pool	100%	100%	19.80%
12.0: Maximum Single Financial Institution	100%	50%	2.00%

Otay Water District Investment Portfolio: 12/31/2015



Total Cash and Investments: \$83,011,802

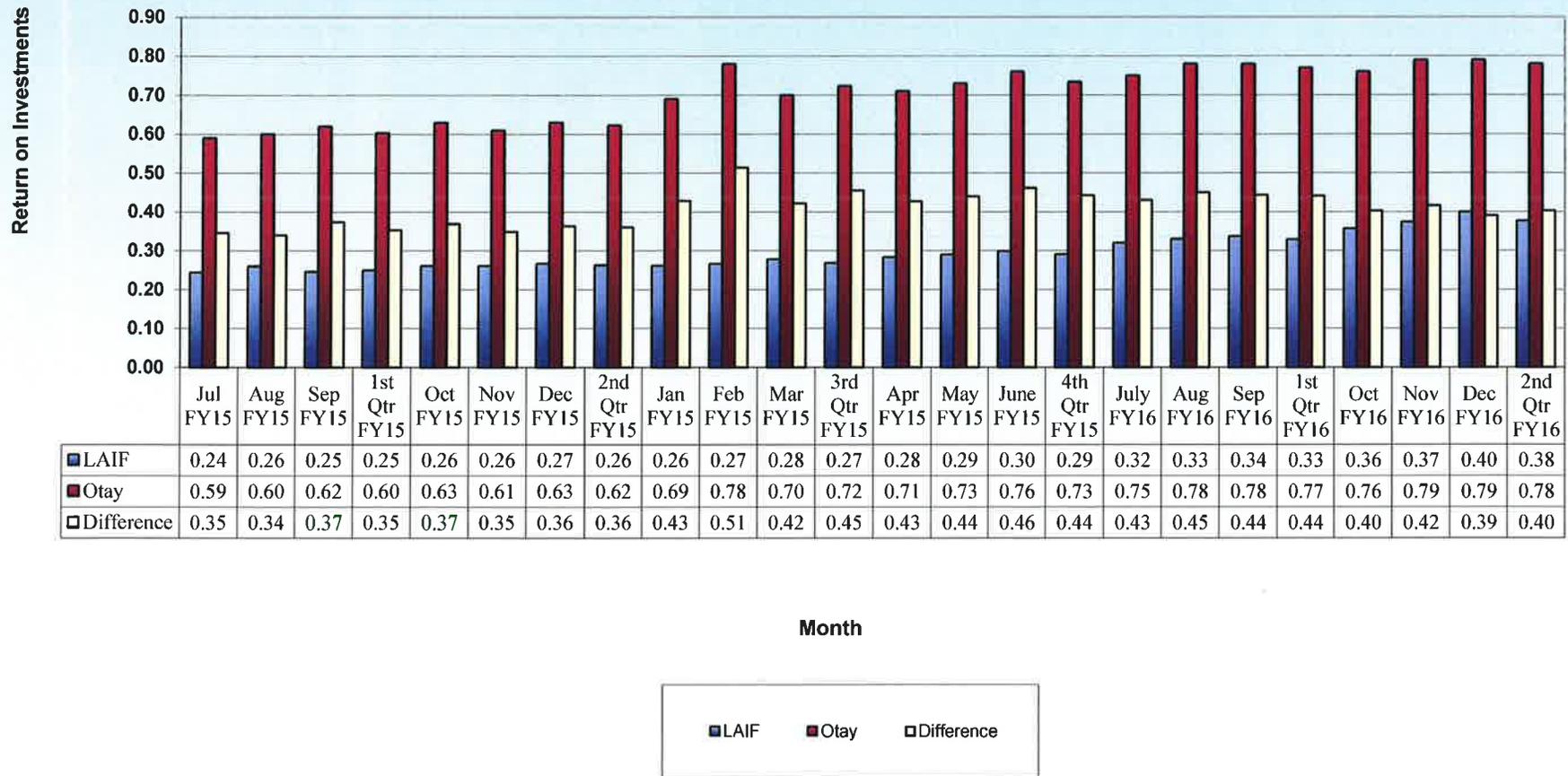
□ Banks (Passbook/Checking/CD)

■ Pools (LAIF & County)

□ Agencies & Corporate Notes

Performance Measure FY-16 Return on Investment

Target: Meet or Exceed 100% of LAIF



**Month End
Portfolio Management
Portfolio Summary
December 31, 2015**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Federal Agency Issues- Callable	44,935,000.00	44,819,485.30	44,934,463.89	55.24	1,002	783	1.043	1.058
Federal Agency Issues - Coupon	4,000,000.00	3,992,000.00	3,997,809.03	4.91	759	344	0.610	0.618
Certificates of Deposit - Bank	81,784.76	81,784.76	81,784.76	0.10	730	21	0.030	0.030
Local Agency Investment Fund (LAIF)	15,900,839.20	15,887,911.23	15,900,839.20	19.55	1	1	0.395	0.400
San Diego County Pool	16,436,475.73	16,363,000.00	16,436,475.73	20.20	1	1	0.660	0.669
Investments	81,354,099.69	81,144,181.29	81,351,372.61	100.00%	592	450	0.817	0.828
Cash								
Passbook/Checking (not included in yield calculations)	1,660,428.96	1,660,428.96	1,660,428.96		1	1	0.377	0.383
Total Cash and Investments	83,014,528.65	82,804,610.25	83,011,801.57		592	450	0.817	0.828

Total Earnings	December 31	Month Ending	Fiscal Year To Date
Current Year		54,543.98	315,588.34
Average Daily Balance		81,132,498.53	81,654,638.00
Effective Rate of Return		0.79%	0.77%

I hereby certify that the investments contained in this report are made in accordance with the District Investment Policy Number 27 adopted by the Board of Directors on May 7, 2014. The market value information provided by Interactive Data Corporation. The investments provide sufficient liquidity to meet the cash flow requirements of the District for the next six months of expenditures.



 Joseph Beachem, Chief Financial Officer

1-25-16

**Month End
Portfolio Management
Portfolio Details - Investments
December 31, 2015**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity	Maturity Date
Federal Agency Issues- Callable												
3133EECX6	2313	Federal Farm Credit Bank		11/25/2014	2,000,000.00	1,992,500.00	2,000,000.00	0.610		0.602	329	11/25/2016
3134G5A47	2301	Federal Home Loan Mortgage		06/30/2014	2,000,000.00	1,999,100.00	2,000,000.00	0.650		0.641	364	12/30/2016
3133EELR9	2317	Federal Farm Credit Bank		01/27/2015	2,000,000.00	1,993,540.00	1,999,463.89	0.625		0.616	392	01/27/2017
3133EEXC9	2323	Federal Farm Credit Bank		04/20/2015	2,000,000.00	1,993,020.00	2,000,000.00	0.690		0.681	461	04/06/2017
3136G23G0	2304	Federal National Mortgage Assoc		08/15/2014	2,000,000.00	1,996,500.00	2,000,000.00	1.050		1.036	592	08/15/2017
3134G6TJ2	2319	Federal Home Loan Mortgage		04/27/2015	2,000,000.00	2,000,940.00	2,000,000.00	0.875		0.863	665	10/27/2017
3133EECG3	2311	Federal Farm Credit Bank		11/20/2014	1,030,000.00	1,027,507.40	1,030,000.00	1.140		1.124	689	11/20/2017
3133EECG3	2312	Federal Farm Credit Bank		11/20/2014	2,705,000.00	2,698,453.90	2,705,000.00	1.140		1.124	689	11/20/2017
3134G7XJ5	2331	Federal Home Loan Mortgage		09/18/2015	2,000,000.00	1,993,260.00	2,000,000.00	1.000	AA	0.986	717	12/18/2017
3134G7B75	2332	Federal Home Loan Mortgage		09/29/2015	2,000,000.00	2,001,120.00	2,000,000.00	1.016		1.002	728	12/29/2017
3133EEYE4	2320	Federal Farm Credit Bank		04/16/2015	2,000,000.00	2,000,040.00	2,000,000.00	1.000		0.986	746	01/16/2018
3130A4MF6	2318	Federal Home Loan Bank		03/30/2015	2,000,000.00	2,002,440.00	2,000,000.00	1.300		1.282	818	03/29/2018
3130A4WT5	2322	Federal Home Loan Bank		04/27/2015	2,000,000.00	1,987,260.00	2,000,000.00	1.020		1.006	847	04/27/2018
3130A56B0	2325	Federal Home Loan Bank		05/04/2015	1,200,000.00	1,194,264.00	1,200,000.00	1.120	AA	1.105	854	05/04/2018
3130A52G3	2324	Federal Home Loan Bank		05/11/2015	2,000,000.00	1,990,060.00	2,000,000.00	1.050	AA	1.036	861	05/11/2018
3134G6V264	2326	Federal Home Loan Mortgage		06/29/2015	2,000,000.00	2,002,340.00	2,000,000.00	1.250	AA	1.233	910	06/29/2018
3136G2LZ8	2330	Fannie Mae		09/28/2015	2,000,000.00	2,000,260.00	2,000,000.00	1.250		1.233	1,001	09/28/2018
3135G0G64	2336	Fannie Mae		10/30/2015	2,000,000.00	1,989,720.00	2,000,000.00	1.100		1.085	1,032	10/29/2018
3134G7D81	2333	Federal Home Loan Mortgage		10/29/2015	2,000,000.00	2,000,220.00	2,000,000.00	1.300		1.282	1,032	10/29/2018
3136G2R665	2334	Fannie Mae		11/19/2015	2,000,000.00	1,986,640.00	2,000,000.00	1.150		1.134	1,053	11/19/2018
3134G76C0	2335	Federal Home Loan Mortgage		11/23/2015	2,000,000.00	1,984,380.00	2,000,000.00	1.200		1.184	1,057	11/23/2018
3130A6UZ8	2338	Federal Home Loan Bank		12/28/2015	2,000,000.00	1,992,760.00	2,000,000.00	1.375		1.356	1,092	12/28/2018
3134G87F0	2337	Federal Home Loan Mortgage		12/28/2015	2,000,000.00	1,993,160.00	2,000,000.00	1.450	AA	1.430	1,092	12/28/2018
Subtotal and Average			43,708,637.95		44,935,000.00	44,819,485.30	44,934,463.89			1.043	783	
Federal Agency Issues - Coupon												
3135G0YE7	2286	Federal National Mortgage Assoc		04/01/2014	2,000,000.00	2,000,100.00	2,000,760.69	0.625		0.558	238	08/26/2016
3133EEC73	2329	Federal Farm Credit Bank		06/26/2015	2,000,000.00	1,991,900.00	1,997,048.34	0.550	AA	0.661	451	03/27/2017
Subtotal and Average			3,997,761.59		4,000,000.00	3,992,000.00	3,997,809.03			0.610	344	
Certificates of Deposit - Bank												
2050003183-6	2283	California Bank & Trust		01/22/2014	81,784.76	81,784.76	81,784.76	0.030		0.030	21	01/22/2016
Subtotal and Average			81,784.76		81,784.76	81,784.76	81,784.76			0.030	21	

