

OTAY WATER DISTRICT

BOARD OF DIRECTORS MEETING  
DISTRICT BOARDROOM

2554 SWEETWATER SPRINGS BOULEVARD  
SPRING VALLEY, CALIFORNIA

**WEDNESDAY**

**December 6, 2006**

**3:30 P.M.**

**AGENDA**

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES OF THE REGULAR BOARD MEETING OF OCTOBER 4, 2006
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

**CONSENT CALENDAR**

6. 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) OVERVIEW OF THE DISTRICT'S MEDICAL PROGRAM AND FISCAL YEAR 2007 BUDGET
  - b) APPROVE THE PURCHASE OF AN ADDITIONAL 17,000 RADIO-READ WATER METERS FROM MASTER METERS, INC. THROUGH FISCAL YEAR 2010 UNDER THE TERMS AND CONDITIONS CONTAINED IN THE 10-YEAR AGREEMENT APPROVED BY THE BOARD ON DECEMBER 7, 2005
  - c) APPROVE CONTRACTS WITH THE FOLLOWING FIRMS FOR SERVICES RELATED TO THE PENDING BOND SALE: (BEACHEM) [10 minutes]
    - i) CONTRACT WITH THE FIRM OF GARCIA, CALDERON, RUIZ AND THE FIRM OF SIDLEY AUSTIN FOR CO-BOND COUSEL SERVICES

FOR A COMBINED \$50,000 PLUS OUT-OF-POCKET EXPENSES NOT TO EXCEED \$1,000

- ii) CONTRACT WITH THE FIRM OF STRADLING, YOCCA, CARLSON & RAUTH FOR DISCLOSURE COUNSEL SERVICES FOR \$22,500 PLUS OUT-OF-POCKET EXPENSES NOT TO EXCEED \$2,500
- iii) CONTRACT WITH UNION BANK FOR TRUSTEE SERVICES FOR AN AMOUNT NOT TO EXCEED \$1,500 PLUS INCIDENTAL OUT-OF-POCKET EXPENSES
- d) AWARD A PROFESSIONAL SERVICES CONTRACT FOR AS-NEEDED GEOTECHNICAL SERVICES TO SOUTHERN CALIFORNIA SOIL AND TESTING, INC. FOR AN AMOUNT NOT TO EXCEED \$150,000 DURING FISCAL YEARS 2007 AND 2008
- e) PRESENTATION OF ANNUAL WATER CONSERVATION REPORTS FOR FISCAL YEARS 2005 AND 2006

#### INFORMATION / ACTION ITEMS

#### 7. ENGINEERING AND WATER OPERATIONS

- a) UPDATE REPORT ON THE STATUS OF THE CAPITAL IMPROVEMENT PROJECTS FOR THE FIRST QUARTER OF FISCAL YEAR 2007 (RIPPERGER)
- b) APPROVE A BUDGET INCREASE FOR THE 640-1 AND 640-2 RESERVOIRS PROJECT FROM \$27 MILLION TO \$29.5 MILLION AND AWARD A CONSTRUCTION CONTRACT TO PACIFIC HYDROTECH CORPORATION, INC. IN THE AMOUNT OF \$24,894,000 FOR THE CONSTRUCTION OF THE 640-1 AND 640-2 RESERVOIRS (RIPPERGER)

#### 8. ADMINISTRATION AND FINANCE

- a) PRESENTATION OF DIRECTOR'S FIRST QUARTER EXPENSES FOR FISCAL YEAR 2007 (PRENDERGAST)
- b) REPORT ON THE BOND PROCESS INCLUDING THE PARTIES INVOLVED, THEIR FUNCTIONS AND THE SELECTION PROCESS (BEACHEM)
- c) ADOPT RESOLUTION NO. 4091 ALLOWING FOR THE REIMBURSEMENT OF CERTAIN EXPENDITURES FROM THE PROCEEDS OF THE CERTIFICATES OF PARTICIPATION (BEACHEM)

#### 9. BOARD INFORMATION / ACTION ITEMS

- a) DISCUSSION OF 2007 BOARD MEETING CALENDAR

REPORTS

10. GENERAL MANAGER'S REPORT

- a) UPDATE ON THE 30" RECYCLED WATER PIPELINE PROJECT (SEE ATTACHMENT "A")
- b) SAN DIEGO COUNTY WATER AUTHORITY UPDATE

11. DIRECTORS' REPORTS / REQUESTS

RECESS TO CLOSED SESSION

12. CLOSED SESSION

- a) CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION [GOVERNMENT CODE §54956.9(a)]
  - (i) DONNA BARTLETT-MAY, et. al. v. OTAY WATER DISTRICT
  - (ii) HARRON v. OTAY WATER DISTRICT
  - (iii) RDH CHEMICAL COMPANY v. OTAY WATER DISTRICT

RETURN TO OPEN SESSION

- 13. REPORT ON ANY ACTIONS TAKEN IN CLOSED SESSION. THE BOARD MAY ALSO TAKE ACTION ON ANY ITEMS POSTED IN CLOSED SESSION.
- 14. ADJOURNMENT

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

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

#### Certification of Posting

I certify that on December 1, 2006, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of Otay Water District, said time being at least 72 hours in advance of the regular meeting of the Board of Directors (Government Code Section §54954.2).

Executed at Spring Valley, California on December 1, 2006.

  
\_\_\_\_\_  
Susan Cruz, District Secretary

# AGENDA ITEM 4

## MINUTES OF THE BOARD OF DIRECTORS MEETING OTAY WATER DISTRICT October 4, 2006

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

2. ROLL CALL

Directors Present: Bonilla, Breitfelder, Croucher, Lopez and Robak (arrived at 3:34 p.m.)

Staff Present: General Manager Mark Watton, Asst. GM Administration and Finance German Alvarez, Asst. GM Engineering and Water Operations Manny Magana, General Counsel Yuri Calderon, Chief of Information Technology Geoff Stevens, Chief Financial Officer Joe Beachem, Chief of Operations Pedro Porras, Chief of Engineering Rod Posada, Chief of Administration Rom Sarno, District Secretary Susan Cruz and others per attached list.

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

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

Ayes:	Directors Bonilla, Breitfelder, Croucher and Lopez
Noes:	None
Abstain:	None
Absent:	Director Robak

to approve the agenda.

5. APPROVAL OF MINUTES OF THE BOARD MEETINGS OF AUGUST 2, 2006 AND AUGUST 7, 2006

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

Ayes:	Directors Bonilla, Breitfelder, Croucher and Lopez
Noes:	None
Abstain:	None
Absent:	Director Robak

to approve the minutes of the board meetings of August 2 and August 7, 2006.

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 Lopez, seconded by Director Breitfelder and carried with the following vote:

Ayes:	Directors Bonilla, Breitfelder, Croucher and Lopez
Noes:	None
Abstain:	None
Absent:	Director Robak

to approve the following consent calendar items.

- a) APPROVE A PROFESSIONAL SERVICES CONTRACT WITH INFRASTRUCTURE ENGINEERING CORPORATION IN THE AMOUNT OF \$1,333,808 TO PROVIDE PROFESSIONAL ENVIRONMENTAL, GEOTECHNICAL, AND ENGINEERING DESIGN SERVICES FOR THE 36-INCH PIPELINE, SDCWA OTAY FCF NO. 14 TO THE REGULATORY SITE PROJECT
- b) APPROVE A CONTRACT WITH HARRELL & COMPANY ADVISORS, LLC TO SERVE AS THE FINANCIAL ADVISOR FOR A DEBT ISSUANCE OF APPROXIMATELY \$30 MILLION IN CERTIFICATES OF PARTICIPATION IN SPRING 2007

INFORMATION / ACTION ITEMS

8. BOARD

- a) DISCUSSION OF 2006 BOARD MEETING CALENDAR

There were no changes to the board calendar.

- b) ADOPT RESOLUTION NO. 4089 APPROVING AMENDMENTS TO BOARD OF DIRECTOR'S POLICY 8, DIRECTORS COMPENSATION, REIMBURSEMENT OF EXPENSES AND GROUP INSURANCE BENEFITS

General Counsel Yuri Calderon indicated that he had prepared an Executive Summary of the committee's actions taken at the Ad Hoc Policy 8 Committee held on September 29, 2006. He stated that a copy of the Executive Summary has been distributed to each board member and one of the issues that has surfaced following the Ad Hoc Policy 8 Committee meeting are procedural issues which require addressing.

Director Croucher indicated that the Ad Hoc Policy 8 Committee has tried to include all suggestions discussed at the Board of Directors Workshop held on September 25, 2006. He indicated that an issue came up with regard to how to include the cost of living per-diem increase of 3% (or \$3.00). He stated that the increase would require a public hearing which could not be prepared prior to today's meeting. He stated that upon further review, the committee decided that it would not pursue the increase at this time and if the board wished to discuss it further, that it be discussed at today's meeting or the next scheduled board retreat.

President Bonilla inquired if all member of the board received General Counsel's Executive Summary and had an opportunity to review the information. It was indicated that the members did not. As all Directors did not have the opportunity to review the information, President Bonilla suggested that the item be tabled for discussion at the end of the meeting to allow time for each director to review the suggested amendments to Policy 8 prior to the board voting. The board concurred.

## REPORTS

### 9. GENERAL MANAGER'S REPORT

General Manager Watton indicated that there was discussion at the Engineering and Operations Committee held on September 22, 2006 concerning the District's ranking within the County and State with regard to recycled water use. He stated that the City of San Diego and the City of Carlsbad rank first and second as the largest users of recycled water and Otay ranked third. He indicated once the 30" recycled pipeline is on-line with the City of San Diego, Otay will move up to the second largest user of recycled water. He indicated that staff would present at the next meeting the rankings within the Metropolitan Water District's service area. He stated he felt that Otay would rank among the top five or six recycled water users within the MET service area.

He noted that the District received a Property and Liability Safety Award for Excellence in FY 2006. He stated that Director Croucher attended the award ceremony with the District's safety officer, Dave Burpeau, who accepted the award on the District's behalf. He stated that the award was a reflection of the work of every employee of the District, with Mr. Burpeau's lead, who has taken safety at the District very seriously. He also noted that the District has saved approximately \$90,000 in premium costs through a rebate from Special District

Risk Management Authority through credits earned by Directors and staff taking training and by the District earning the safety award.

Director Croucher indicated that it was an honor to be able to attend the award ceremony. He stated that they originally had invited a board member to attend, however, he felt that a staff member should receive the District's award. He stated that Mr. Burpeau has worked hard to earn such recognition and it was appropriate for him to receive the award on the District's behalf. He indicated that this was the second award that Otay has received and it is recognized that the District has taken a leadership role not only within the County, but statewide for its work in this area. He congratulated staff.

General Manager Watton also shared that the Integrated Voice Response System is on-line and staff is exploring ways in which the new system can be better utilized. He indicated that it has already positively impacted customer service and it is felt that the District would continue to enhance efficiency with the new IVR system once it starts allowing customers to request account information and pay their bills via credit card through the system.

He indicated that the six mobile computers for the field staff have been deployed and it is expected 20 more will be deployed later in the week. He stated the operations staff is very excited to receive the new computers and the efficiencies they will provide.

He noted that the District received eleven new improvement plans from developers for potable/recycled plan checks. He indicated that meter sells are down from the peak, but they are still fairly strong. He indicated that this is very similar to past real estate downturns where developers continue to build, though house sales and prices are dropping, anticipating that sales will pick-up again in approximately three years. District staff is, thus, still busy with developer plans and subdivision development issues.

General Manager Watton indicated that staff received the Proposition 50 monies from the State Water Resources Control Board in the amount of \$2.48 million. He indicated that the District expects the balance of the \$4 million grant in approximately four months.