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**Month End
Portfolio Management
Portfolio Details - Investments
December 31, 2015**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity	Maturity Date
Local Agency Investment Fund (LAIF)												
LAIF	9001	STATE OF CALIFORNIA			15,900,839.20	15,887,911.23	15,900,839.20	0.400		0.395	1	
LAIF BABS 2010	9012	STATE OF CALIFORNIA		07/01/2015	0.00	0.00	0.00	0.267		0.263	1	
Subtotal and Average			13,762,129.52		15,900,839.20	15,887,911.23	15,900,839.20			0.395	1	
San Diego County Pool												
SD COUNTY POOL	9007	San Diego County			16,436,475.73	16,363,000.00	16,436,475.73	0.669		0.660	1	
Subtotal and Average			16,436,475.73		16,436,475.73	16,363,000.00	16,436,475.73			0.660	1	
Total and Average			81,132,498.53		81,354,099.69	81,144,181.29	81,351,372.61			0.817	450	

**Month End
Portfolio Management
Portfolio Details - Cash
December 31, 2015**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 360	Days to Maturity
Union Bank											
UNION MONEY	9002	STATE OF CALIFORNIA			10,006.85	10,006.85	10,006.85	0.010		0.010	1
PETTY CASH	9003	STATE OF CALIFORNIA			2,950.00	2,950.00	2,950.00			0.000	1
UNION OPERATING	9004	STATE OF CALIFORNIA			1,587,419.02	1,587,419.02	1,587,419.02	0.400		0.395	1
PAYROLL	9005	STATE OF CALIFORNIA		07/01/2015	27,891.35	27,891.35	27,891.35			0.000	1
RESERVE-10 COPS	9010	STATE OF CALIFORNIA			5,871.00	5,871.00	5,871.00	0.010		0.010	1
RESERVE-10 BABS	9011	STATE OF CALIFORNIA			15,418.85	15,418.85	15,418.85	0.010		0.010	1
UBNA-2010 BOND	9013	STATE OF CALIFORNIA		07/01/2015	0.00	0.00	0.00			0.000	1
UBNA-FLEX ACCT	9014	STATE OF CALIFORNIA		07/01/2015	10,871.89	10,871.89	10,871.89			0.000	1
		Average Balance	0.00								1
Total Cash and Investments			81,132,498.53		83,014,528.65	82,804,610.25	83,011,801.57			0.817	450

**Month End
 GASB 31 Compliance Detail
 Sorted by Fund - Fund
 December 1, 2015 - December 31, 2015**

CUSIP	Investment #	Fund	Investment Class	Maturity Date	Beginning Invested Value	Purchase of Principal	Addition to Principal	Redemption of Principal	Adjustment in Value		Ending Invested Value	
									Amortization Adjustment	Change in Market Value		
Fund: Treasury Fund												
3134G5A47	2301	99	Fair Value	12/30/2016	1,999,260.00	0.00	0.00	0.00	0.00	-160.00	1,999,100.00	
3134G7D81	2333	99	Fair Value	10/29/2018	2,000,700.00	0.00	0.00	0.00	0.00	-480.00	2,000,220.00	
3134G87F0	2337	99	Fair Value	12/28/2018	0.00	2,000,000.00	0.00	0.00	0.00	-6,840.00	1,993,160.00	
3134G76C0	2335	99	Amortized	11/23/2018	2,000,000.00	0.00	0.00	0.00	0.00	0.00	2,000,000.00	
3134G7B75	2332	99	Amortized	12/29/2017	2,000,000.00	0.00	0.00	0.00	0.00	0.00	2,000,000.00	
3134G7XJ5	2331	99	Fair Value	12/18/2017	2,000,460.00	0.00	0.00	0.00	0.00	-7,200.00	1,993,260.00	
3134G63Z4	2327	99	Fair Value	06/08/2018	2,000,240.00	0.00	0.00	2,000,000.00	0.00	-240.00	0.00	
3134G6V264	2326	99	Amortized	06/29/2018	2,000,000.00	0.00	0.00	0.00	0.00	0.00	2,000,000.00	
3134G6TJ2	2319	99	Fair Value	10/27/2017	2,001,940.00	0.00	0.00	0.00	0.00	-1,000.00	2,000,940.00	
3135G0YE7	2286	99	Fair Value	08/26/2016	1,999,760.00	0.00	0.00	0.00	0.00	340.00	2,000,100.00	
3136G23G0	2304	99	Fair Value	08/15/2017	2,004,720.00	0.00	0.00	0.00	0.00	-8,220.00	1,996,500.00	
3130A56B0	2325	99	Fair Value	05/04/2018	1,200,024.00	0.00	0.00	0.00	0.00	-5,760.00	1,194,264.00	
3130A52G3	2324	99	Fair Value	05/11/2018	1,994,200.00	0.00	0.00	0.00	0.00	-4,140.00	1,990,060.00	
3130A3N59	2315	99	Fair Value	12/29/2017	2,000,420.00	0.00	0.00	2,000,000.00	0.00	-420.00	0.00	
3130A6UZ8	2338	99	Amortized	12/28/2018	0.00	2,000,000.00	0.00	0.00	0.00	0.00	2,000,000.00	
3130A4WT5	2322	99	Fair Value	04/27/2018	1,991,220.00	0.00	0.00	0.00	0.00	-3,960.00	1,987,260.00	
3130A4MF6	2318	99	Fair Value	03/29/2018	2,004,000.00	0.00	0.00	0.00	0.00	-1,560.00	2,002,440.00	
PETTY CASH	9003	99	Amortized		2,950.00	0.00	0.00	0.00	0.00	0.00	2,950.00	
UNION MONEY	9002	99	Amortized		10,003.53	0.00	8,052,856.85	8,052,853.53	0.00	0.00	10,006.85	
UNION OPERATING	9004	99	Amortized		1,608,476.68	0.00	695,945.00	717,002.66	0.00	0.00	1,587,419.02	
PAYROLL	9005	99	Amortized		27,891.35	0.00	0.00	0.00	0.00	0.00	27,891.35	
RESERVE-10 COPS	9010	99	Amortized		5,871.00	0.00	0.00	0.00	0.00	0.00	5,871.00	
UBNA-2010 BOND	9013	99	Amortized		0.00	0.00	0.00	0.00	0.00	0.00	0.00	
LAIF BABS 2010	9012	99	Fair Value		0.00	0.00	0.00	0.00	0.00	0.00	0.00	
LAIF	9001	99	Fair Value		11,207,499.73	0.00	8,300,000.00	3,600,000.00	0.00	-19,588.50	15,887,911.23	
UBNA-FLEX ACCT	9014	99	Amortized		19,596.71	0.00	0.00	8,724.82	0.00	0.00	10,871.89	
RESERVE-10 BABS	9011	99	Amortized		15,418.74	0.00	0.11	0.00	0.00	0.00	15,418.85	
3133EEC73	2329	99	Amortized	03/27/2017	1,996,849.80	0.00	0.00	0.00	198.54	0.00	1,997,048.34	
3133EECX6	2313	99	Fair Value	11/25/2016	2,000,060.00	0.00	0.00	0.00	0.00	-7,560.00	1,992,500.00	
3133EEYE4	2320	99	Fair Value	01/16/2018	2,000,200.00	0.00	0.00	0.00	0.00	-160.00	2,000,040.00	

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Month End
GASB 31 Compliance Detail
 Sorted by Fund - Fund

CUSIP	Investment #	Fund	Investment Class	Maturity Date	Beginning Invested Value	Purchase of Principal	Addition to Principal	Redemption of Principal	Adjustment in Value		Ending Invested Value
									Amortization Adjustment	Change in Market Value	
Fund: Treasury Fund											
3133EELR9	2317	99	Fair Value	01/27/2017	1,989,960.00	0.00	0.00	0.00	0.00	3,580.00	1,993,540.00
3133EEXC9	2323	99	Fair Value	04/06/2017	1,994,940.00	0.00	0.00	0.00	0.00	-1,920.00	1,993,020.00
3133EECG3	2312	99	Fair Value	11/20/2017	2,702,890.10	0.00	0.00	0.00	0.00	-4,436.20	2,698,453.90
3133EECG3	2311	99	Fair Value	11/20/2017	1,029,196.60	0.00	0.00	0.00	0.00	-1,689.20	1,027,507.40
2050003183-6	2283	99	Amortized	01/22/2016	81,784.76	0.00	0.00	0.00	0.00	0.00	81,784.76
3136G2LZ8	2330	99	Amortized	09/28/2018	2,000,000.00	0.00	0.00	0.00	0.00	0.00	2,000,000.00
3135G0G64	2336	99	Amortized	10/29/2018	2,000,000.00	0.00	0.00	0.00	0.00	0.00	2,000,000.00
3136G2R665	2334	99	Amortized	11/19/2018	2,000,000.00	0.00	0.00	0.00	0.00	0.00	2,000,000.00
SD COUNTY POOL	9007	99	Fair Value		16,300,000.00	0.00	0.00	0.00	0.00	63,000.00	16,363,000.00
Subtotal					78,190,533.00	4,000,000.00	17,048,801.96	16,378,581.01	198.54	-8,413.90	82,852,538.59
Total					78,190,533.00	4,000,000.00	17,048,801.96	16,378,581.01	198.54	-8,413.90	82,852,538.59