He stated that the District has been officially notified by the County to provide the SB 221 and SB 610 water supply study for the Otay Ranch resort parcel. He stated that the studies are expected to be presented to the board at the December 2006 board meeting.

He lastly shared that the proposed improvements to the Salt Creek Golf Course will not be pursued until after the first of the New Year. He stated Synergy is still moving forward with their plans, but the District will not hear from them until after the first of the year. He stated that he wished to make the board aware that there would be no new information to share until after that time.

Director Robak inquired if the Splash Lab program was targeted only to elementary school students and if solicitations forwarded to schools concerning the program include information that the District would subsidize the cost of the Splash Lab. General Manager Watton indicated that he believed the program is targeted to elementary school students only (1<sup>st</sup> to 5<sup>th</sup> grades) and he believes the literature indicates that the District subsidizes the cost. Director Croucher indicated that currently the District provides half the cost and the school's PTA provides the other half. He indicated that they are working on possibly having CWA provide the other half of the cost. Director Robak asked if an update on this item can be scheduled for a future meeting.

Director Robak also indicated that with regard to the report on the Financial Advisor, committee suggested that staff develop conflict of interest language that would be utilized in all consultant agreements. He inquired if this language had been developed. General Manager Watton indicated that it had and was included in the Financial Advisor contract. He stated that it is and will be utilized in all future contracts.

Director Robak inquired with regard to the Portfolio Summary, if staff could include a graphical representation that shows how the District's monies are invested, if it meets identified targets and how it relates to the District's strategies concerning percentage targets. He stated that it would help to quickly understand the district's portfolio status. General Manager Watton indicated that it certainly could be done.

#### 10. SAN DIEGO COUNTY WATER AUTHORITY UPDATE

Director Croucher indicated that the main topic of discussion at CWA are issues related to general managers or officers of member agencies serving on CWA's board. He stated that the officers and one board member of CWA moved forward with a request to ask the CWA general manager for an opinion on the issue. He stated that CWA's board was displeased that the matter was not presented to the full board. He indicated the board felt that this was not an issue that needed to be pushed through and CWA's board had, in fact, requested that the issue not be referred to the Attorney General. He indicated that policy was not followed in this matter by the authority and the board indicated its displeasure.

He indicated that CWA has decided to extend its contract with Carpie and Clay for two years to continue work with CWA as its legislative advocate. He indicated that the CWA board felt that the contract should be placed out to bid because it is over a \$1 million contract and has been in place for 22 years. He stated that after the two years, the service contract will be placed out to bid via a Request for Proposals (RFP).

He stated the CWA board also discussed desalination projects in closed session and reclaimed water. He indicated that it was requested that a report be prepared to determine how much new water resources Otay has provided with

regard to its utilization of reclaimed water in the southern portion of the county for irrigation. He stated that Otay's contributions are being recognized for conserving water through the use of reclaimed water.

He shared that Mr. George Loveland will be leaving the CWA board, but will remain the MWD representative for up to 90 days. He lastly noted that CWA was reviewing all its upcoming CIP contracts and will determine the correct estimates for steel, concrete, etc. He stated the thought was to re-evaluate all estimates prior to going through the bid process and adjusting at that time. He stated that it is good news to move forward with the review, however, CWA will now need to prioritize which projects will move forward and which will be postponed as costs will be significantly greater.

General Manager Watton provided background on the impetus for discussions concerning general manager's serving on CWA's board. He stated that they also discussed issues concerning general manager's being appointed as officers on CWA's board as he was being nominated for the secretary position. He stated that it was noted that the last two CWA vice chairs and secretaries were general managers, city managers or assistant city managers. Otay's General Counsel also had prepared an opinion on the suitability of general managers serving on CWA's board and the possible conflict of interest. General Counsel's opinion indicated that a General Manager's duties and obligations to their agency did not differ from a Director's duties and obligations to his agency. Copies were shared with sister agencies. He indicated that he felt the Attorney General's opinion would allow general managers to serve on a county boards.

Director Croucher noted that the only nominee for CWA chair was Ms. Fern Steiner and it is expected that Mr. Bud Lewis would be elected vice chair and General Manager Watton would be elected secretary.

#### 11. DIRECTORS' REPORTS/REQUESTS

Director Breifelder indicated he attended the Council of Water Utilities (COWU) meeting where Senator Denise Ducheny was the guest speaker. He stated beyond the normal update on water issues, Senator Ducheny spoke on term limits and indicated that we were very quickly approaching a time when term limits will start taking affect. She stated that those who served as assembly members for six years and are now senators, will soon ~~you will have senator who will be closing out eight years of senate service and will be rotating out.~~ He stated that we will soon be in a situation where there is very little institutional memory. She also made positive, but tentative, comments regarding Proposition 84. Director Breifelder indicated not long after hearing Senator Ducheny's presentation to the COWU, he had run into her district manager and her only question was if Otay's board had taken a position on Proposition 84. He stated that she was very intrigued by some of the discussions Otay's board has had on the initiative.

He shared that CWA recently sponsored the Conservation Summit. He thanked Director Robak and General Manager Watton for attending. He stated that a representative from the California Landscaping Association (CLA) had presented at the summit and he shared CLA's experience in trying to approach conservation at the State level and their trying to get legislation passed as quickly and aggressively. He indicated that it was not successful. In contrast, CWA approached the same situation in a collaborative fashion which resulted in legislation passing and the creation of the Conservation Summit. He stated that he was very pleased with the Break-Out Sessions as they all insisted in being involved in the legislative process on an ongoing basis as opposed to just at the end. He indicated that the BIA showed a very flexible and constructive attitude and volunteered to take it upon themselves to spearhead the summit efforts in some respects. He stated that there was what he would call a false choice presented in a key breakout session which caught his attention. He indicated that they presented an either/or approach which elicited debates between what they referred to as standardized language and a flexible aggressive approach on conservation. He stated that he felt there was no inherent contradiction between having an "ends" oriented ordinance and having one that is very aggressive.

Director Robak indicated that the Water Conservation Garden held an opening for a new exhibit, Children's' Discovery Trail, a couple weeks ago. He stated that the Union-Tribune ran a substantial article with color photos of the event. He indicated that he was pleased as it provides publicity throughout the County of things that are happening at the Garden. This helps make it a County-wide resource which is the reason CWA is involved. He also shared that he toured the recycled water pump station and reservoir with General Manager Watton and staff to view the progress of the project. He indicated with regard to the Water Conservation Summit, the General Manager of the Las Vegas Valley Water District spoke and the message she was trying to share, which he felt San Diego County needs to take to heart, is not to wait for a water emergency and the need to push water rationing, but to do what we need now to conserve/save water. Her message was to take appropriate steps now to make conservation a higher priority rather than when it is essential because of a shortage. He indicated that it would take some time to see what programs are developed due to the summit, but he felt that the message was loud and clear and if we take it to heart it would really make a difference in the long run for the County.

General Manager Watton noted that the District's Water Conservation Manager had served on the steering committee of the Summit and he wished to thank him for the time he worked on the Summit.

## 12. PRESIDENT'S REPORT / REQUESTS

President Bonilla indicated that he attended two meetings in the month of September. He indicated that he met with General Manager Watton on September 20, 2006 to discuss agenda items for the committee meetings scheduled in September and he also met with General Manager Watton and

General Counsel Calderon to discuss the board meeting agenda for today's meeting on September 27, 2006.

RECESS TO CLOSED SESSION

13. The board recessed to closed session at 4:05 p.m. to discuss the following matters.
  - a) CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION [GOVERNMENT CODE §54956.9(a)]
    - i. HARRON v. OTAY WATER DISTRICT
    - ii. SOUTHWEST ENGINEERING, INC. v. OTAY WATER DISTRICT

RETURN TO OPEN SESSION

14. REPORT ON ANY ACTIONS TAKEN IN CLOSED SESSION. THE BOARD MAY ALSO TAKE ACTION ON ANY ITEMS POSTED IN CLOSED SESSION.

The board reconvened at 4:50 p.m. and General Counsel Calderon indicated that no reportable actions were taken in closed session. General Counsel Calderon indicated that he would need a motion from the board to retain the services of Procopio, Hargraves, and Savage, LLP to follow an attorney who has left Foley & Lardner, LLP to continue with his representation in the Harron matter with his new firm Procopio, Hargraves, and Savage, LLP.

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

Ayes:	Directors Breitfelder, Croucher, Lopez and Robak
Noes:	None
Abstain:	Director Bonilla
Absent:	None

to retain the services of Procopio, Hargraves, and Savage, LLP in the Harron matter.

15. ADOPT RESOLUTION NO. 4089 APPROVING AMENDMENTS TO BOARD OF DIRECTOR'S POLICY 8, DIRECTORS COMPENSATION, REIMBURSEMENT OF EXPENSES AND GROUP INSURANCE BENEFITS

President Bonilla indicated that all Directors had an opportunity to review the information on Policy 8 and he would like to move to the vote on this item directly unless other members wished to discuss. The board concurred.

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

Ayes: Directors Bonilla, Breitfelder, Croucher, Lopez and Robak  
Noes: None  
Abstain: None  
Absent: None

to adopt Resolution No. 4089 approving amendments to Board of Director's Policy 8.

16. ADJOURNMENT

With no further business to come before the Board, President Bonilla adjourned the meeting at 4:53 p.m.

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President

ATTEST:

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Secretary



## AGENDA ITEM 6a

### STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	December 6, 2006
SUBMITTED BY:	Kelli Williamson, <i>KW</i> Human Resources Manager	W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)	Rom Sarno, Chief, Administrative Services <i>RS</i>		
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager, Finance and Administration <i>GA</i>		
SUBJECT:	Medical Program and FY07 Budget		

#### GENERAL MANAGER'S RECOMMENDATION:

This is an informational item.

#### COMMITTEE ACTION:

See Attachment "A".

#### PURPOSE:

This is an informational item to provide an overview of the District's Medical Program and FY07 Budget as requested by committee member, Mark Robak.

#### ANALYSIS:

The District currently has a self-insured medical and dental program. The District contracts with The Plan Handlers, Inc. as a third-party administrator (TPA) to administer the medical and dental claims. Bradawn, Inc. provides consulting services to the District regarding all health and welfare benefits to include medical, dental, life, accidental death and dismemberment, short and long term disability, and travel accident insurance. The District currently contracts with Blue Cross as our preferred provider organization (PPO).

Each year, the consultant reviews the previous 12 months of claims to develop a budget for the new year. This year, the consultant used a combination of the previous claims and an anticipated savings by moving to the Blue Cross PPO to set the rates for 2007. With the transition to Blue Cross, the District was able to minimize the medical insurance rate to only a 1.7% increase. The rates for dental increased by 5.2%.

In order to protect the District from risks associated with large medical claims, the District purchases specific and aggregate stop-loss coverage. The specific stop-loss coverage pays 100% of claims exceeding \$45,000 on a 24/12 contract basis. This means that it will pay for any claims incurred in the last 24 months but paid within the current fiscal year. The aggregate stop-loss covers overall claims that exceed 125% of the expected claims amount. The premium for the stop-loss for FY07 is \$421,016. To date, the premium paid is \$147,738 and claims paid \$263,803. The stop-loss coverage for FY07 is expected to be sufficient to cover all claims without any additional funding.

The District's overall budget for medical and dental is \$2,228,044.75. This includes charges for stop loss insurance, TPA fees, and PPO fees.

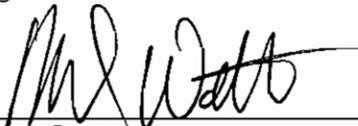
The Medical budget is \$1,999,115.20 and the Dental budget is \$228,929.55.

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

None

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

None

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

**ATTACHMENTS**

Attachment A, Committee Action



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Medical Program and FY07 Budget
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### COMMITTEE ACTION:

The Finance and Administration Committee reviewed this item at a meeting held on November 20, 2006. The following comments were made:

- The Finance and Administration Committee reviewed this item at a meeting held on November 20, 2006. The following comments were made:
- 
- The District has had a self-administered health and dental plan for 13 years which has been very cost effective for the District;
- The District's premiums are reviewed every year and are based on claims experience;
- The District recently moved to Blue Cross as its preferred provider and in doing so was able to minimize the insurance premium rate increase to only 1.7% for medical versus a 7+% increase should the District have stayed with Pacific Foundation for Medical Care (its previous provider). The industry average increase is in the double digits.;
- There are approximately 235 enrollees in the health benefit program (175 employees and 60 retirees);
- The District also has stop-loss insurance which covers 100% of claims that exceed \$45,000. The cost of the stop-loss insurance for FY 2007 is \$421,016. The premium is based on claims experience and is reviewed every year.;
- The stop-loss provider is bid every other year. Staff expects higher rates next year due to higher claims costs this past year;
- Employees cannot opt out of the insurance plan, but they may opt out of dependent coverage. To do so, the employee must show proof of coverage for their dependents. Employees who opt out of dependent coverage would save paying the 12% of the premium cost. If employees cover dependents on both plans, the plan that would pay as primary coverage would be the spouse's insurance plan whose birthday comes first in the calendar year.;
- The District's Benefits Consultant, Bradawn Inc., is researching various options and costs. Options would

include various HMOs, PPOs and Point of Service Providers (HMO/PPO hybrid) and will be discussed as part of the upcoming negotiations with the employee association.

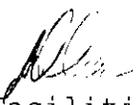
- The current overall budget for medical and dental is \$2,228,044.75 which includes cost for stop-loss insurance, TPA and PPO fees.

Upon completion of the discussion, the Committee supported staff's recommendation and forwarding to the Board of Directors on the consent calendar.



# AGENDA ITEM 6b

## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	December 6, 2006
SUBMITTED BY:	Donald Henderson, Construction Maintenance Manager Stephen Dobra,  Purchasing and Facilities Manager	W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)	Rom Sarno,  Chief, Administrative Services		
APPROVED BY: (Asst. GM):	German Alvarez,  Assistant General Manager, Finance and Administration		
SUBJECT:	Approval of Master Meter, Inc. Meter Purchases		

### GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize the General Manager to purchase an additional 17,000 radio-read water meters from Master Meter, Inc., through FY 2010 under the terms and conditions contained in the 10-year agreement approved by the Board on December 7, 2005.

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

See Attachment "A".

### PURPOSE:

To obtain Board authorization to purchase an additional 17,000 radio-read water meters from Master Meter, Inc. through FY 2010 under the terms and conditions contained in the 10-year agreement approved by the Board on December 7, 2005.

### ANALYSIS:

On December 7, 2005 the Board authorized the General Manager to enter into a 10-year agreement setting the terms and conditions for purchasing radio-read meters from Master Meter, Inc. and authorized the purchase of 11,500 meters during the first three years of the agreement.

It was anticipated that the originally approved quantity of 11,500 meters would be sufficient to meet the District's demands for a three-year period. Because of the catastrophic failure of the RAMAR radio-read product, the District accelerated purchases of the Master Meter, Inc. meters. To date, under the agreement, the District has purchased 10,152 meters. Of these, 7,155 meters have been used to replace RAMAR product. The balance of 2,388 meters are in inventory and are being used to continue the replacement of 2,685 remaining RAMAR units, retrofit of manual read to radio-read routes, and new installations. Current scheduling indicates that all RAMAR product will be replaced no later than the end of FY 2007.

It is expected that during the next 3 years, the District will require 17,000 meters of various sizes. These meters will be used to support the District's manual to radio-read change out program and new meter installations from expected growth.

To date, Master Meter, Inc. radio-read meters have proven to be a reliable and sustainable product and are meeting the District's needs.

**FISCAL IMPACT:**



The purchase of 17,000 meters will cost an estimated \$2,800,000. This should provide a sufficient quantity of meters to cover the District's needs through FY 2010.

Of the additional 17,000 meters, approximately 4,300 will be used for new meter installations. The balance of 12,700 meters will be used for manual to radio-read conversions. This will result in an estimated \$2,091,765 being charged against the AMR/Manual Meter Replacement CIP 2458.

The total budget for the AMR/Manual Meter Replacement CIP 2458 is \$7,513,000.00. Current expenditures and encumbrances for the CIP, including the meters purchased under this request if approved, are \$2,235,761. The existing budget is sufficient to cover the replacement of the 12,700 manual-read meters to radio-read meters. The Project Manager estimated that the existing budget is sufficient to cover the change out of all remaining manual-read meters to radio-read meters.

Expenditure Summary:

<b>AMR/Meter Replacement CIP 2458 Budget</b>		<b>\$ 7,513,000</b>
Expenditures and Encumbrances to Date		
Contracted Services (labor)	\$ 23,478	
Labor	15,424	
Replacement Meters and Materials	105,064	
Proposed Meters Purchase	2,091,765	
<b>Total Expenditures and Encumbrances</b>		<b>2,235,761</b>
<b>Projected Balance of AMR/Meter Replacement CIP 2458 Budget</b>		<b>\$ 5,277,239</b>

**STRATEGIC GOAL:**

Implementation of the AMR program per schedule.

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

None.

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

Attachment "A", Committee Action  
Attachment "B", Master Meter, Inc. Agreement



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Approval of Master Meter, Inc. Meter Purchases
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### COMMITTEE ACTION:

The Finance and Administration Committee reviewed this item at a meeting held on November 20, 2006. The following comments were made:

- Staff is requesting that the board approve an additional number of Master Meters, Inc., meters to be purchased over a three year period under the existing contract approved by the board on December 2005. At that time, the board approved the purchase of 11,500 meters. However, due to the substantial failure rate of RAMAR meters, the District has already purchased 10,152 of those meters to date;
- Of the 10,152 purchased to date, 7,155 have been used to replace RAMAR meters. Staff wishes to utilize the balance of 2,388 to continue the replace the remaining 2,685 RAMAR meters in order to keep the automated routes whole. It is expected that all RAMAR product would be replaced by the end of FY 2007;
- This request is to authorize staff to purchase an additional 17,000 meters over the next three years. It is expected that the 17,000 meters would be sufficient to support the meter retrofit program and new meter installations anticipated from growth. The CIP for the retrofit project has sufficient funds to cover the cost of the meter purchases;
- The cost per meter will be based on the current agreement with Master Meter, Inc.;
- Staff has been happy with the Master Meter product and they have performed almost flawlessly in the field. Staff believes it will continue to meet the District's needs.;
- The committee discussed the status of the negotiations with Northrup Grumman concerning the RAMAR meter replacement

costs. It was discussed that there was no new information at this time and that staff expects that there may be some progress to discuss in January 2007. It was requested that the item be agendized for closed session discussion at the January 2007 Finance and Administration Committee and February 2007 Board meeting.

Upon completion of the discussion, the Committee supported staff's recommendation and forwarding to the Board of Directors on the consent calendar.

**NOTE:**

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

**AGREEMENT  
BETWEEN THE OTAY WATER DISTRICT AND MASTER METER, INC. TO PROVIDE  
FOR THE PURCHASE, SALE AND WARRANTY  
OF CERTAIN WATER METERS**

This Agreement (the "Agreement") is made and entered into by and between the Otay Water District ("District"), a municipal water district, formed and existing pursuant to the provisions of the Municipal Water District Law of 1911, commencing with Section 71000 of the Water Code of the State of California, as amended, and Master Meter, Inc., a corporation organized, existing and in good standing under the laws of the State of Texas ("Seller" and together with District, the "Parties"), to provide terms and conditions pursuant to which District agrees to purchase, install and operate and Seller agrees to sell, repair, replace and warrant certain radio transmitter read water meters, all as provided herein. This Agreement shall be dated and effective as of the date it is approved by the Board of Directors of District, as indicated on the signature page hereof and on District records (the "Effective Date").

**WITNESSETH**

WHEREAS, District desires to establish a working automated meter reader program and has been searching for a company that produces reliable radio transmitter read water meters to automate as many of its meter reading routes as deemed advisable by District; and

WHEREAS, Seller is in the business of manufacturing, or causing to be manufactured, to its own standard and specifications radio transmitter read water meters capable of transmitting data to a receiver connected to either a laptop computer or handheld devices; and

WHEREAS, Seller represents that it causes its meters to be manufactured to all applicable AWWA and California Proposition 65 standards; and

WHEREAS, Seller has agreed to sell and deliver to District 6,500 Dialog 3G-DS radio transmitter read water meters, as set forth in Exhibit A attached hereto (the "Scheduled AMR Water Meters"), under the terms and conditions set forth in this Agreement; and

WHEREAS, if the Scheduled AMR Water Meters prove as accurate as anticipated by District and if other conditions set forth herein are met, District will also purchase from Seller additional radio transmitter read water meters of similar design, specification and function to the Scheduled AMR Water Meters, as set forth in Exhibit B attached hereto (the "Additional AMR Water Meters" and together with the Scheduled AMR Water Meters, the "AMR Meters"); and

WHEREAS, if the Scheduled AMR Water Meters prove satisfactory to District, District will order at least 5,000 Additional AMR Water Meters pursuant to one or more purchase orders to be delivered over a period of not less than twenty-four (24) months in accordance with a schedule to be agreed upon by the Parties; and

WHEREAS, Seller has represented to District that it has the right, title and interest in and to the AMR Meters and all related software and equipment, including the transmitter component of the Prior Meters (as defined below) and the AMR Meters (collectively, the "Transmitters") that transmit the data in the manner required to automate the reading of the water meters, and including the authority to sell, warrant, repair, replace or otherwise provide the same to District; and

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WHEREAS, in connection with the purchase of AMR Meters by District, Seller will provide a twenty (20) year warranty to District to cover each and every Transmitter purchased by District from Seller and will also provide its standard warranty to cover all other parts of the AMR Meters purchased by District from Seller; and

WHEREAS, prior to the execution of this Agreement, District has purchased approximately 3,600 narrow band automated meter reader water meters from Seller (the "Prior Meters"), most of which have been installed and all of which are intended by the Parties to be covered under similar terms as the AMR Meters and Transmitters; and

WHEREAS, Seller's warranty will cover the cost of repair or replacement of the Transmitters, the AMR Meters and the Prior Meters, including the cost of manufacturing or acquiring any parts needed to repair or replace said Transmitters and meters, to the extent further described in the warranties attached hereto as Exhibit D, each as hereafter extended or increased by Seller (collectively, the "Warranty"); and

WHEREAS, the warranty period for the AMR Meters and the Transmitters will commence from the date that is sixty (60) calendar days from the date each AMR Meter and/or Transmitter, as applicable, is shipped to District and, with respect to any AMR Meters that arrive in damaged condition, District will cooperate with Seller in the filing of any required damaged claims; and

WHEREAS, Seller has provided District a warranty letter extending the coverage described in the Warranty to the Prior Meters and Seller and District agree that, with respect to each of the Prior Meters the warranty coverage will be retroactive, commencing on the date each Prior Meter was shipped by Seller to District; and

WHEREAS, Seller and District agree that District shall be responsible for the initial installation of all meters purchased from Seller; and

WHEREAS, Seller has provided initial training to designated District staff and will provide any additional training in the proper use, configuration, handling and/or installation of its AMR Meters, as from time to time required by District and agreed to by the Parties at a rate of \$850.00 per day, inclusive of transportation and other administrative costs incurred by Seller; and

WHEREAS, Seller and District have agreed that Seller shall provide technical support to District on an ongoing basis and that during regular business hours Seller will respond to inquiries from District within a period of time not to exceed four (4) hours from the time a question concerning the performance of any AMR Meters, Prior Meters, Transmitters or any related parts of said meters supplied by Seller is tendered to the Seller, provided that District shall have performed troubleshooting procedures as set forth in the troubleshooting guide provided by Seller and attached hereto as Exhibit E; and

WHEREAS, in connection with all software Seller recommends that District acquire from Seller's subsidiary, GreenTree, to be used in connection with the AMR Meters and/or Transmitters, Seller has informed District that software support is available for one year from date of purchase as part of the purchase, and, after the one year, under a support contract if one is executed; and

WHEREAS, Seller and District believe that it is in their respective best interest to enter into this Agreement for the purposes specified herein.