**Month End
Activity Report
Sorted By Issuer
December 1, 2015 - December 31, 2015**

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
Issuer: STATE OF CALIFORNIA									
Union Bank									
UNION MONEY	9002	STATE OF CALIFORNIA			0.010		8,052,856.85	8,052,853.53	
UNION OPERATING	9004	STATE OF CALIFORNIA			0.400		695,945.00	717,002.66	
RESERVE-10 BABS	9011	STATE OF CALIFORNIA			0.010		0.11	0.00	
UBNA-FLEX ACCT	9014	STATE OF CALIFORNIA					0.00	8,724.82	
Subtotal and Balance				1,690,208.01			8,748,801.96	8,778,581.01	1,660,428.96
Local Agency Investment Fund (LAIF)									
LAIF	9001	STATE OF CALIFORNIA			0.400		8,300,000.00	3,600,000.00	
Subtotal and Balance				11,200,839.20			8,300,000.00	3,600,000.00	15,900,839.20
Issuer Subtotal			21.154%	12,891,047.21			17,048,801.96	12,378,581.01	17,561,268.16
Issuer: California Bank & Trust									
Certificates of Deposit - Bank									
Subtotal and Balance				81,784.76					81,784.76
Issuer Subtotal			0.099%	81,784.76			0.00	0.00	81,784.76
Issuer: Fannie Mae									
Federal Agency Issues- Callable									
Subtotal and Balance				6,000,000.00					6,000,000.00
Issuer Subtotal			7.228%	6,000,000.00			0.00	0.00	6,000,000.00
Issuer: Federal Farm Credit Bank									
Federal Agency Issues- Callable									
Subtotal and Balance				11,735,000.00					11,735,000.00

Data Updated: SET_ME8: 01/21/2016 13:22

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Portfolio OTAY

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Month End
Activity Report
December 1, 2015 - December 31, 2015

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Purchases or Deposits	Par Value		Ending Balance
				Beginning Balance	Current Rate			Redemptions or Withdrawals		
Issuer: Federal Farm Credit Bank										
Federal Agency Issues - Coupon										
			Subtotal and Balance	2,000,000.00					2,000,000.00	
			Issuer Subtotal	16.545%	13,735,000.00		0.00	0.00	13,735,000.00	
Issuer: Federal Home Loan Bank										
Federal Agency Issues- Callable										
3130A3N59	2315	Federal Home Loan Bank			1.125	12/29/2015	0.00	2,000,000.00		
3130A6UZ8	2338	Federal Home Loan Bank			1.375	12/28/2015	2,000,000.00	0.00		
			Subtotal and Balance	9,200,000.00			2,000,000.00	2,000,000.00	9,200,000.00	
			Issuer Subtotal	11.082%	9,200,000.00		2,000,000.00	2,000,000.00	9,200,000.00	
Issuer: Federal Home Loan Mortgage										
Federal Agency Issues- Callable										
3134G63Z4	2327	Federal Home Loan Mortgage			1.250	12/08/2015	0.00	2,000,000.00		
3134G87F0	2337	Federal Home Loan Mortgage			1.450	12/28/2015	2,000,000.00	0.00		
			Subtotal and Balance	16,000,000.00			2,000,000.00	2,000,000.00	16,000,000.00	
			Issuer Subtotal	19.274%	16,000,000.00		2,000,000.00	2,000,000.00	16,000,000.00	
Issuer: Federal National Mortgage Assoc										
Federal Agency Issues- Callable										
			Subtotal and Balance	2,000,000.00					2,000,000.00	
Federal Agency Issues - Coupon										
			Subtotal and Balance	2,000,000.00					2,000,000.00	
			Issuer Subtotal	4.818%	4,000,000.00		0.00	0.00	4,000,000.00	
Issuer: San Diego County										
San Diego County Pool										

Month End
Activity Report
December 1, 2015 - December 31, 2015

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Purchases or Deposits	Par Value		Ending Balance
				Beginning Balance	Current Rate			Redemptions or Withdrawals		
Issuer: San Diego County										
San Diego County Pool										
			Subtotal and Balance							
			Issuer Subtotal	19.800%	16,436,475.73		0.00	0.00		16,436,475.73
			Total	100.000%	78,344,307.70		21,048,801.96	16,378,581.01		83,014,528.65

**Month End
Duration Report
Sorted by Investment Type - Investment Type
Through 12/31/2015**

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 360	Current Yield	Maturity/ Call Date	Modified Duration
3134G5A47	2301	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	1,999,100.00	.6500000	0.641	0.695	12/30/2016	0.992
3136G23G0	2304	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	1,996,500.00	1.050000	1.036	1.159	08/15/2017	1.597
3133EECG3	2311	99	Federal Farm Credit Bank	Fair	1,030,000.00	1,030,000.00	1,027,507.40	1.140000	1.124	1.270	11/20/2017	1.857
3133EECG3	2312	99	Federal Farm Credit Bank	Fair	2,705,000.00	2,705,000.00	2,698,453.90	1.140000	1.124	1.270	11/20/2017	1.857
3133EECX6	2313	99	Federal Farm Credit Bank	Fair	2,000,000.00	2,000,000.00	1,992,500.00	.6100000	0.602	1.030	11/25/2016	0.893
3133EELR9	2317	99	Federal Farm Credit Bank	Fair	1,999,463.89	2,000,000.00	1,993,540.00	.6250000	0.616	0.929	01/27/2017	1.062
3130A4MF6	2318	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,002,440.00	1.300000	1.282	1.245	03/29/2018	2.198
3134G6TJ2	2319	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,000,940.00	.8750000	0.863	0.849	10/27/2017	1.801
3133EEYE4	2320	99	Federal Farm Credit Bank	Fair	2,000,000.00	2,000,000.00	2,000,040.00	1.000000	0.986	0.999	01/16/2018	2.006
3130A4WT5	2322	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	1,987,260.00	1.020000	1.006	1.300	04/27/2018	2.281
3133EEXC9	2323	99	Federal Farm Credit Bank	Fair	2,000,000.00	2,000,000.00	1,993,020.00	.6900000	0.681	0.969	04/06/2017	1.252
3130A52G3	2324	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	1,990,060.00	1.050000	1.036	1.264	05/11/2018	2.320
3130A56B0	2325	99	Federal Home Loan Bank	Fair	1,200,000.00	1,200,000.00	1,194,264.00	1.120000	1.105	1.328	05/04/2018	2.298
3134G6V264	2326	99	Federal Home Loan Mortgage	Amort	2,000,000.00	2,000,000.00	2,002,340.00	1.250000	1.233	1.202	06/29/2018	2.448
3136G2LZ8	2330	99	Fannie Mae	Amort	2,000,000.00	2,000,000.00	2,000,260.00	1.250000	1.233	1.245	09/28/2018	2.678
3134G7XJ5	2331	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	1,993,260.00	1.000000	0.986	1.174	12/18/2017	1.937
3134G7B75	2332	99	Federal Home Loan Mortgage	Amort	2,000,000.00	2,000,000.00	2,001,120.00	1.016125	1.002	0.988	12/29/2017	1.969
3134G7D81	2333	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,000,220.00	1.300000	1.282	1.296	10/29/2018	2.761
3136G2R665	2334	99	Fannie Mae	Amort	2,000,000.00	2,000,000.00	1,986,640.00	1.150000	1.134	1.387	11/19/2018	2.819
3134G76C0	2335	99	Federal Home Loan Mortgage	Amort	2,000,000.00	2,000,000.00	1,984,380.00	1.200000	1.184	1.477	11/23/2018	2.828
3135G0G64	2336	99	Fannie Mae	Amort	2,000,000.00	2,000,000.00	1,989,720.00	1.100000	1.085	1.286	10/29/2018	2.768
3134G87F0	2337	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	1,993,160.00	1.450000	1.430	1.567	12/28/2018	2.915
3130A6UZ8	2338	99	Federal Home Loan Bank	Amort	2,000,000.00	2,000,000.00	1,992,760.00	1.375000	1.356	1.499	12/28/2018	2.918

**Month End
Duration Report
Sorted by Investment Type - Investment Type
Through 12/31/2015**

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 360	Current Yield	Maturity/ Call Date	Modified Duration
3135G0YE7	2286	99	Federal National Mortgage Assoc	Fair	2,000,760.69	2,000,000.00	2,000,100.00	.6250000	0.558	0.617	08/26/2016	0.649
3133EEC73	2329	99	Federal Farm Credit Bank	Amort	1,997,048.34	2,000,000.00	1,991,900.00	.5500000	0.661	0.880	03/27/2017	1.229
2050003183-6	2283	99	California Bank & Trust	Amort	81,784.76	81,784.76	81,784.76	.0300000	0.030	0.030	01/22/2016	0.057 †
LAIF	9001	99	STATE OF CALIFORNIA	Fair	15,900,839.20	15,900,839.20	15,887,911.23	.4000000	0.395	0.400		0.000
LAIF BABS 2010	9012	99	STATE OF CALIFORNIA	Fair	0.00	0.00	0.00	.2670000	0.263	0.267		0.000
SD COUNTY	9007	99	San Diego County	Fair	16,436,475.73	16,436,475.73	16,363,000.00	.6690000	0.660	0.669		0.000
Report Total					81,351,372.61	81,354,099.69	81,144,181.29			0.907		1.208 †

† = Duration can not be calculated on these investments due to incomplete Market price data.