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, District and Seller agree as follows:

**I. Incorporation of Recitals**

The recitals above are accurate and true to the best of the understanding of the Parties and are incorporated herein by reference as if fully set forth herein.

**II. Scope of Use -- Right to Protocols**

Upon receipt or replacement of any AMR Meters and any related hardware provided by Seller during the term of this Agreement, District is hereby authorized to use all the aforementioned for all legal purposes of District. Seller grants to District all right, title and interest necessary for District to use the AMR Meters and/or cause the transmitter component of the AMR Meters to be constructed and installed in the meters.

A. Technology Escrow. On or prior to ninety (90) calendar days of the execution of this Agreement by District, Seller shall place the protocols (including all technology, technical information, and intellectual property that is necessary and vital) for the manufacturing of the AMR Meters into a technology escrow, in form and substance acceptable to District. The technology escrow may, at District's request, be opened with District's general counsel office or with District provided that the reassurances as to the storage, handling and confidentiality of the information so escrowed shall be acceptable to Seller.

B. Survival. The rights granted hereunder and under the escrow described above shall survive the termination or expiration of this Agreement as well as any event of bankruptcy, reorganization or transfer of assets of Seller or other similar events and shall remain in effect for as long as District owns and operates any AMR Meters purchased hereunder.

C. Integration. Proper protocols or codes and other relevant information shall be made available by Seller as needed to support any integration with another meter or hardware manufacturer. Seller will be compensated at its normal travel and/or programming charges, as appropriate, to support integration; provided that any software data for a new billing system provider will be supplied at no cost, except any bridge programming which shall be compensated at the normal programming rate.

**III. Term**

This Agreement shall be for the term of ten (10) years from the Effective Date (the "Initial Term"), unless extended by the Parties or unless earlier terminated as set forth herein; provided that any warranty, license, indemnity or insurance given by Seller hereunder shall continue in effect during the term specified in connection therewith, or as required in connection with District's ownership and operation of the AMR Meters or the Prior Meters, as applicable.

A. Extension Terms. This Agreement may be extended for three additional two-year terms, or one additional six year term (each an "Extension Term"), upon request of the District and agreement by Seller. On a date that is at least sixty (60) calendar days prior to the expiration of the Initial Term, District will give notice to Seller of its intent to extend this Agreement either for one two-year term or for one six year term. If District opts to extend for only two years, then, prior to the expiration of the first two-year term or second two year term, as applicable, District will give notice to Seller if it desires to extend for an additional two year term.

- B. Term. As used herein, the defined term "Term" refers to the period of time during which this Agreement is in effect, including the Initial Term and any Extension Terms.

#### IV. Purchase; Price and Payment

A. Orders. The Scheduled AMR Water Meters will be delivered by Seller as set forth on Exhibit A. In connection with the purchase of any Additional AMR Water Meters, District will contact Seller via facsimile, electronic communication or as otherwise requested by Seller to specify the quantity of Additional AMR Water Meters being purchased and to agree on the delivery schedule on a per order basis.

1. Special Order. On a date that is within twelve (12) calendar months of the Effective Date, if the Scheduled AMR Water Meters have proved satisfactory, District agrees to place an order for not less than 5,000 Additional AMR Water Meters (the "Special Order") to be delivered to District based on an agreed-upon schedule not to exceed twenty-four (24) calendar months from the date this Special Order is placed. The price per meter shall be calculated pursuant to the price schedule in effect at the time of each shipment made by Seller pursuant to this Special Order.

2. Obligation to Buy. The obligation of District to purchase the Scheduled AMR Meters, Special Order meters or any other meters or parts shall be void and non-enforceable, and this Agreement may be terminated by District effective immediately, if it becomes unlawful for District to order, purchase, use or install any such meters or parts thereof.

B. Price. For the purchase of the Scheduled AMR Water Meters the District will pay the price per meter specified in Exhibit A. For the purchase of any Additional AMR Water Meters described in Exhibit B, or subsequent or improved series or versions of 3G-DS meters or other similar or improved technology meters purchased by District hereunder, the Parties agree that the price per meter shall be calculated as set forth in Exhibit C attached hereto, as from time to time amended or revised in the manner provided below.

1. The price schedule set forth in Exhibit C is subject to change no more than twice annually. Any adjustment made shall be made only as necessary to bring the price schedule into compliance with Seller's published market rate schedule. However, any price adjustment shall not cause the price multipliers set forth in Exhibit C, nor any price multiplier applicable to District at the time of the adjustment, to be increased. The price multiplier shall be applicable to any other meters of any kind or series purchased by District from Seller.
2. Each such adjustment shall become effective on the thirtieth (30<sup>th</sup>) calendar day following delivery of notice together with a copy of the proposed price schedule to District. If Seller fails to give District at least thirty (30) calendar days notice, Seller may request a waiver and the written consent of District for an adjustment to become effective at an earlier day, but District shall be under no obligation to grant such waiver or consent, and the revised price schedule shall become

effective on the earlier of, the agreed upon date or thirty (30) calendar days from the date of actual notice.

3. On the date a revised price schedule becomes effective, it shall replace or become part of Exhibit C, as applicable, and shall be in effect for any purchases made by District from the date it is effective to the date one (1) business day prior to the day the next revised price schedule becomes effective.
4. The term "business day" for the purpose of this Section and this Agreement shall mean all regular working days in the United States of America, composed of the traditional five (5) calendar day work-week and excepting traditional holidays. "Day" shall mean a traditional calendar day if not preceded by the word "business." If a date specified as the last day for the taking of any action hereunder falls on a Saturday or Sunday, the deadline for such action shall be the first business day following such date.

C. The Seller shall invoice District concurrently with the first scheduled delivery of the Scheduled AMR Water Meters for all such meters in accordance with the price set forth on Exhibit A, and upon delivery of any Additional AMR Water Meters for the meters so delivered in accordance with Exhibit C, or any revised price schedule in effect at the time of purchase, as provided above. In connection with each invoice the following shall be applicable:

1. Shipment. For any shipment of \$20,000 or more, Seller shall pay the freight and the meters and/or parts shall be shipped FOB Mansfield, Texas, freight allowed. For any shipment less than \$20,000, freight will be paid by District, all prices, handling and freight charges must be shown separately on the invoice and the shipment shall be FOB Mansfield, Texas. If Seller moves its plant closer to a different shipping location, the new location may become the new shipping point if agreed upon by the Parties, but it is the intent of the Parties that Seller will continue to be responsible for all shipping costs on shipments of \$20,000 or more.
2. Invoices. District shall have forty-five (45) calendar days from the date of receipt of an invoice to, without incurring interest and/or penalty charges, either (i) make payment, or (ii) provide written notice to Seller that District is contesting all or some of the invoiced amounts.
3. Contest of Invoiced Amounts. District may contest any amounts invoiced for damaged, defective, non conforming or non delivered items. If District contests an invoice, District will provide Seller with information and, if applicable, documentation supporting the contest. District may withhold payment of the entirety of the invoice if more than forty percent (40%) of the invoiced amounts are being contested. Otherwise, District shall remit payment for uncontested amounts concurrently with its written notice of contested amounts.
4. Seller Review of Contested Amounts; Resolution. After Seller has an opportunity to review District's notice of contested amounts, Seller shall contact District to discuss. If the Parties are able to reach an agreement on the amounts due, Seller will issue an invoice for the agreed-upon amounts which shall be paid by District within thirty (30) calendar days of receipt thereof. If the Parties are unable to

reach an agreement concerning the amounts due within a reasonable time not less than sixty (60) calendar days from the date negotiations commence, after good faith efforts to settle the matter are made, Seller or District may pursue any remedy available to it hereunder or at law or equity.

V. *Termination*

A. This Agreement may be terminated by District or Seller as follows:

1. Upon sixty (60) calendar days notice by District to Seller of District's election to terminate this Agreement for any reason, with or without cause, provided that District shall have fulfilled its obligation to purchase the Scheduled AMR Water Meters **and** the Special Order prior to any such termination;
2. Upon thirty (30) calendar days notice by non-defaulting Party that this Agreement is being terminated due to the occurrence of an Event of Default by defaulting Party which has occurred and continued for thirty (30) calendar days, provided that defaulting Party may give non-defaulting Party written notice of its election to cure the Event of Default, specifying a reasonable cure period (not to exceed sixty (60) calendar days or other time period acceptable to non-defaulting Party) during which defaulting Party will cure and present evidence of cure satisfactory to non-defaulting Party. If such notice is given, and non-defaulting Party agrees to the cure period specified by defaulting Party, the notice of termination shall be deemed rescinded and this Agreement will continue in full force and effect as if the Event of Default had not occurred unless, after the expiration of the cure period, non-defaulting Party notifies defaulting Party that the cure is not satisfactory or has not been completed and the Agreement is terminated effective on a date specified in this failure to cure notice;
3. Upon thirty (30) calendar days notice by Seller to District, if District fails to pay the Seller any amounts due by District hereunder, provided that any amounts contested in the manner provided above are considered amounts due and are not basis for termination until the Parties have reached an Agreement concerning said amounts or have declared themselves unable to reach an Agreement despite good faith efforts, and further provided that District shall have an opportunity to cure the default by paying to Seller prior to the expiration of said thirty (30) calendar day period all amounts then due, which payment shall rescind the notice of termination and this Agreement shall thereafter continue in full force and effect as if the Event of Default had not occurred; or
4. Upon twenty (20) calendar days written notice by either Party to the other if a force majeure event continues for more than ninety (90) calendar days or if the other Party becomes insolvent or bankrupt or makes an assignment for the benefit of creditors. A force majeure event shall mean, for purposes of this Agreement, damage caused by an act of God, war, terrorism or other casualty, which would prevent or make impractical compliance with the provisions hereof, or damage caused under circumstances where it would be impractical or impossible for either Party to notify the other of the necessity for temporary interference with compliance of any provision hereof.

B. Survival of Obligations. It is agreed and understood that Seller's obligations under the Warranty and under Section VII, sub-paragraphs entitled "Accuracy" and "Percent Failure" shall survive the termination of this Agreement and that Seller, or its successors or assigns, as applicable, shall be responsible for fulfilling said obligations during the longer of (i) the Term of this Agreement, or (ii) the term such obligation is applicable under the provisions thereof or the Warranty.

## VI. *Events of Default & Remedies*

A. Seller Default. An "Event of Default" as to Seller under this Agreement shall include any of the following:

1. any breach of any provision or obligation of Seller hereunder, or misrepresentation by Seller or any person or entity other than Seller providing warranties or security under this Agreement, which continues uncorrected for fifteen (15) business days after notice of such breach or misrepresentation is given by District;
2. failure of more than three percent (3%) or a determination by Seller or District that there is a design or manufacturing problem with the Transmitters that renders the AMR Meters not usable or unreliable for the purpose for which they are intended, provided that Seller will have an opportunity to cure this default in the manner provided in Section VII, below;
3. the revocation of, attempt to revoke or terminate, or failure to honor, the Warranty, indemnity or Seller's obligation to investigate the reason for excessive failures and to provide labor for replacement, as applicable;
4. failure by Seller to honor an obligation to give District technical assistance with any problems related to the AMR Meters within the time periods specified herein;
5. the insolvency of Seller or its failure generally to pay its debts as such debts become due;
6. the commencement as to Seller of any voluntary or involuntary proceeding under any laws relating to bankruptcy, insolvency, reorganization, dissolution, liquidation, arrangement, debt adjustment or relief, including any assignment by Seller for the benefit of its creditors, the appointment, or commencement of any proceedings for the appointment, of a receiver, trustee, custodian or similar official for all or a substantial part of Seller's property;
7. the occurrence of an event that, in the reasonable opinion of District after investigation, threatens the corporate existence or financial soundness of Seller including the: (i) filing or recording against Seller, or the property of Seller, of any notice of levy, notice to withhold, or other legal process for taxes other than property taxes; (ii) default by Seller for amounts owed or on an obligation concerning the borrowing of money; or (iii) issuance against Seller, or the property of Seller, or, or failure of Seller to comply with, a writ of attachment, execution, or other order, judgment, injunction, decree or judicial lien.

B. District Default. An "Event of Default" as to District under this Agreement shall include any of the following:

1. any breach, or misrepresentation by District of any provision of this Agreement that continues uncorrected for fifteen (15) calendar days after notice of such breach or misrepresentation is given by Seller to District; or
2. the failure of District to pay any uncontested invoice, or any portion due, as provided in Paragraph IV, above.

C. Remedies on Default. Remedies of the Parties upon the occurrence of an Event of Default shall include any of the following:

1. Give written notice of the Event of Default to the defaulting Party; and
2. Give, pursue or request any remedy or cure provided under this Agreement, or agreed by the Parties, including request for specific performance; and/or
3. In connection with a default described in paragraph A.2, above, due to a failure of more than three (3%) of the Transmitters or a manufacturing problem, the cure described under Section VII, below; and/or
4. Following the termination of any applicable cure period, declaring this Agreement terminated and pursuing any remedy available at law or equity.

#### **VII. Covenants, warranties and representations of Seller**

In connection with the AMR Meters, the Transmitters, this Agreement, and, as applicable to the Prior Meters where indicated, the Seller represents, covenants, warrants and agrees as follows:

A. Time for Delivery. Seller shall deliver, or cause to be delivered, the Scheduled AMR Water Meters in accordance with the schedule of delivery set forth in Exhibit A, and shall deliver, or cause to be delivered, the Special Order pursuant to the delivery schedule agreed upon by the Parties in connection with the Special Order, and shall deliver, or cause to be delivered, any other Additional AMR Water Meters purchased by District within standard delivery times based on availability but, unless otherwise agreed to by District, no later than sixty (60) calendar days from the day an order is made. An order shall be considered "made" on the date a confirmation of receipt of an order is given by Seller to District following the placement of an order by the District. Each shipment of AMR Meters, or parts, as applicable, shall contain the following:

1. Meter Information. At the time of each delivery, and subsequent thereof as requested by District from time to time, Seller shall provide District with all data relevant to the meters included in each shipment or delivery, including the manufacturer name, the model number, and any serial numbers for each item included in said delivery. This information shall be in both written and electronic form;
2. Electronic form of Data. The data included with each shipment in electronic form shall be in Microsoft Excel format or other format agreed upon by the Parties. Each shipment shall include only one (1) clean, final, usable form of the electronic data in the agreed upon format. Seller and District agree that Seller's failure to deliver a clean, usable error free spreadsheet will result in delays in the

proper installation and incorporation of the affected meters into District's system. *If Seller sends an incomplete or otherwise non-complaint spreadsheet to District, District shall be entitled to reject any and all future shipments, including those for which advanced orders have been placed, if any, and shall not be obligated to pay for the shipment containing the non-compliant spreadsheet until an error free spreadsheet is provided and data is incorporated into District's meter reader system;*

3. *Software.* District intends to use Green Tree meter reading software, or other software as from time to time recommended by Seller, for all meters purchased under this Agreement. As long as District is using any software at any time recommended by Seller, Seller shall insure that its AMR Meters continue to properly function with that software and any modification or updates to said software;

B. *Quality.* Seller will exert its best efforts to deliver high quality AMR Meters in conformance with its published specifications;

C. *Accuracy.* Seller will exert its best efforts to ensure that at least ninety-eight percent (98%) of the meter readings resulting from transmissions from its Transmitters will be accurate, exclusive of errors due to installation or programming by District or other vendors. If inaccurate readings in excess of two percent (2.0%) are evident, in addition to all other remedies available to District hereunder or at law or equity, District may request Seller, and Seller agrees, to designate at least one full time person from its staff for as long as needed for such person or persons to inspect all meter readers and run all software or hardware tests required to determine why inaccurate readings are being provided and to correct the problem;

D. *Percent Failure.* Seller warrants, represents and will make best efforts to ensure that the percent failure on the aggregate of the Transmitters and parts provided to District by Seller does not exceed three percent (3.0%), provided that the following terms shall apply:

1. while the aggregate failure rate of AMR Meters, Transmitters and/or parts sold or provided by Seller to District is equal to or below two percent (2.0%), Seller will only be obligated to repair or replace, as applicable, in the manner provided under the Warranty, provided that a subsequent failure of a 3GDS Meter or part previously repaired or replaced shall also be counted towards the total percentage of failure;
2. if the aggregate failure rate of the Transmitters and/or parts sold or provided to District by Seller exceeds two percent (2.0%) but is less than three percent (3.0%), Seller shall repair or replace, as appropriate under the Warranty, all the Transmitters that are in disrepair at the time the aggregate failure exceeded two percent (2%). Seller shall be responsible for all costs related to and incurred in connection with the repair and/or replacement of all such Transmitters, as applicable, and shall, in addition do the following:
  - a. within fifteen (15) business days of the date District informs Seller, either in writing or via telephone or facsimile communication, that the failure rate has exceed two percent (2%), Seller shall either (i) notify District that Seller will, within a time frame not to exceed sixty (60) calendar days, or as otherwise

accepted by District in writing, provide or cause to be provided actual labor to accomplish the repair or replacement of all Transmitters in disrepair at the time the failure rate exceeded two percent (2%), or (ii) notify District that Seller will compensate District for the costs incurred by District to repair and/or replace, or cause to be repaired and/or replaced, all such Transmitters, including all administrative costs and all costs associated with shipping and handling of the Transmitters and, if applicable and necessary, the actual AMR Meters. If Seller fails to give this notice to District within said fifteen (15) business days, District may undertake to do all acts necessary to accomplish the repair and replacement and Seller shall be responsible for reimbursing all costs incurred by District in connection therewith upon the written request of District; AND

- b. designate and appoint, at its sole cost and expense, at least one full time person from its staff, or a contractor, in either case acceptable to District for as long as needed for such person or persons to (A) test and inspect all Transmitters, and run all software or hardware tests required to determine why the meters are failing, (B) prepare a report indicating the source of the problem and the recommended steps and/or procedures for fixing the problem and preventing same from occurring in the future; and (C) correct the problem. District agrees to cooperate with such person or persons by making the software and hardware, including lists of location as maintained by District, available to such person or persons. Seller shall be obligated to comply with this provision even if District has undertaken the responsibility to repair or replace the non-functioning meters in the manner provided in subparagraph (a) above;
3. if the aggregate failure rate of the AMR Meters and/or Transmitters purchased by or otherwise provided to District by Seller exceeds three percent (3%), Seller shall be in default hereunder (the "Failure Rate Default"). Seller will have sixty (60) calendar days, or if requested by Seller in writing, other longer period of time agreed to by District, from the date notice is given by District that the failure rate has exceeded three percent (3%) to cure such default. Cure shall include but not be limited to the following: (i) within ten (10) business days of the date of notice, provide or cause to be provided, actual labor to accomplish the repair or replacement of all the Transmitters in disrepair at the time the failure rate exceeded three percent (3%); (ii) promptly retain or designate professionals acceptable to District to investigate the reason for the repeated failures, to inspect and test all Transmitters provided by Seller to District and to provide or cause to be provided to District, no later than forty-five (45) calendar days from the date the professionals are agreed upon, a report making findings as to the cause for the excessive failure rate; and (iii) within a reasonable time agreed upon by Seller and District, Seller shall make or cause to be made, at its sole cost and expense, all other repairs, replacements or corrections recommended by the report, including any corrections, repair or replacement required to be made to non-failed meters to ensure the proper functioning of the AMR Meters in accordance with the goals of the District as set forth in this Agreement;

4. if Seller becomes aware that the failure rate of any series of AMR Meters or Transmitters sold to District and manufactured as a batch, or by the same subcontractor of Seller, exceeds ten percent (10%), Seller shall notify District of that fact and shall inform District of the actions Seller intends to take to correct the problem, which actions may include but not be limited to the replacement of all Transmitters manufactured in that batch at the sole cost and expense of Seller.

In computing the number of failures, Seller shall not be held responsible for any failures attributable to damage due to improper installation of any hardware delivered to District, and any such failure shall not be considered in the calculation of failure rate contemplated herein. It is also agreed that if a Transmitter fails due to an act of District or its agents or employees and is replaced by Seller within ninety (90) calendar days of initial installation by District, the failure will not be counted towards the failure rates identified above, provided that any failure due to a manufacturing defect, missing part or other similar cause will be counted against such failure rates;

E. Technical Support. Seller shall maintain offices or locations staffed by a sufficient trained and capable staff, adequate to provide District with assistance and instructions on setup, installation, and use of the Scheduled AMR Water Meters and Additional AMR Water Meters as needed. Said staff shall be available at the numbers specified herein or at such other numbers as from time to time provided by Seller to District;

1. During the term of this Agreement, Seller shall provide technical support to District within no more than four (4) hours from an initial request for assistance made during Seller's regular business hours (8:00 a.m. to 6:00 p.m.) CST Monday through Friday via telephone or facsimile to:

Master Meter Inc. – Service Center  
Phone: (800) 765-6518  
Fax: (817) 842-8100  
email: jpotter@mastermeter.com

2. District may obtain software support directly from Greentree during regular business hours (7:00 a.m. to 6:00 p.m. EST) or as agreed between District and Greentree in any software support contract effective from time to time;
3. Seller shall also provide on-site support at the request of District, provided that District shall first apply any troubleshooting procedures described in the guide provided by Seller, entitled 3G Troubleshooting Guide and attached hereto as Exhibit E; and
4. Seller shall provide free software updates for purchased software as such updates are available or necessary to correct any software problem and will provide upgrades to the software if so agreed by the Parties under a separate software contract;

F. Rights Covenant. Seller warrants and represents to District that it has the right, title and interest in and to the AMR Meters, and all related software and equipment, and the authority to sell or otherwise provide the same to District. Seller represents that the AMR Meters and all associated hardware and software contemplated hereunder are proprietary. If District determines or elects to purchase similar meters or meter reading products from another vendor, Seller agrees to

promptly provide all access information and protocols to the new vendor as needed to insure a seamless incorporation of the other vendor's meters or product;

G. Performance. Seller warrants that the Transmitters will, when properly installed, transmit reliable meter readings to a receive manufactured by Seller and connected to either a laptop or a handheld device;