**Month End
Interest Earnings
Sorted by Fund - Fund
December 1, 2015 - December 31, 2015
Yield on Beginning Book Value**

CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Ending Book Value	Maturity Date	Current Rate	Annualized Yield	Adjusted Interest Earnings		
										Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
Fund: Treasury Fund												
3134G5A47	2301	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/30/2016	0.650	0.638	1,083.33	0.00	1,083.33
3134G7D81	2333	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	10/29/2018	1.300	1.276	2,166.67	0.00	2,166.67
3134G87F0	2337	99	MC1	2,000,000.00	0.00	2,000,000.00	12/28/2018	1.450	1.103	241.67	0.00	241.67
3134G76C0	2335	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	11/23/2018	1.200	1.177	2,000.00	0.00	2,000.00
3134G7B75	2332	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/29/2017	1.016	0.997	1,693.54	0.00	1,693.54
3134G7XJ5	2331	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	12/18/2017	1.000	0.981	1,666.66	0.00	1,666.66
3134G63Z4	2327	99	MC1	0.00	2,000,000.00	0.00	06/08/2018	1.250	1.267	486.11	0.00	486.11
3134G6V264	2326	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	06/29/2018	1.250	1.226	2,083.33	0.00	2,083.33
3134G6TJ2	2319	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	10/27/2017	0.875	0.859	1,458.33	0.00	1,458.33
3135G0YE7	2286	99	FAC	2,000,000.00	2,000,857.80	2,000,760.69	08/26/2016	0.625	0.556	1,041.67	-97.11	944.56
3136G23G0	2304	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	08/15/2017	1.050	1.030	1,750.00	0.00	1,750.00
3130A56B0	2325	99	MC1	1,200,000.00	1,200,000.00	1,200,000.00	05/04/2018	1.120	1.099	1,120.00	0.00	1,120.00
3130A52G3	2324	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	05/11/2018	1.050	1.030	1,750.00	0.00	1,750.00
3130A3N59	2315	99	MC1	0.00	2,000,000.00	0.00	12/29/2017	1.125	1.141	1,750.00	0.00	1,750.00
3130A6UZ8	2338	99	MC1	2,000,000.00	0.00	2,000,000.00	12/28/2018	1.375	1.046	229.17	0.00	229.17
3130A4WT5	2322	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	04/27/2018	1.020	1.001	1,700.00	0.00	1,700.00
3130A4MF6	2318	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	03/29/2018	1.300	1.276	2,166.66	0.00	2,166.66
UNION MONEY	9002	99	PA1	10,006.85	10,003.53	10,006.85		0.010	0.798	6.78	0.00	6.78
UNION OPERATING	9004	99	PA1	1,587,419.02	1,608,476.68	1,587,419.02		0.400	0.567	774.86	0.00	774.86
RESERVE-10 COPS	9010	99	PA1	5,871.00	5,871.00	5,871.00		0.010	0.010	0.05	0.00	0.05
LAIF	9001	99	LA1	15,900,839.20	11,200,839.20	15,900,839.20		0.400	0.491	4,675.36	0.00	4,675.36
RESERVE-10 BABS	9011	99	PA1	15,418.85	15,418.74	15,418.85		0.010	0.010	0.13	0.00	0.13
3133EEC73	2329	99	FAC	2,000,000.00	1,996,849.80	1,997,048.34	03/27/2017	0.550	0.658	916.67	198.54	1,115.21
3133EECX6	2313	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	11/25/2016	0.610	0.599	1,016.67	0.00	1,016.67
3133EEYE4	2320	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	01/16/2018	1.000	0.981	1,666.67	0.00	1,666.67
3133EELR9	2317	99	MC1	2,000,000.00	1,999,422.22	1,999,463.89	01/27/2017	0.625	0.638	1,041.66	41.67	1,083.33
3133EEXC9	2323	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	04/06/2017	0.690	0.677	1,150.00	0.00	1,150.00
3133EECG3	2312	99	MC1	2,705,000.00	2,705,000.00	2,705,000.00	11/20/2017	1.140	1.119	2,569.75	0.00	2,569.75
3133EECG3	2311	99	MC1	1,030,000.00	1,030,000.00	1,030,000.00	11/20/2017	1.140	1.119	978.50	0.00	978.50

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Portfolio OTAY

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**Month End
Interest Earnings
December 1, 2015 - December 31, 2015**

CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Ending Book Value	Maturity Date	Current Annualized Rate	Annualized Yield	Adjusted Interest Earnings		
										Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
Fund: Treasury Fund												
2050003183-6	2283	99	BCD	81,784.76	81,784.76	81,784.76	01/22/2016	0.030	0.030	2.11	0.00	2.11
3136G2LZ8	2330	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	09/28/2018	1.250	1.226	2,083.33	0.00	2,083.33
3135G0G64	2336	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	10/29/2018	1.100	1.079	1,833.34	0.00	1,833.34
3136G2R665	2334	99	MC1	2,000,000.00	2,000,000.00	2,000,000.00	11/19/2018	1.150	1.153	1,958.79	0.00	1,958.79
SD COUNTY POOL	9007	99	LA3	16,436,475.73	16,436,475.73	16,436,475.73		0.669	0.669	9,339.07	0.00	9,339.07
Subtotal				82,972,815.41	78,290,999.46	82,970,088.33			0.833	54,400.88	143.10	54,543.98
Total				82,972,815.41	78,290,999.46	82,970,088.33			0.833	54,400.88	143.10	54,543.98



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	February 3, 2016
SUBMITTED BY:	Kevin Koeppen, Finance Manager, Treasury & Acct	W.O./G.F. NO:	DIV. NO.
APPROVED BY:	Joseph Beachem, Chief Financial Officer (Chief)		
APPROVED BY:	German Alvarez, Assistant General Manager (Asst. GM)		
SUBJECT:	Accounts Payable Demand List		

PURPOSE:

Attached is the list of demands for the Board's information.

FISCAL IMPACT:

<u>SUMMARY FOR PERIOD</u> 12/17/2015 - 1/20/2016	<u>NET DEMANDS</u>
CHECKS (2044905 - 2045109)	\$ 1,939,011.90
VOID CHECKS (1)	(\$ 49.46)
TOTAL CHECKS	\$ 1,938,962.44
WIRE TO:	
CALPERS - OTHER POST EMPLOYMENT BENEFITS (MONTHLY)	\$ 123,900.00
CITY TREASURER - RECLAIMED WATER PURCHASE (11/4/15-12/2/15)	\$ 54,613.32
OTAY WATER DISTRICT - BI-WEEKLY PAYROLL DEDUCTION	\$ 665.00
OTAY WATER DISTRICT - BI-WEEKLY PAYROLL DEDUCTION	\$ 672.00
PREFERRED BENEFIT INSURANCE - DENTAL & COBRA CLAIMS (DEC 2015)	\$ 12,566.06
SAN DIEGO COUNTY WATER AUTH - WATER DELIVERIES & CHARGES (NOV 2015)	\$ 2,997,588.90
SPECIAL DISTRICT RISK - HEALTH ADMINISTRATION (JAN 2016)	\$ 298,580.52
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 237.69
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 323.06
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 237.69
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 323.06
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 237.69
STATE DISBURSEMENT UNIT - BI-WEEKLY PAYROLL DEDUCTION	\$ 323.06
STATE OF CALIFORNIA - CA SALES USE TAX (4TH QTR 2015)	\$ 2,571.00
UNION BANK - BI-WEEKLY PAYROLL TAXES	\$ 266,623.69
UNION BANK - BI-WEEKLY PAYROLL TAXES	\$ 133,980.01
UNION BANK - BI-WEEKLY PAYROLL TAXES	\$ 139,813.57
UNION BANK NA - COPS 1996 (MONTHLY)	\$ 413.91
UNION BANK NA - COPS 1996 (QUARTERLY)	\$ 21,472.65
TOTAL CASH DISBURSEMENTS	\$ 5,994,105.32

RECOMMENDED ACTION:

That the Board received the attached list of demands.