H. Warranty. Seller hereby provides District with a twenty (20) year warranty for the registers and Transmitters consisting of a full replacement warranty for ten (10) years and a tiered warranty for an additional ten (10) years reflecting a percent discount from years 11 through 20 of the warranty, all as set forth in Exhibit D under the form of warranty entitled "Dialog 3G-DS Component Warranty". Seller hereby extends such warranty to provide District with the same coverage for the Prior Meters as set forth in the letter entitled "Supplemental Warranty" and attached hereto under Exhibit D. In addition, Seller hereby provides coverage for the body of the AMR Meters and Prior Meters in accordance with the terms of the warranty entitled "Utility Products Performance Warranty" attached hereto under Exhibit D. Seller will extend or upgrade such warranties from time to time as required to provide District any benefits greater than the ones described under the Warranty which Seller makes available to another customer or to all its customers. In connection with each meter sold or provided by Seller to District, and each meter or Transmitter replaced by Seller pursuant to the Warranty, the Warranty shall become effective sixty (60) calendar days from the date the meter or Transmitter is shipped to District, and, for every replacement meter, Transmitter or other part, on the date the part is either shipped to District or installed by Seller, as applicable, and shall remain in effect as provided under the Warranty;

I. Compliance with laws. All items sold by Seller hereunder shall be in conformance with AWWA Standards (including ANSI/AWWA C708-05, as hereinafter amended or supplemented) and all other applicable laws, rules and regulations, including Proposition 65 of the State of California. Seller shall be responsible for obtaining any required permits, inspection certificates or any other documentation of compliance required in connection with any such items. Failure to comply with those standards or permits may subject Seller to a product's liability action in accordance with the laws of the State of California;

J. Manufacturing Standards and Testing. Seller shall test or cause to be tested each batch of meters in accordance with its practice and procedures before delivering same to District;

K. Product Recall. If a government entity with jurisdiction over Seller, the AMR Meters or the Transmitters, a court of competent jurisdiction or Seller at any time determines, finds and determines (or orders) that the AMR Meters, or any particular batch or series, should be recalled, or that a manufacturing defect renders the meters not fit for the purpose for which they are intended, Seller shall be responsible for all costs and expenses of the recall. For purposes of this Agreement, said costs and expenses include without limitation, the removal, transportation, disposal and replacement of the AMR Meters. Replacement meters shall be reliable radio transmitter read water meters capable of transmitting data to either a laptop or handheld device;

L. Time is of the Essence. Seller agrees and understands that time and accuracy are of the essence to District in connection with meter readings. Seller will place an agreed upon number of meters and parts in consignment with District to facilitate the replacement or repair of any meters under the warranty within forty-eight (48) hours of notification of failure of a meter;

M. Rejected Meters/Shortages. Upon notice by District to Seller that a meter arrived in a damaged, defective or nonconforming condition, or any shortage in quantity of any shipment of meters, Seller shall replace the rejected meter or make up the shortage as soon as possible at no cost to District;

N. Consignment Meters. At all times during the term of this Agreement, Seller will maintain no less than two (2) boxes of ¾ x 7.5" and two (2) boxes of ¾ x 9" on consignment with District to be used to replace any defective, nonconforming or failed meter and shall replace such consignment meters when used in accordance herewith. Seller will provide a greater number of consignment meters, or different sizes of meters, upon agreement by the Parties. There will be no charge or cost to District for consignment meters, provided that said meters, or parts thereof, shall only be used as needed under the Warranty or as provided above upon failure rate of meters.

### VIII. *Insurance and Indemnification*

A. Seller Insurance. Seller shall procure, and maintain during the term of this Agreement, from insurance companies with a Best rating of A VII or better, commercial general liability insurance and all other insurance required to be maintained by Seller under all laws applicable to Seller.

B. Seller Indemnification. Seller shall defend, indemnify and hold harmless District, its Board of Directors and each member thereof, its officers, agents, attorneys, insurers and representatives against any and all liability, damages, costs or expenses resulting from any claim, action, proceeding, lawsuit or other occurrence of similar nature, in connection with the manufacture, design, sale, title, intellectual property or any other right or interest in or to the AMR Meters and/or the Prior Meters and/or arising out of the negligence of Seller, its board, subcontractors, agents or employees. The extent of this indemnification includes, but is not limited to, Seller's obligation to reimburse all amounts paid by District to Seller hereunder if a court determines that Seller had no right to sell the meters to District as provided under this Agreement or that the meters were no manufactured in accordance with the applicable AWWA or California Proposition 65 standards.

C. District Indemnification. District shall defend, indemnify, and hold harmless Seller, its board, agents and employees against any and all liability, damages, costs or expenses resulting from any third-party claims made or suits brought against Seller (that are not related to the issues covered by Seller Indemnification) and which arise out of the negligent storage, handling, installation or use by District of the AMR Meters, Prior Meters or Transmitters.

### IX. *Successors and Assigns; Notice*

A. This Agreement and all of the terms, conditions, and provisions hereof shall inure to the benefit of and be binding upon the Parties hereto, and their respective successors and assigns; provided, however, that no assignment of this Agreement shall be made without prior written consent of the other Party to this Agreement. Any attempt by the Seller to assign or otherwise transfer any interest in this Agreement without the prior written consent of District shall be void. Since the primary consideration of District in entering this Agreement is the qualifications of the

Seller, as opposed to a low bid, District will refuse to consent to assignments if it considers the assignee to have lesser qualifications.

B. Notice. Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, registered or certified, postage prepaid, or via facsimile, provided that sender shall retain and be able to produce proof of successful fax, addressed to:

**District:**

Otay Water District  
2554 Sweetwater Springs Boulevard  
Spring Valley, California 91978-2004  
Phone: (619) 670-2280  
Fax: (619) 660-0829  
Attention: General Manager

**Seller:**

Master Meter, Inc.  
101 Regency Parkway  
Mansfield, Texas 76063  
Phone: (800) 765-6518  
Fax: (817) 842-8100  
Attention: Jerry Potter, President

Any notice given as indicated above shall be effective upon date of mailing or facsimile delivery.

**X. *Miscellaneous***

A. Entire Agreement. This Agreement and the attached Exhibits represent the entire understanding by and between District and the Seller as to those matters contained herein. All Exhibits, documents or certificates attached to or referenced in this Agreement are incorporated into this Agreement as if fully set forth herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder

B. Amendment. This Agreement may not be modified or altered except in writing signed by the Parties.

C. Applicable Laws. The Agreement shall be interpreted in accordance with the laws of the State of California without regard to its conflict of laws principles.

D. Venue. The proper venue for the resolution of any dispute hereunder which the Parties are unable to resolve in an amicable manner shall be with the superior courts within the County of San Diego, California. Each Party hereby submits to the jurisdiction of said courts.

E. Drafting. The terms of this Agreement have been negotiated by the Parties and the Agreement shall be considered to have, and shall be construed as it has, been drafted by both Parties.

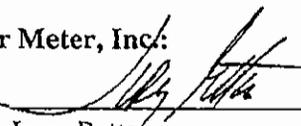
F. Effect of Waiver. No waiver of any default or other provision hereof, or failure of either Party to enforce a right hereunder, shall be deemed a permanent waiver of said term, right or provision or prevent or limit the enforcement of any other concurrent violation of the waived right, default or provision in the future.

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XI. *Execution. Each person executing and delivering this Agreement represents to the other Party that it has full authority to enter into and execute this Agreement and bind the Party on whose behalf it is signing to comply with all terms and conditions of this Agreement.*

Effective Date= Date of Approval by Board of Directors of District = 12 - 7, 2005

Master Meter, Inc:

By:   
Jerry Potter

Its: President

Date: 11/7/05

Otay Water District

By:   
Mark Watton

Its: General Manager

Date: 12-7-05

COPIES:  FILE (1 Orig.),  Seller (1 Orig),  PROJECT MANAGER,  ACCOUNTS PAYABLE

APPROVED AS TO FORM:

 12-7-2005  
Yuri Calderon  
General Counsel  
Otay Water District

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## EXHIBIT B

### Additional AMR Water Meters

#### Dialog Meter Descriptions

- ¾ x 7.5 BL06-2GD-NAA-2-3G or equal or superior Master Meter meter
- ¾ x 9 BL07-2GD-NAA-2-3G or equal or superior Master Meter meter
- 1" MJ09-2(G or L)D-(N or A)AA-2-3G or equal or superior Master Meter meter
- 1½" MJ11-2(G or L)D-(N or A)AA-2-3G or equal or superior Master Meter meter
- 2" MJ13-2(G or L)D-(N or A)AA-2-3G or equal or superior Master Meter meter

At the option of District, as specified at the time each order is placed, an Additional AMR Water Meter will be either as identified above, or any other similar, equivalent or better meter. All meters purchased shall be counted towards the aggregate number used to identify the pricing category of the meter purchase, provided that, if the pricing schedule for the meter ordered is different from the pricing schedule attached to this Agreement as Exhibit C, the proper pricing schedule shall be used to set the price of the meter so purchased.

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**EXHIBIT A**

**Scheduled AMR Water Meters  
Price and Delivery Schedule**

**Price Schedule for Scheduled AMR Meters**

<u>Size</u>	<u>Price per meter</u>
¾ x 7.5"	\$112.50
¾ x 9"	125.00
1"	135.38
1- ½"	215.38
2"	275.38

**Price and Delivery Schedule for Scheduled AMR Meters**

<u>Delivery Date</u>	<u>Quantity</u>	<u>Description</u>	<u>Price per Meter</u>	<u>Total</u>
January 1, 2006	500	¾ x 7.5"	\$112.50	\$ 56,250
	2750	¾" x 9"	125.00	343,750
March 25, 2006	500	¾ x 7.5"	112.50	56,250
	2750	¾" x 9"	125.00	<u>343,750</u>
<b>TOTAL</b>	<b>6,500</b>			<b>\$800,000</b>

JJ  
KC

## EXHIBIT C

### Price Schedule for Purchase of 3G Meters by the Otay Water District

METER SIZE	Material	No. of Meters	0-5,000	5001-10,000	10,001-15,000	≤15,001+
		List Price/ Multiplier	0.51	0.49	0.48	0.46
			PRICE (per meter)	PRICE (per meter)	PRICE (per meter)	PRICE (per meter)
3/4 x 7.5"	EnviroBrass	\$312.52	\$159.39	\$153.13	\$150.01	\$143.76
1"	Bronze	365.22	186.26	178.96	175.31	168.00
1.5"	Bronze	574.12	292.80	281.32	275.58	264.10
2"	Bronze	705.34	359.72	345.62	338.56	324.46
1"	EnviroBrass	401.69	204.86	196.83	192.81	184.78
1.5"	EnviroBrass	661.02	337.12	323.90	317.29	304.07
2"	EnviroBrass	825.26	420.88	404.38	396.12	379.62

METER SIZE	Material	No. of Meters	0-5,000	5001-10,000	10,001-15,000	≤15,001+
		List Price/ Multiplier	0.49	0.47	0.46	0.45
			PRICE (per meter)	PRICE (per meter)	PRICE (per meter)	PRICE (per meter)
3/4 x 9"	EnviroBrass	348.56	170.79	163.82	160.34	156.85

Seller and District have agreed that, in consideration of the discount given by Seller to District in connection with the Scheduled AMR Water Meters, District will initially purchase Additional AMR Water Meters at the list price multiplier under the first column, above, (.51), except for any 3/4 x 9" meters in connection with which the special schedule above has been agreed upon. There will be no credits or reimbursement for any meters purchased under a higher multiplier, however, District and Seller has agreed that the multipliers identified above will apply to the purchase by District of any other meters of Seller.

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**EXHIBIT D**

**Warranty**

**See Attached**

### DIALOG® 3G-DS Component Warranty

DIALOG 3G-DS registers and external transmitters (herein know as "product") are warranted to be free from defects in materials and workmanship for Ten (10) years from date of shipment by Master Meter and at a prorated replacement cost of list price during the following Ten (10) years based on the discounted rate value listing below.

All other 3G-DS System components are warranted to be free from defects in materials and workmanship for One (1) year from date of shipment by Master Meter.

If a product fails to perform as warranted, Master Meter will repair or replace the product, at Master Meter's sole option, at no charge to the customer, subject to the terms of the warranty. This warranty shall not be applicable to products that have been damaged by willful misconduct, negligence, vandalism, act of God, exposure to adverse service conditions or improper installation, use or repair.

Master Meter's liability under this warranty is expressly limited to repair or replacement of the product, at Master Meter's option. The repaired or replacement product will maintain the original meter's warranty based on the original purchase date. The customer must pay for freight cost of the returned product or products to the factory or service center designated by Master Meter. The product replaced becomes the property of Master Meter.

Master Meter further warrants that any 3G register or external transmitter installed shall be free from battery defects in manufacturing and design for a period of ten (10) years from the date of shipment in the relevant DIALOG 3G-DS product (such period is defined as the "Battery Warranty Period"). Master Meter will repair or replace a product that is non-performing due to battery failure free of charge for the first Ten (10) years and at a prorated replacement cost based on the current list price during the remaining Ten (10) years as follows:

Year of Failure	Replacement Cost
1-10	Full Replacement
11	30%
12	35%
13	40%
14	45%
15	50%
16	55%
17	60%
18	65%
19	70%
20	75%



DISCOUNT PERCENTAGES WILL BE APPLIED AGAINST PUBLISHED LIST PRICES IN EFFECT AT THE TIME THE PRODUCT IS ACCEPTED BY MASTER METER UNDER WARRANTY CONDITIONS. THE WARRANTIES CONTAINED ABOVE HEREOF ARE THE ONLY WARRANTIES WITH RESPECT TO THE LISTED PRODUCTS, AND ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, BETWEEN THE PARTIES OR ARISING BY LAW. IN PARTICULAR, MASTER METER DISCLAIMS ANY AND ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THESE WARRANTIES SHALL BE VOID IN THE EVENT THAT THE FAILURE OR DEFECT IN THE LISTED PRODUCT HAS ARISEN AS A RESULT OF THE PRODUCT BEING USED FOR ANY PURPOSE OTHER THAN THAT WHICH WAS INTENDED AND APPROPRIATE AT THE TIME OF MANUFACTURE INCLUDING USE IN A CONFIGURATION OTHER THAN AS RECOMMENDED BY MASTER METER OR AS A RESULT OF IMPROPER INSTALLATION OR MAINTENANCE. MASTER METER'S LIABILITY SHALL IN NO EVENT EXCEED THE PURCHASE PRICE. MASTER METER SHALL NOT BE SUBJECT TO AND DISCLAIMS THE FOLLOWING: (1) ANY OTHER OBLIGATIONS OR LIABILITIES ARISING OUT OF BREACH OF CONTRACT OR OF WARRANTY (2) ANY OBLIGATIONS WHATSOEVER ARISING FROM TORT CLAIMS (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR ARISING UNDER OTHER THEORIES OF LAW WITH RESPECT TO PRODUCTS SOLD OR SERVICES RENDERED BY MASTER METER, OR ANY UNDERTAKINGS, ACT OR OMISSIONS RELATING THERETO, AND (3) ALL CONSEQUENTIAL, INCIDENTAL, SPECIAL, MULTIPLE, EXEMPLARY, AND PUNITIVE DAMAGES WHATSOEVER.

FORM MM1008 06/20/2005



101 REGENCY PARKWAY  
MANSFIELD, TX 76063  
817-842-8000  
FAX 817-842-8100

## Supplemental Warranty

Master Meter specifically agrees to extend our 3GDS warranty to all of the 3GNB units that the Otay Water District currently has within its coverage area as of November 1, 2005. The warranty period on these units began when they were shipped to the District or an authorized Master meter Distributor. The additional Warranty becomes effective when and only when the contract titled "Agreement Between the Otay Water District and Master Meter Inc. to provide for the purchase, sale, and warranty of certain water meters" is executed.

Jerry Potter

President  
Master Meter Inc.

## UTILITY PRODUCTS PERFORMANCE WARRANTY

- Multi-Jet Meters manufactured by Master Meter, Inc. are warranted to perform to AWWA new meter accuracy standards, and to be free from defects in materials and workmanship, for a period of two (2) years from date of Master Meter shipment.
- Additionally, Master Meter Multi-Jet Meters will perform to AWWA repaired meter accuracy standards for fifteen (15) years from Master Meter shipment date, or the registration limits indicated, whichever occurs first:

5/8" - 1.5 million gallons    3/4" - 2.25 million gallons    1" - 3.0 million gallons  
1-1/2" - 5.5 million gallons    2" - 8.0 million gallons

- Master Meter 2" to 6" waterworks bronze body and 10" and 12" cast iron body MMT Turbine Meters are warranted to perform to AWWA accuracy standards, and be free from material and workmanship defects for two (2) years from date of Master Meter shipment. Master Meter 2" to 6" cast iron body WT Turbine Meters and Fire Hydrant Meters are warranted to perform to AWWA accuracy standards, and be free from material and workmanship defects, for one (1) year from date of Master Meter shipment.
- Master Meter 2" to 6" DB Compound Meters are warranted to meet AWWA performance standards, and be free from defects in materials and workmanship, for two (2) years from date of Master Meter shipment. Further, the Multi-Jet Meter installed for low flow measurement in the DB Compound Meter is covered by the Multi-Jet Meter performance warranty as described above.
- Master Meter Electromagnetic Flowmeters, including sensors and converters, are warranted to be free from defects in materials and workmanship for one (1) year from date of Master Meter shipment.
- The waterworks bronze maincases for 5/8" to 2" Multi-Jet Meters are warranted to be free from defects in materials and workmanship for twenty-five (25) years from the date of shipment by Master Meter.
- Direct read and DIALOG® System registers are warranted to be free from material and workmanship defects for fifteen (15) years from date of Master Meter shipment. Electrical Output and Rate of Flow registers are warranted to be free from material and workmanship defects for one (1) year from date of Master Meter shipment.
- DIALOG System Electronic Modules are warranted to be free from defects in materials and workmanship for ten (10) years from date of shipment by Master Meter. All other DIALOG System components are warranted to be free from material and workmanship defects for one (1) year from date of shipment by Master Meter.
- All Master Meter products not specifically identified above are warranted to be free of defects in materials and workmanship for one (1) year from date of Master Meter shipment.
- If a product fails to perform as warranted, Master Meter will repair or replace the product, at Master Meter's option, at no charge to the customer, subject to the terms of the warranty.
- This warranty shall not be applicable to products that have been damaged by willful misconduct, negligence, vandalism, act of God, exposure to adverse service conditions or improper installation, use or repair.
- Master Meter's liability under this warranty is expressly limited to repair or replacement of the product, at Master Meter's option, upon the customer's returning the product to the factory or service center designated by Master Meter and paying freight cost to and from such factory or service center. The product replaced becomes the property of Master Meter. Master Meter shall not be liable for special, incidental, indirect or consequential damages of any kind.

THE ABOVE WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES OR GUARANTEES, EXPRESS, IMPLIED OR STATUTORY, WITH RESPECT TO QUALITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE.



MASTER  
METER

©1991

101 Regency Parkway  
Mansfield, TX 76063  
800-765-6518  
817-842-8100 FAX  
[info@mastermeter.com](mailto:info@mastermeter.com)

visit our website: [www.mastermeterinc.com](http://www.mastermeterinc.com)

## EXHIBIT E



# 3G Trouble Shooting Guide

Problems that can occur out in the field when reading 3G installed routes:

1. No transmission from unit (3G under the glass, universal 3G single or dual switch, and WR clip on).
2. Transmitter number mismatches.
3. Receiver failure.
4. Cable failure: Antenna cable between the receiver and antenna, USB cable or RS 232 cable between the receiver and PC.
5. Reads not matching: PC read to odometer read.
6. Wrong user codes

**No Transmission from unit or weak transmission:**

1. List of things to check.
  - a) Check cable connection between receiver and computer is not loose
  - b) Check the antenna connection to the receiver is not loose.
  - c) Check that the receiver is on, and the led is blinking orange or solid orange.
  - d) Check that the stop button in your route management software wasn't accidentally clicked.
  - e) Make sure you've imported the correct route.
  - f) Make sure you are close to the pit of transmitting register if trouble shooting.
  - g) Check the pit status, it can be filled with dirt or water which can at times attenuate RF signals
  - h) Cross check the transmitting number on the register or Universal to the number and address it corresponds to in the route.
  - i) Try communicating with another unit then try the problematic unit once more.
  - j) Query the unit using the 3G technician software for TX ON/OFF; if TX is of, activate unit. If TX is ON check Transmission interval; the transmission interval for a drive-by system should be 10 seconds and for fixed area network, Sub-metering only, it should be 300 seconds.
  - k) If the unit is transmitting, check the user code and make changes if it is different.
  - l) If all above is checked and the unit is not responding replace register or WR. Note; when replacing the 3G register on a bottom load meter you don't have to turn the water off and take the meter out of the pit. Refer to 3G register change out guide. If you are replacing WR, refer to the WR installation guide.

**Transmitter number mismatches:**

When a transmitting number doesn't match the number in the route management software, you will get a no response meaning the number/address will not clear from the list in the bottom window of your Route management software; it could be possible that the number assigned to the particular address may in fact be transmitting from another location. It is always good to cross check numbers in your software to the transmitting number for verification when ever you are confronted with an unusual read or no read.

If numbers are mismatched, make necessary corrections in local data base

**Receiver failure:**

Make sure the receiver is fully charged at all times; when charging, make sure the receiver is turned off.

When using in drive-by, make sure the power is always plugged.

**Cable failure:**

Cables are very important components of the system. Be careful when handling, plugging, unplugging, and installing cables to your receiver and computer.

Typical failures of cables are: loose connections, cuts in the cable, tangled cables, and end connections stripped from the cable.

**Reads not matching: PC read to odometer read.**

This is identified when there is an abnormal difference in usage in the reports printed from the reads.

Note: before any changes verify that the number in the route is the same as the transmitter number you are trouble shooting.

1. In this case you need to compare the pc read to the odometer read of the meter with the problem using the 3G technician software.
2. If the read difference is more than 3 pulses, this means that the register is not registering properly, if this is the case replace register. Refer to register change out guide.

**Alerts/statuses:**

Leak (Alarm), CCW, and Tamper are the three statuses transmitted from the 3G register.

**Leak (Alarm):** This means that there is a leak at that location on the customer's side. This will appear on your screen only if water is being used continuously for 24 hours.

Locations with leaks need to be double checked to verify the leak status. Some leaks will not be noticeable. The register is very sensitive and will detect the slightest movement in the line. It will detect a leak as small as a commode leak in the bathroom. If it is a temporary leak the alarm will reset itself.

**CCW:** This means counter clockwise read. This will appear on your screen if water flows in the opposite direction as much as 30 gallons or more, or if the meter was installed in the wrong direction.

When you receive a CCW status you can interrogate the unit to see how much water passed through the meter CCW. You can reset the status and the CCW read to zero any time after problem is taken care of.

CCW is also helpful in installations. If a meter is installed facing the wrong direction, once 30 gallons of water passes through the meter, it will send a CCW status

**Tamper:** This will appear on your screen when meter is tampered with a magnet.



# AGENDA ITEM 6c

## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	December 6, 2006
SUBMITTED BY:	Joseph R. Beachem,  Chief Financial Officer	W.O./G.F. NO:	DIV. NO. All
APPROVED BY:			
(Chief)			
APPROVED BY:	German Alvarez, Assistant General Manager		
(Asst. GM):			
SUBJECT:	Selection of Bond Counsel, Disclosure Counsel, and Trustee		

### GENERAL MANAGER'S RECOMMENDATION:

That the Board authorizes the General Manager to contract with the following firms for services related to the pending bond sale:

1. Contract with the firm of Garcia, Calderon, Ruiz and the firm of Sidley Austin for co-bond counsel services for a combined \$50,000 plus out-of-pocket expenses not to exceed \$1,000.
2. Contract with the firm of Stradling, Yocca, Carlson & Rauth for disclosure counsel services for \$22,500 plus out-of-pocket expenses not to exceed \$2,500.
3. Contract with Union Bank for trustee services for an amount not to exceed \$1,500 plus incidental out-of-pocket expenses.