Jb/Attachment

CHECK REGISTER

Otay Water District

Date Range: 12/17/2015 - 1/20/2016

Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2045077	01/20/16	08488	ABLEFORCE INC	6051	01/04/16	SHAREPOINT SERVICES (12/01/15-12/17/15)	2,062.50	2,062.50
2044905	12/22/15	08488	ABLEFORCE INC	5953	12/02/15	SHAREPOINT SERVICES (11/4/15-11/30/15)	1,875.00	1,875.00
2045078	01/20/16	13901	ADVANCED INDUSTRIAL SVCS INC	112312015	01/11/16	711-1 & 2 RESERVOIR (ENDING 12/31/15)	61,821.25	61,821.25
2044988	01/06/16	12174	AECOM TECHNICAL SERVICES INC	35	12/16/15	DISINFECTION SYSTEM (ENDING 11/27/15)	8,760.85	8,760.85
2044906	12/22/15	13753	AIRGAS USA LLC	9932051309	11/30/15	BREATHING AIR BOTTLES	47.47	47.47
2044907	12/22/15	15024	AIRX UTILITY SURVEYORS INC	27	12/07/15	LAND SURVEYING (11/1/15-11/30/15)	1,700.00	1,700.00
2044908	12/22/15	16959	ALEJANDRO GARCIA	12172015AG	12/22/15	FINGERPRINTING REIMBURSEMENT	20.00	20.00
2044989	01/06/16	14462	ALYSON CONSULTING	CM201579	12/11/15	MGMT / INSP (11/1/15-11/30/15)	4,650.00	
				CM201580	12/11/15	MGMT / INSP (11/1/15-11/30/15)	2,100.00	
				CM201578	12/11/15	MGMT / INSP (11/1/15-11/30/15)	2,000.00	
				CM201577	12/11/15	MGMT / INSP (11/1/15-11/30/15)	1,630.00	
				CM201576	12/11/15	MGMT / INSP (11/1/15-11/30/15)	1,430.00	
				CM201575	12/11/15	MGMT / INSP (11/1/15-11/30/15)	1,260.00	
				CM201573	12/11/15	MGMT / INSP (5/1/15-11/30/15)	900.00	
				CM201574	12/11/15	MGMT / INSP (11/1/15-11/30/15)	900.00	14,870.00
2045031	01/13/16	06166	AMERICAN MESSAGING	L1109570QA	01/01/16	PAGERS (DEC 2015)	178.38	178.38
2045032	01/13/16	00107	AMERICAN WATER WORKS ASSN	7001133247	11/29/15	MEMBERSHIP RENEWAL	6,073.00	6,073.00
2044967	12/29/15	16960	ANGIE HERNANDEZ	Ref002453664	12/28/15	UB Refund Cst #0000015806	41.62	41.62
2044909	12/22/15	16958	ANNA FLORES	0530121715	12/18/15	CUSTOMER REFUND	4,082.76	4,082.76
2045033	01/13/16	08967	ANTHEM BLUE CROSS EAP	55517	12/28/15	EMPLOYEE ASSISTANCE PROG (JAN-MAR 2016)	934.37	934.37
2045034	01/13/16	16988	ANTONIO MAR	Ref002454465	01/11/16	UB Refund Cst #0000168400	16.71	16.71
2044990	01/06/16	03492	AQUA-METRIC SALES COMPANY	0059048IN	12/15/15	8" OMNI T2 METER	8,183.88	
				0059049IN	12/15/15	4" SENSUS OMNI METERS	7,851.60	16,035.48
2045079	01/20/16	07785	AT&T	000007503734	01/02/16	TELEPHONE SERVICES (12/2/15-1/1/16)	6,110.49	6,110.49
2044910	12/22/15	12810	ATKINS	1826985	11/28/15	DESIGN SERVICES (ENDING 11/1/15)	340.00	340.00
2045035	01/13/16	12810	ATKINS	1828649	11/28/15	DESIGN SERVICES (ENDING 11/29/15)	400.00	400.00
2044991	01/06/16	00145	BARRETT ENGINEERED PUMPS	97596	12/21/15	SAMPLE PUMP	1,126.97	1,126.97
2045036	01/13/16	16992	BERNARD TRUST	Ref002454469	01/11/16	UB Refund Cst #0000208985	17.03	17.03
2045037	01/13/16	15570	BEYOND IDEAS LLC	OWD0115	12/04/15	WEBSITE CONSULTING	1,980.00	1,980.00

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2044911	12/22/15	10970	BRENNTAG PACIFIC INC	BPI581974	12/03/15	SODIUM HYPOCHLORITE	1,516.38	
				BPI580215	11/25/15	SODIUM HYPOCHLORITE	1,495.06	3,011.44
2044992	01/06/16	10970	BRENNTAG PACIFIC INC	BPI586022	12/17/15	SODIUM HYPOCHLORITE	1,221.82	
				BPI584170	12/11/15	SODIUM HYPOCHLORITE	1,138.50	2,360.32
2045080	01/20/16	10970	BRENNTAG PACIFIC INC	BPI587171	12/23/15	SODIUM HYPOCHLORITE	805.18	
				BPI588364	12/30/15	SODIUM HYPOCHLORITE	763.51	1,568.69
2045038	01/13/16	16995	CALIFORNIA REGIONAL WATER	01112015	01/11/16	PIPELINE LEAK	200.00	200.00
2044993	01/06/16	16745	CALIFORNIA TITLE SEARCH CO	1215439	12/22/15	EASEMENT SEARCH	45.00	45.00
2044912	12/22/15	16252	CALIFORNIA UNITED BANK	211302015	12/03/15	RETENTION / R2109 (ENDING 11/30/15)	2,631.40	2,631.40
2044913	12/22/15	00192	CALIFORNIA WATER ENVIRONMENT	145941121715	12/17/15	CERTIFICATE RENEWAL	86.00	86.00
2044994	01/06/16	00192	CALIFORNIA WATER ENVIRONMENT	145941010416	01/04/16	MEMBERSHIP RENEWAL	164.00	164.00
2044914	12/22/15	01243	CALIFORNIA-NEVADA SECTION	00832121715	12/17/15	CERTIFICATE RENEWAL	80.00	80.00
2044995	01/06/16	02758	CARMEL BUSINESS SYSTEMS INC	7957	12/10/15	DESTRUCTION SERVICES (12/9/15)	38.50	38.50
2044915	12/22/15	02758	CARMEL BUSINESS SYSTEMS INC	7951	11/30/15	REPROGRAPHICS SERVICES	511.00	
				7950	11/30/15	DOCUMENT DESTRUCTION & SCANNING	376.50	887.50
2045081	01/20/16	02758	CARMEL BUSINESS SYSTEMS INC	7963	12/22/15	REPROGRAPHICS SERVICES	657.00	657.00
2044916	12/22/15	10571	CCL CONTRACTING	111302015	12/14/15	624 PZ/944-1 PRS IMPROV (ENDING 11/30/15)	8,170.00	8,170.00
2045082	01/20/16	03232	CDW GOVERNMENT INC	BNN5928	12/22/15	SOFTWARE LICENSES	3,300.00	3,300.00
2044917	12/22/15	03232	CDW GOVERNMENT INC	BJX3272	12/03/15	CRADLEPOINT ROUTERS	15,136.21	
				BJX8804	12/03/15	CRADLEPOINT ROUTERS	2,309.50	17,445.71
2044996	01/06/16	16746	CH2M HILL ENGINEERS INC	381047682	12/15/15	2015 UWMP UPDATE (9/26/15-10/30/15)	1,018.50	1,018.50
2045039	01/13/16	04349	CHAMBERS, JONATHAN	12282015JC	12/28/15	TUITION REIMBURSEMENT	307.95	307.95
2044918	12/22/15	15256	CIGNA GROUP INSURANCE / LINA	9267121015	12/21/15	AD&D & SUPP LIFE INS (DEC 2015)	4,281.92	4,281.92
2045040	01/13/16	14883	CINDY TERHUNE	Ref002454461	01/11/16	UB Refund Cst #0000021410	22.41	22.41
2044919	12/22/15	04119	CLARKSON LAB & SUPPLY INC	82175	11/30/15	BACTERIOLOGICAL TESTING (11/23/15)	500.00	
				82173	11/30/15	BACTERIOLOGICAL TESTING (11/2/15)	166.00	
				82174	11/30/15	BACTERIOLOGICAL TESTING	166.00	832.00
2045083	01/20/16	04119	CLARKSON LAB & SUPPLY INC	82669	01/01/16	BACTERIOLOGICAL TESTING	360.00	
				82670	01/01/16	BACTERIOLOGICAL TESTING	360.00	
				82667	01/01/16	BACTERIOLOGICAL TESTING (12/4/15-12/5/15)	246.00	

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				82666	01/01/16	BACTERIOLOGICAL TESTING (11/30/15)	208.00	
				82668	01/01/16	BACTERIOLOGICAL TESTING (12/4/15)	166.00	1,340.00
2045084	01/20/16	15616	COGENT COMMUNICATIONS INC	0001010116	01/01/16	INTERNET CIRCUITS (JAN 2016)	3,047.00	3,047.00
2044920	12/22/15	11056	CONCHAS, FREDERICK	12212015FC	12/22/15	TUITION REIMBURSEMENT	294.20	294.20
2045085	01/20/16	03307	CONSTRUCTION MANAGEMENT	89283	10/21/15	CMAA DUES	1,200.00	1,200.00
2044921	12/22/15	15049	CORELOGIC SOLUTIONS LLC	81638620	11/30/15	DATA SERVICES (NOV 2015)	605.00	
				81619223	09/30/15	DATA SERVICES (SEPT 2015)	605.00	
				81589393	08/31/15	DATA SERVICES (AUG 2015)	605.00	
				81636954	11/30/15	DATA SERVICES (NOV 2015)	525.00	2,340.00
2045086	01/20/16	15049	CORELOGIC SOLUTIONS LLC	81646409	12/31/15	DATA SERVICES (DEC 2015)	605.00	
				81651055	12/31/15	DATA SERVICES (DEC 2015)	525.00	1,130.00
2045087	01/20/16	12334	CORODATA MEDIA STORAGE INC	DS1271485	12/31/15	TAPE STORAGE (DEC 2015)	392.35	392.35
2044922	12/22/15	12334	CORODATA MEDIA STORAGE INC	DS1271069	11/30/15	TAPE STORAGE (NOV 2015)	395.18	395.18
2044997	01/06/16	00099	COUNTY OF SAN DIEGO	DPWAROTAYMW	12/14/15	EXCAVATION PERMITS (NOV 2015)	2,390.90	2,390.90
2044923	12/22/15	00134	COUNTY OF SAN DIEGO	121715	12/17/15	VARIANCE PERMIT	107.00	107.00
2044924	12/22/15	00184	COUNTY OF SAN DIEGO	2003193E6155411	12/04/15	SHUT DOWN TEST (11/25/15)	142.00	142.00
2045041	01/13/16	00184	COUNTY OF SAN DIEGO	2003193E6024912	01/04/16	SHUT DOWN TEST (12/2/15)	355.00	
				2003193E6155412	01/04/16	SHUT DOWN TEST (12/28/15)	142.00	
				2003193E6156612	01/04/16	SHUT DOWN TEST (12/9/15)	142.00	639.00
2044998	01/06/16	02756	COX COMMUNICATIONS INC	99601123015	12/30/15	INTERNET SERVICES (12/29/15-1/28/16)	600.00	600.00
2044925	12/22/15	15898	D & D WILDLIFE HABITAT	53908	12/14/15	VEGETATION REMOVAL	1,496.00	1,496.00
2044999	01/06/16	04073	DATA BUSINESS SYSTEMS INC	105352	12/09/15	TAX FORMS	81.08	81.08
2045042	01/13/16	14008	DELL AWARDS	199728	12/23/15	OUTSIDE SERVICES	76.68	
				199719	12/22/15	OUTSIDE SERVICES	48.60	125.28
2045043	01/13/16	08023	EMPLOYEE BENEFIT SPECIALISTS	0072776IN	11/30/15	EMPLOYEE BENEFITS (NOV 2015)	685.00	685.00
2044926	12/22/15	03227	ENVIROMATRIX ANALYTICAL INC	5120478	12/07/15	LAB ANALYSIS (11/18/15-12/1/15)	525.00	
				5111023	11/30/15	LAB ANALYSIS (11/14/15-11/17/15)	300.00	825.00
2045000	01/06/16	03227	ENVIROMATRIX ANALYTICAL INC	5120857	12/21/15	LAB ANALYSIS (12/3/15-12/14/15)	915.00	
				5120668	12/14/15	LAB ANALYSIS (11/25/15-12/10/15)	630.00	1,545.00
2045088	01/20/16	03227	ENVIROMATRIX ANALYTICAL INC	6010358	01/04/16	LAB ANALYSIS (12/15/15-12/29/15)	552.75	552.75

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2045001	01/06/16	03725	ENVIRONMENTAL SYSTEMS RESEARCH	93012881	08/04/15	ENTERPRISE LICENSE/SUPP (7/26/15-7/25/16)	53,989.20	53,989.20
2045089	01/20/16	14320	EUROFINS EATON ANALYTICAL INC	L0247189	01/06/15	OUTSIDE LAB SERVICES (12/8/15)	240.00	240.00
2044968	12/29/15	16970	EVAN SALEM	Ref002453675	12/28/15	UB Refund Cst #0000223402	821.66	821.66
2044969	12/29/15	16969	EXCEL PROPERTIES	Ref002453674	12/28/15	UB Refund Cst #0000222329	45.43	45.43
2044927	12/22/15	12187	FIRST AMERICAN DATA TREE LLC	9003401115	11/30/15	ONLINE DOCUMENTS (MONTHLY)	99.00	99.00
2045090	01/20/16	12187	FIRST AMERICAN DATA TREE LLC	9003401215	12/31/15	ONLINE DOCUMENTS (MONTHLY)	99.00	99.00
2045091	01/20/16	16469	FIRST CHOICE SERVICES	052539	12/29/15	COFFEE SERVICES	353.80	353.80
2044928	12/22/15	16469	FIRST CHOICE SERVICES	050353	11/30/15	COFFEE SERVICES	479.52	479.52
2045002	01/06/16	16469	FIRST CHOICE SERVICES	051449	12/14/15	COFFEE SERVICES	508.54	508.54
2044929	12/22/15	02591	FITNESS TECH	9854	12/01/15	EQUIPMENT MAINTENANCE (DEC 2015)	135.00	135.00
2045003	01/06/16	11962	FLEETWASH INC	x662637	12/18/15	VEHICLE WASHING	116.21	116.21
2044930	12/22/15	11962	FLEETWASH INC	x652887	12/04/15	VEHICLE WASHING	38.70	38.70
2044931	12/22/15	16119	FORDYCE CONSTRUCTION INC	211302015	12/03/15	SWEETWATER RIVER TRESTLE (ENDING 11/30/15)	49,996.60	49,996.60
2045044	01/13/16	02344	FRANCHISE TAX BOARD	Ben2454491	01/14/16	BI-WEEKLY PAYROLL DEDUCTION	100.00	100.00
2044970	12/29/15	02344	FRANCHISE TAX BOARD	Ben2453689	12/30/15	BI-WEEKLY PAYROLL DEDUCTION	433.88	433.88
2044932	12/22/15	07224	FRAZEE INDUSTRIES INC	14444	11/30/15	PAINT	1,609.57	1,609.57
2044933	12/22/15	13563	FRIENDS OF THE WATER	270	08/31/15	GARDEN TOURS (AUG 2015)	1,400.00	1,400.00
2045092	01/20/16	13563	FRIENDS OF THE WATER	285	12/22/15	GARDEN TOURS (DEC 2015)	3,500.00	3,500.00
2045045	01/13/16	10291	GOIN, JEFF	010216	01/07/16	SAFETY BOOTS	134.99	134.99
2045004	01/06/16	00101	GRAINGER INC	9917171853	12/14/15	SEWAGE PUMP & HOSE	1,249.99	1,249.99
2044934	12/22/15	12907	GREENRIDGE LANDSCAPE INC	13708	11/30/15	LANDSCAPING SERVICES (NOV 2015)	8,909.50	8,909.50
2045093	01/20/16	12907	GREENRIDGE LANDSCAPE INC	13791	12/28/15	LANDSCAPING SERVICES (DEC 2015)	8,909.50	8,909.50
2044935	12/22/15	00174	HACH COMPANY	9671655	11/16/15	HACH ANALYZERS	3,050.06	3,050.06
2044936	12/22/15	00201	HARRINGTON INDL PLASTICS LLC	004G1208	11/24/15	TUBING FITTINGS	238.71	
				004G1454	12/07/15	TUBING FITTINGS	194.68	433.39
2045005	01/06/16	02795	HARTFORD INSURANCE CO, THE	13911443	12/08/15	INSURANCE PREMIUM	750.00	750.00
2045046	01/13/16	05986	HAVS INCORPORATED	7282	12/15/15	OUTSIDE SERVICES	1,089.00	1,089.00

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2045047	01/13/16	10973	HDR ENGINEERING INC	21	11/30/15	CORROSION SERVICES (9/27/15-10/31/15)	11,187.11	11,187.11
2044971	12/29/15	16966	HEATHER HELLARD	Ref002453671	12/28/15	UB Refund Cst #0000215991	6.75	6.75
2044937	12/22/15	02008	HELIX ENVIRONMENTAL	13	12/04/15	ENVIRONMENTAL SERVICES (11/1/15-11/30/15)	7,981.12	7,981.12
2044938	12/22/15	00062	HELIX WATER DISTRICT	3300120915 4283120915	12/09/15 12/09/15	WATER USAGE (10/8/15-12/7/15) WATER USAGE (10/8/15-12/7/15)	47.50 6.62	54.12
2045048	01/13/16	15622	ICF JONES & STOKES INC	0112011 0112006 0112014	12/18/15 12/18/15 12/18/15	ENVIRONMENTAL SERVICES (10/13/15-11/27/15) ENVIRONMENTAL SERVICES (10/1/15-11/27/15) ENVIRONMENTAL SERVICES (4/1/15-11/27/15)	6,220.46 1,462.64 240.00	7,923.10
2044939	12/22/15	15622	ICF JONES & STOKES INC	0110568 0110571	10/12/15 10/12/15	ENVIRONMENTAL SERVICES (8/29/15-9/30/15) ENVIRONMENTAL SERVICES (8/29/15-9/30/15)	9,356.25 335.03	9,691.28
2045049	01/13/16	08969	INFOSEND INC	98584 98583 98748 100298 100148	10/30/15 10/30/15 11/03/15 12/17/15 12/17/15	BILL PRINTING SERVICES (OCT 2015) BILL PRINTING SERVICES (OCT 2015) BILL PRINTING SERVICES (OCT 2015) BILL PRINTING SERVICES (11/20/15) BILL PRINTING SERVICES (11/20/15)	12,741.44 5,999.72 2,036.32 39.13 18.72	20,835.33
2045094	01/20/16	08969	INFOSEND INC	100763 100762	12/31/15 12/31/15	BILL PRINTING SERVICES (DEC 2015) BILL PRINTING SERVICES (DEC 2015)	13,888.86 3,997.69	17,886.55
2044940	12/22/15	08969	INFOSEND INC	99587 99586 99761	11/30/15 11/30/15 12/02/15	BILL PRINTING SERVICES (NOV 2015) BILL PRINTING SERVICES (NOV 2015) BILL PRINTING SERVICES (NOV 2015)	11,307.15 4,112.08 2,018.71	17,437.94
2045095	01/20/16	02372	INTERIOR PLANT SERVICE INC	15172	12/20/15	PLANT SERVICES (DEC 2015)	226.00	226.00
2044941	12/22/15	02372	INTERIOR PLANT SERVICE INC	14110	11/20/15	PLANT SERVICES (NOV 2015)	226.00	226.00
2045050	01/13/16	13899	INTERMEDIA.NET INC	1601001602	01/01/16	EMAIL SERVICES	3,103.34	3,103.34
2044942	12/22/15	16957	ISRAEL RAMIREZ	9503121815	12/18/15	CUSTOMER REFUND	1,155.24	1,155.24
2045051	01/13/16	16991	JANICE GRIMSLEY	Ref002454468	01/11/16	UB Refund Cst #0000208904	5.93	5.93
2045006	01/06/16	10563	JCI JONES CHEMICALS INC	676273 677025 676265 676990	 12/10/15 12/21/15	CREDIT MEMO CREDIT MEMO CHEMICALS FOR TREATMENT PLANT CHEMICALS FOR TREATMENT PLANT	-2,000.00 -2,000.00 3,123.10 3,123.10	2,246.20
2045052	01/13/16	16994	JERRY CARTER	Ref002454471	01/11/16	UB Refund Cst #0000223050	35.21	35.21
2044972	12/29/15	16840	JOEL BELTRAN	Ref002453667	12/28/15	UB Refund Cst #0000170186	171.92	171.92

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2044973	12/29/15	16961	KENYON YOUNG	Ref002453665	12/28/15	UB Refund Cst #0000017806	47.76	47.76
2044974	12/29/15	16962	KHANH PHAM	Ref002453666	12/28/15	UB Refund Cst #0000089431	50.75	50.75
2045096	01/20/16	05840	KIRK PAVING INC	6021	12/23/15	ASPHALT CONCRETE PAVING	11,552.05	11,552.05
2044943	12/22/15	05840	KIRK PAVING INC	5999	11/25/15	ASPHALT CONCRETE PAVING	5,885.00	5,885.00
2045053	01/13/16	12276	KONECRANES INC	SDG01078105	12/29/15	HOIST INSPECTION (DEC 2015)	575.00	575.00
2044944	12/22/15	12843	LAWTON GROUP, THE	52306	12/18/15	INTERNSHIP AGREEMENT (12/7/15-12/11/15)	290.00	290.00
2045054	01/13/16	13749	LONDON GROUP REALTY ADVISORS	1140	12/30/15	OUTSIDE SERVICES	13,750.00	13,750.00
2044945	12/22/15	03019	LOPEZ, JOSE	110115113015	12/14/15	MILEAGE REIMBURSEMENT (NOV 2015)	13.80	
				120115123115	12/22/15	MILEAGE REIMBURSEMENT (DEC 2015)	3.45	17.25
2044975	12/29/15	16963	LORA DENUNZIO	Ref002453668	12/28/15	UB Refund Cst #0000184557	109.88	109.88
2044946	12/22/15	05329	MASTER METER INC	143956	11/25/15	INVENTORY	19,703.73	19,703.73
2045055	01/13/16	16985	MICHAEL WARD	Ref002454462	01/11/16	UB Refund Cst #0000044307	75.24	75.24
2045097	01/20/16	15136	MISSION UNIFORM SERVICE	501598429	12/29/15	UNIFORM SERVICES	423.26	
				501553205	12/22/15	UNIFORM SERVICES	422.26	
				501588084	12/28/15	UNIFORM SERVICES	105.88	
				501598428	12/29/15	UNIFORM SERVICES	87.84	
				501553204	12/22/15	UNIFORM SERVICES	87.84	
				501542062	12/22/15	UNIFORM SERVICES	12.64	
				501542063	12/22/15	UNIFORM SERVICES	4.00	1,143.72
2044947	12/22/15	15136	MISSION UNIFORM SERVICE	501370418	11/24/15	UNIFORM SERVICES	401.78	
				501418443	12/01/15	UNIFORM SERVICES	400.78	
				501452102	12/07/15	UNIFORM SERVICES	105.88	
				501407914	11/30/15	UNIFORM SERVICES	100.14	
				501370417	11/24/15	UNIFORM SERVICES	93.58	
				501418442	12/01/15	UNIFORM SERVICES	93.58	
				501404758	11/30/15	UNIFORM SERVICES	46.38	
				501358115	11/24/15	UNIFORM SERVICES	4.00	1,246.12
2045007	01/06/16	15136	MISSION UNIFORM SERVICE	501505924	12/15/15	UNIFORM SERVICES	400.69	
				501461330	12/08/15	UNIFORM SERVICES	393.04	
				501496850	12/14/15	UNIFORM SERVICES	105.88	
				501542456	12/21/15	UNIFORM SERVICES	105.88	
				501505923	12/15/15	UNIFORM SERVICES	105.06	
				501461329	12/08/15	UNIFORM SERVICES	99.32	

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				501451177	12/08/15	UNIFORM SERVICES	6.00	1,215.87
2045056	01/13/16	15854	MITSUBISHI UFJ SEC (USA) INC	201610	01/07/16	REMARKETING AGENT FEE (10/1/15-12/31/15)	1,996.27	1,996.27
2044976	12/29/15	16967	MOUSHUMI DATTA	Ref002453672	12/28/15	UB Refund Cst #0000216599	31.65	31.65
2044977	12/29/15	16964	NADIA DEL VALLE	Ref002453669	12/28/15	UB Refund Cst #0000197667	91.68	91.68
2044948	12/22/15	16898	NATIONAL METER & AUTOMATION	S1066417001	12/08/15	MEASURING ELEMENTED & BYPASS METER	3,419.67	3,419.67
2045057	01/13/16	16255	NATIONWIDE RETIREMENT	Ben2454479	01/14/16	BI-WEEKLY DEFERRED COMP PLAN	13,071.12	13,071.12
2044978	12/29/15	16255	NATIONWIDE RETIREMENT	Ben2453679	12/30/15	BI-WEEKLY DEFERRED COMP PLAN	9,221.12	9,221.12
2045008	01/06/16	00761	NINYO & MOORE GEOTECHNICAL AND	194640	12/03/15	GEOTECHNICAL SERVICES (9/1/14-10/30/15)	2,668.25	2,668.25
2044949	12/22/15	00510	OFFICE DEPOT INC	810510200001	12/04/15	OFFICE SUPPLIES	84.10	
				808878627001	11/30/15	OFFICE SUPPLIES	59.77	
				807885065003	11/24/15	OFFICE SUPPLIES	30.83	174.70
2045009	01/06/16	00510	OFFICE DEPOT INC	811168668001	12/09/15	OFFICE SUPPLIES	473.03	
				811531072001	12/10/15	OFFICE SUPPLIES	161.52	
				813046215001	12/17/15	OFFICE SUPPLIES	142.06	
				813204432001	12/18/15	OFFICE SUPPLIES	99.39	
				812824284001	12/16/15	OFFICE SUPPLIES	51.01	
				812824284002	12/17/15	OFFICE SUPPLIES	3.25	930.26
2045058	01/13/16	15856	OLYMPUS AND ASSOCIATES INC	1100011116	01/11/16	DEPOSIT REFUND	2,046.00	2,046.00
2045010	01/06/16	15856	OLYMPUS AND ASSOCIATES INC	12	12/14/15	RESERVOIR COATING (ENDING 11/30/15)	33,398.20	33,398.20
2044950	12/22/15	01002	PACIFIC PIPELINE SUPPLY	305154	12/02/15	BUTTERFLY VALVE	7,284.64	
				304969	11/24/15	INVENTORY	4,253.33	11,537.97
2045011	01/06/16	01002	PACIFIC PIPELINE SUPPLY	305239	12/08/15	INVENTORY	9,283.73	9,283.73
2044951	12/22/15	05497	PAYPAL INC	46272239	11/30/15	PHONE PAYMENT SVCS (NOV 2015)	54.10	54.10
2044952	12/22/15	15899	PCM-G	S93207660101	11/24/15	SOFTWARE LICENSES	7,857.90	7,857.90
2045012	01/06/16	15899	PCM-G	S93690060101	12/18/15	SOFTWARE LICENSES	8,893.50	8,893.50
2044953	12/22/15	12472	PCNATION	W12219790101	12/03/15	UPS	1,943.94	1,943.94
2044979	12/29/15	16968	PRAECELUSUS PROPERTY MGT	Ref002453673	12/28/15	UB Refund Cst #0000221670	33.61	33.61
2045098	01/20/16	13059	PRIORITY BUILDING SERVICES	47142	12/01/15	JANITORIAL SERVICES (DEC 2015)	3,924.48	3,924.48
2044954	12/22/15	13059	PRIORITY BUILDING SERVICES	46714	11/01/15	JANITORIAL SERVICES (NOV 2015)	3,924.48	3,924.48

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Check #	Date	Vendor	Vendor Name	Invoice	Inv. Date	Description	Amount	Check Total
2045099	01/20/16	07860	PROTECTIVE LIFE INSURANCE CO	102788011116	01/11/16	LIFE INSURANCE	1,218.88	1,218.88
2044955	12/22/15	07860	PROTECTIVE LIFE INSURANCE CO	102788	12/10/15	LIFE INSURANCE	8,433.50	8,433.50
2045013	01/06/16	03613	PSOMAS	113105	12/08/15	AS-NEEDED DESIGN (ENDING 11/26/15)	191.25	191.25
2044956	12/22/15	03613	PSOMAS	113073	12/07/15	AS-NEEDED DESIGN (ENDING 11/26/15)	191.25	
				113068	12/07/15	AS-NEEDED DESIGN (ENDING 11/26/15)	174.50	365.75
2044957	12/22/15	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2453555	12/17/15	BI-WEEKLY PERS CONTRIBUTION	186,385.11	186,385.11
2045014	01/06/16	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2453681	12/30/15	BI-WEEKLY PERS CONTRIBUTION	188,429.26	188,429.26
2045100	01/20/16	00078	PUBLIC EMPLOYEES RET SYSTEM	Ben2454481	01/14/16	BI-WEEKLY PERS CONTRIBUTION	191,879.32	191,879.32
2044958	12/22/15	00766	RANROY PRINTING COMPANY	023707	11/30/15	POSTCARDS	1,323.00	1,323.00
2045059	01/13/16	16990	RAYMOND DECKER	Ref002454467	01/11/16	UB Refund Cst #0000208691	41.99	41.99
2045015	01/06/16	15647	RFYEAGER ENGINEERING LLC	15173	12/12/15	CORROSION / COATING INSP (11/1/15-11/30/15)	15,075.00	15,075.00
2045060	01/13/16	16993	RHONDA ADDINGTON	Ref002454470	01/11/16	UB Refund Cst #0000217687	53.32	53.32
2045101	01/20/16	08972	RICK ENGINEERING COMPANY	0046181	12/28/15	CAMPO ROAD SUPPORT (11/1/15-11/30/15)	16,893.31	16,893.31
2045061	01/13/16	16986	RITA COHEN	Ref002454463	01/11/16	UB Refund Cst #0000054628	416.72	416.72
2045062	01/13/16	04542	ROBAK, MARK	090115123115	12/31/15	MILEAGE REIMBURSEMENT (10/07/15-12/15/15)	86.25	86.25
2045016	01/06/16	02620	ROTORK CONTROLS INC	CI11269	12/10/15	HDWKS 16IN ACTUATORS	3,044.80	3,044.80
2044959	12/22/15	16853	S & R TESTING SERVICES	104	12/04/15	PRESSURE TEST VALVE	730.00	730.00
2045102	01/20/16	09223	SAN DIEGO CO SYMPOSIUM FUND	IS163020	01/14/16	REGISTRATION FEE	25.00	
				IS163021	01/14/16	REGISTRATION FEE	25.00	
				IS163022	01/14/16	REGISTRATION FEE	25.00	75.00
2044960	12/22/15	02586	SAN DIEGO COUNTY ASSESSOR	201504420	12/02/15	ASSESSOR DATA (11/9/15)	125.00	125.00
2045103	01/20/16	02586	SAN DIEGO COUNTY ASSESSOR	201600051	01/07/16	ASSESSOR DATA (12/10/15)	125.00	125.00
2045017	01/06/16	00003	SAN DIEGO COUNTY WATER AUTH	0000001357	12/23/15	MWD SCWS - HEWS	1,760.00	1,760.00
2044980	12/29/15	00003	SAN DIEGO COUNTY WATER AUTH	0000001348	12/07/15	WATER CONSERVATION PAMPHLETS	792.50	792.50
2045063	01/13/16	00121	SAN DIEGO GAS & ELECTRIC	010616	01/06/16	UTILITY EXPENSES (MONTHLY)	65,624.91	
				122315A	12/23/15	UTILITY EXPENSES (MONTHLY)	20,523.53	86,148.44
2045018	01/06/16	00121	SAN DIEGO GAS & ELECTRIC	122815	01/05/16	UTILITY EXPENSES (MONTHLY)	61,923.05	
				121815	01/05/16	UTILITY EXPENSES (MONTHLY)	27,897.46	
				122415	01/05/16	UTILITY EXPENSES (MONTHLY)	26,992.40	

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				122315	01/05/16	UTILITY EXPENSES (MONTHLY)	775.45	117,588.36
2044961	12/22/15	10578	SAN DIEGO INTERNATIONAL PUBLIC	120315	12/03/15	MEMBERSHIP DUES	75.00	75.00
2045019	01/06/16	15771	SMART DESIGN COMMERCIAL	522	12/14/15	FLOORING REMODEL	1,899.80	1,899.80
2045064	01/13/16	16229	SMITH, TIMOTHY	120115123115	12/31/15	MILEAGE REIMBURSEMENT (12/08/15-12/15/15)	57.50	57.50
2045020	01/06/16	03516	SPECIAL DISTRICT RISK	010416	01/04/16	CLAIM SETTLEMENT	239,784.16	239,784.16
2045065	01/13/16	16987	SPRING VALLEY ANIMAL HOSPITAL	Ref002454464	01/11/16	UB Refund Cst #0000064592	72.72	72.72
2045066	01/13/16	00097	STATE BOARD OF EQUALIZATION	2133012516	01/06/16	UNDERGROUND STORAGE TANK FEES	977.20	977.20
2045067	01/13/16	05755	STATE WATER RESOURCES	011116	01/11/16	CERTIFICATION RENEWAL	60.00	60.00
2044981	12/29/15	16965	STEPHANIE VARGAS	Ref002453670	12/28/15	UB Refund Cst #0000215556	25.97	25.97
2045021	01/06/16	12809	STUTZ ARTIANO SHINOFF	212632	12/18/15	LEGAL SERVICES (NOV 2015)	27,269.91	27,269.91
2044982	12/29/15	15974	SUN LIFE FINANCIAL	Ben2453677	12/30/15	MONTHLY CONTRIBUTION TO LTD	5,070.63	5,070.63
2044962	12/22/15	10339	SUPREME OIL COMPANY	418500	12/03/15	UNLEADED FUEL	9,516.01	
				418501	12/03/15	DIESEL FUEL	3,930.93	13,446.94
2045022	01/06/16	16610	SVPR COMMUNICATIONS	1065	07/31/15	OUTSIDE SERVICES	300.00	300.00
2044963	12/22/15	03770	TEAMAN RAMIREZ & SMITH INC	73707	12/03/15	AUDIT SERVICES FOR FY 2015	16,323.00	16,323.00
2045023	01/06/16	02376	TECHKNOWSION INC	2625	12/08/15	SCADA UPGRADES	16,458.00	16,458.00
2045068	01/13/16	15926	TEXAS CHILD SUPPORT UNIT	Ben2454493	01/14/16	BI-WEEKLY PAYROLL DEDUCTION	184.61	184.61
2044983	12/29/15	15926	TEXAS CHILD SUPPORT UNIT	Ben2453691	12/30/15	BI-WEEKLY PAYROLL DEDUCTION	184.61	184.61
2045024	01/06/16	15642	THE PRINT BUTTON	9081	12/09/15	BUSINESS CARDS	38.72	38.72
2045069	01/13/16	14177	THOMPSON, MITCHELL	120115123115	12/31/15	MILEAGE REIMBURSEMENT (12/04/15-12/24/15)	10.93	10.93
2045104	01/20/16	00870	TRANSCAT INC	1030167	09/29/15	EQUIPMENT EVALUATION	98.11	98.11
2044964	12/22/15	00427	UNDERGROUND SERVICE ALERT OF	1120150487	12/01/15	UNDERGROUND ALERTS (MONTHLY)	262.50	262.50
2045105	01/20/16	00427	UNDERGROUND SERVICE ALERT OF	1220150488	01/01/16	UNDERGROUND ALERTS (MONTHLY)	340.50	340.50
2044965	12/22/15	15675	UNITED SITE SERVICES INC	1143561772	12/08/15	PORTABLE TOILET RENTAL (12/3/15-12/30/15)	98.17	98.17
2045070	01/13/16	15675	UNITED SITE SERVICES INC	1143622592	12/30/15	PORTABLE TOILET RENTAL (12/23/15-01/19/16)	79.98	79.98
2045106	01/20/16	15675	UNITED SITE SERVICES INC	1143637069	12/31/15	PORTABLE TOILET RENTAL (12/31/15-1/27/16)	98.17	98.17
2044984	12/29/15	15675	UNITED SITE SERVICES INC	1143587189	12/16/15	PORTABLE TOILET RENTAL (12/11/15-1/7/16)	80.03	
				1143569504	12/10/15	PORTABLE TOILET RENTAL (12/4/15-12/31/15)	79.98	

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				1143587188	12/16/15	PORTABLE TOILET RENTAL (12/11/15-1/7/16)	79.98	
				1143587187	12/16/15	PORTABLE TOILET RENTAL (12/11/15-1/7/16)	79.98	
				1143587186	12/16/15	PORTABLE TOILET RENTAL (12/12/15-1/8/16)	79.98	399.95
2045025	01/06/16	07674	US BANK	CC20151222060	12/22/15	CAL CARD EXPENSES (MONTHLY)	81,325.83	81,325.83
2045026	01/06/16	11606	USA BLUE BOOK	820819	12/09/15	LIFTSTATION LEVEL TRANSDUCERS	2,045.16	2,045.16
2045071	01/13/16	16989	VALUE T SALES INC	Ref002454466	01/11/16	UB Refund Cst #0000195970	33.06	33.06
2045072	01/13/16	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2454485	01/14/16	BI-WEEKLY DEFERRED COMP PLAN	14,541.69	14,541.69
2044985	12/29/15	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2453685	12/30/15	BI-WEEKLY DEFERRED COMP PLAN	12,948.74	12,948.74
2045073	01/13/16	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2454487	01/14/16	BI-WEEKLY 401A PLAN	12,859.05	12,859.05
2044986	12/29/15	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2453687	12/30/15	BI-WEEKLY 401A PLAN	1,380.63	1,380.63
2045074	01/13/16	12686	VANTAGEPOINT TRANSFER AGENTS	Ben2454489	01/14/16	401A TERMINAL PAY	9,714.87	9,714.87
2045075	01/13/16	03329	VERIZON WIRELESS	9757608405	12/21/15	CELLULAR & WIRELESS SVCS (11/22/15-12/21/15)	5,875.53	5,875.53
2045027	01/06/16	03329	VERIZON WIRELESS	9757608409	12/21/15	CELLULAR & WIRELESS SVCS (11/22/15-12/21/15)	1,660.72	
				9757608411	12/21/15	CELLULAR & WIRELESS SVCS (11/22/15-12/21/15)	698.13	
				9757608415	12/21/15	CELLULAR & WIRELESS SVCS (11/30/15-12/21/15)	221.85	
				9757608413	12/21/15	CELLULAR & WIRELESS SVCS (11/22/15-12/21/15)	40.04	2,620.74
2045028	01/06/16	15807	WATCHLIGHT CORPORATION, THE	451081	12/15/15	MONITORING SERVICES	1,373.92	1,373.92
2045107	01/20/16	15807	WATCHLIGHT CORPORATION, THE	451799	12/28/15	SECURITY AND ACCESS CONTROL	15,040.67	15,040.67
2045029	01/06/16	14879	WATER CONSERVATION GARDEN	1157	12/14/15	GARDEN COSTS (3RD QTR FY 2015-2016)	24,405.50	24,405.50
2044987	12/29/15	15726	WATER SYSTEMS CONSULTING INC	1669	11/30/15	HYDRAULIC MODELING (ENDING 11/30/15)	1,207.50	1,207.50
2045030	01/06/16	03781	WATTON, MARK	100115113015	01/05/16	TRAVEL EXPENSE REIMB (10/1/15-11/30/15)	676.20	676.20
2045076	01/13/16	03781	WATTON, MARK	120415121015	01/08/16	TRAVEL EXPENSE REIMB (12/04/15-12/10/2015)	86.83	86.83
2045108	01/20/16	15135	YANEZ, ABRAHAM	010416	01/07/16	SAFETY BOOTS	150.00	150.00
2044966	12/22/15	15567	ZETTA INC	INV00025518	12/01/15	STORAGE USAGE (DEC 2015)	2,083.25	2,083.25
2045109	01/20/16	15567	ZETTA INC	INV00026330	01/01/16	STORAGE USAGE (01/01/16-01/31/16)	2,083.25	2,083.25

Amount Pd Total: 1,939,011.90

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FY2016

	<u>1st Quarter</u>	<u>YTD</u>
	<u>(7/1/15 - 9/30/15)</u>	<u>(7/1/15 - 9/30/15)</u>
CROUCHER, GARY	\$ 600.00	\$ 600.00
LOPEZ, JOSE	1,292.00	1,292.00
ROBAK, MARK	453.00	453.00
SMITH, TIM	913.85	913.85
THOMPSON, MITCHELL	2,570.61	2,570.61
	<u>\$ 5,829.46</u>	<u>\$ 5,829.46</u>