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

Please see Attachment A.

### PURPOSE:

To request Board approval for the selection of Bond Counsel, Disclosure Counsel, and Trustee associated with proposed pending Bond Sale.

### ANALYSIS:

On May 31, 2006, at the Board Budget Workshop, the Board approved the budget and reviewed the need for issuing \$27.5 million of debt. The debt issuance is necessary in order to fund the capital improvement projects and maintain the various construction funds at target levels. The Board of Directors has already approved the selection of the Financial Advisor and now

staff is presenting for Board approval, firms to provide the following services: Bond Counsel, Disclosure Counsel, and Trustee services.

**NEED TO INCREASE BOND AMOUNT**

Subsequent to the Board Budget Workshop, and as outlined in the "First Quarter Capital Improvement Program (CIP) Report", the need for bond financing has increased. In the budget process staff sets a cash flow target level for the CIP projects. With the very large capital improvement projects and the achievement of the construction schedules, the District is exceeding those funding targets and expects to accomplish nearly 100% of the budget over the next two years. With this level of achievement, greater than the historical levels, staff has reevaluated the cash flow requirements and is recommending that the upcoming debt issuance be increased by \$14.5 million to \$42 million in order accommodate the CIP construction needs.

The expected impact on the projected rates is a shift from 3.9% to 5.1% in years 2010, 2011, and 2012. The following table shows the rates found in the current Rate Model as compared to the projected rates under the proposed \$42 million debt issuance.

	2007	2008	2009	2010	2011	2012
Current Rate Model	5.4%	5.4%	5.4%	3.9%	3.9%	3.9%
Rates with Proposed Debt	5.4%	5.4%	5.4%	5.1%	5.1%	5.1%

At this level, the District is expected to maintain all the reserve target levels in all years, remaining within the parameters of the Reserve Policy. The added debt will temporarily drop the debt coverage ratio from net operating income alone below the target level of 150%; however, the District always remains above the minimum 120% covenant level even without using growth funds in the calculation. The District's actual debt coverage ratio which includes the revenues from growth such as capacity fees, remains above 250% and reaches close to 450% by the end of the Rate Model time horizon. The District's overall financial strength allows the District the flexibility to issue additional debt, meet the changing cash flow needs, and still meet all its Reserve Policy targets by the end of the six-year Rate Model period.

Today's requested action is to approve the selection of Bond Counsel, Disclosure Counsel, and the Trustee, putting into place the financing team that will prepare the bond sale. Next month, staff and the Financial Advisor will review the updated Financing Plan which discusses the District's current and future financing. This updated plan will include the new bond amount and incorporate this into the District's Financing Plan. Based on the already updated Rate Model, a fundamental piece of the Financing Plan, both staff and the Financial Advisor are confident that the District maintains its excellent financial strength. In February, staff will ask the Board to adopt the formal resolution that will authorize the bond sale; not until that resolution is passed can the bond sale occur.

### **BOND COUNSEL SERVICES**

Listed below are firms that were contacted and their proposed fees for the two services. All of these firms have excellent experience in the bond markets.

<b>Firms</b>	<b>Bond Counsel Fees/Expenses</b>	<b>Disclosure Counsel Fees/Expenses</b>
Garcia, Calderon, Ruiz/Sidley Austin	\$51,000	Not Submitted
Fulbright & Jaworski, LLP	\$51,500	\$24,000
Jones Hall	\$40,000*	\$17,500*
Quint and Thimmig, LLP	\$50,000	\$20,000
Stradling, Yocca, Carlson & Rauth	\$50,000	\$25,000

\*Expenses were not specified.

A selection panel evaluated the proposals scoring numerous areas, as outlined in the request for proposal. Based on that evaluation, the District entered into negotiations with Garcia, Calderon, Ruiz (GCR) reducing the initial submittal of \$55,000 to a fixed-fee of \$50,000 plus out-of-pocket expenses not to exceed \$1,000. The recommendation is that the firms GCR and Sidley Austin serve as co-Bond Counsel. Additionally, based on the panel's evaluation, it is recommended that the firm Stradling, Yocca, Carlson & Rauth be retained as Disclosure Counsel for a fixed-fee of \$22,500 plus out-of-pocket expenses not to exceed \$2,500.

GCR has excellent experience with numerous financings where Aerobel Banuelos served as either Bond Counsel or Disclosure Counsel. GCR is proposing that the firm Sidley Austin serve in a support role as co-Bond Counsel. Their services are included in the fixed-fee of \$50,000. Sidley Austin is one of the top-rated firms in the nation in this field. In addition to the

strength of the team's combined bond experience, GCR is the District's General Counsel and brings their comprehensive knowledge of the District's operations to the financing team. This team of attorneys is recommended by staff to serve as co-Bond Counsel for this debt issuance.

Stradling, Yocca, Carlson & Rauth (Stradling) is one of the three top-rated California Bond Counsels and has worked with our Financial Advisor on numerous occasions. They also served as both Bond Counsel and Disclosure Counsel in the District's last bond refinancing. Stradling has excellent experience, and was very responsive throughout the process. Based on their experience, quality service, knowledge of the District, and the continuity that they bring to the financing team, they are being recommended as Disclosure Counsel.

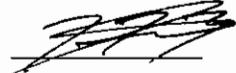
Staff evaluated all the firms and believes the District will be best served with this combination of counsels. The Financial Advisor, Suzanne Harrell, also supports the selection and the diversification of the bond and disclosure counsel roles. This approach strengthens the legal coverage on this bond issuance.

#### **TRUSTEE SERVICES**

Below is the list of firms that were contacted to provide trustee services for this debt issuance.

<b>Firms</b>	<b>One-Time Fees</b>	<b>Annual Fees</b>
Union Bank of California	\$1,500	\$1,700
US Bank	\$2,400	\$1,200
The Bank of New York	\$1,700	\$1,000

Based on a review and evaluation of the proposals, staff is recommending Union Bank to service as the Trustee on the new debt issuance. Staff has enjoyed excellent customer service from Union Bank who is currently serving as Trustee on two of the District's three outstanding debt issuances. The purchasers of the Otay bonds have benefited by the stability that has been experienced with Union Bank. With the District's other bonds, the trust department has been sold multiple times over the years requiring our bond holders to change the point-of-contact multiple times, dealing with different firms, individuals, addresses, and phone numbers. Union Bank is a quality organization with good service and stability.

**FISCAL IMPACT:** 

All costs of the bond issuance are funded from the proceeds of the bond issuance including counsel and first year Trustee services. The Bond Counsel services are \$50,000 plus out-of-pocket expenses not to exceed \$1,000, the Disclosure Counsel fees are \$22,500 plus out-of-pocket expenses not to exceed \$2,500, and the Trustee fees are not to exceed \$1,500 in the initial year. (Note: Trustee services are for the life of the Bonds and there are ongoing fees for ongoing services). The fees in subsequent years are \$1,700 per year and are expected to increase over time at a reasonable rate. The District does have the option to change Trustees in the event that the level of service or cost of service was to warrant a change.

**STRATEGIC GOAL:**

The District ensures its continued financial health through long-term financial planning and debt planning.

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

None.

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



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Selection of Bond Counsel, Disclosure Counsel, and Trustee
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### COMMITTEE ACTION:

The Finance and Administration Committee reviewed this item in detail at the meeting held on November 20, 2006. The following comments were made:

- A Request for Proposal (RFP) was sent to three (3) firms for Trustee services and three (3) responses were received;
- Staff recommends that Union Bank of California (UBOC) be appointed Trustee for the following reasons:
  - Union Bank of California was not the lowest responsive bidder overall, however, they currently serve as Trustee on two of the District's three outstanding debt issuances and they have continued to serve as Trustee on these bond issuances. Staff is pleased that UBOC has not sold its trust department like our other trustee who have been bought and sold four times over the years. UBOC's approach benefits the Otay bond purchasers with stability.
  - UBOC has provided the District very timely, accurate and responsive service.
- An RFP was forwarded to five (5) firms for both Bond Counsel and Disclosure Counsel services and all five (5) firms responded;
- Staff recommends that the District retain the services of Garcia, Calderon & Ruiz and Sidley Austin as co-Bond Counsels and Stradling, Yocca, Carlson & Rauth (Stradling) as Disclosure Counsel:
  - Staff had negotiated with Garcia, Calderon & Ruiz (GCR) and they reduced their bid to \$50,000. GCR is the District's General Counsel and knows the District very well. Their attorney, who will handle the majority of the work, is a very experienced Bond Counsel.
  - Sidley Austin is a well recognized international firm and their reputation would provide credibility to the bond issuance.

- Stradling is also a well recognized firm and they have worked with the District on its last bond issuance providing quality service.
- Staff is very happy with Stadling's past services.
- Staff expects to present the debt issuance for the board's consideration in February 2007.

Upon completion of the discussion, the Committee supported staff's recommendation and forwarding to the Board of Directors on consent.



# AGENDA ITEM 6d

## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	December 6, 2006	
SUBMITTED BY:	Ron Ripperger/ David Padilla	G.I.F.F./G.F. No.	N/A	DIV. NO. ALL
APPROVED BY: (Chief)	Rod Posada Chief, Engineering			
APPROVED BY: (Asst. GM):	Manny Magaña Assistant General Manager, Engineering and Operations			
SUBJECT:	Award of As-Needed Geotechnical Services Contract, FY 07-08			

### GENERAL MANAGER'S RECOMMENDATION:

That the Board authorize the General Manager to enter into an Agreement for Professional Services for As-Needed Geotechnical Services with Southern California Soil and Testing, Inc. for an amount not to exceed \$150,000 during Fiscal Years 2007 and 2008.

### COMMITTEE ACTION:

Please see Attachment A.

### PURPOSE:

To obtain Board authorization for the award of a professional services contract to obtain geotechnical services on an as-needed basis in support of the District's Capital Improvement Program (CIP). The contract amount is not to exceed \$150,000 for a two-year period commencing upon Board approval (see Attachment B).

### ANALYSIS:

The District will require the professional services of a geotechnical consultant to perform studies in support of the District's CIP projects for a period of two years. The As-Needed Geotechnical Services contract will provide the District with the ability to obtain consulting services in a timely and efficient manner and on an as-needed basis.

The District will require the expertise of a geotechnical consultant to conduct investigations for CIP projects. The cost for these geotechnical investigations typically range between \$15,000 and \$40,000, depending on the scope of the

investigation. The District incurs expenses in requesting, reviewing and ranking proposals; checking references; and preparing staff reports for Committee and Board approval. The investigations, individually, are small enough that preparation of formal proposals by consultants becomes expensive and these costs are passed on to the District. For these reasons, the District began using similar contracts for as-needed environmental consulting services in Fiscal Year 2006. The concept is now being pursued by staff for geotechnical services in this request.

The District will issue task orders to the Consultant for specific projects during the contract period. The Consultant will then prepare a detailed scope of work, schedule, and cost estimate for each task order assigned under the contract. Upon written task order authorization from the District, the Consultant shall then proceed with the project as described in the scope of work.

The CIP projects that are estimated to require geotechnical investigations for Fiscal Years 2007 and 2008, at this time, are listed below:

<b>CIP</b>	<b>DESCRIPTION</b>	<b>ESTIMATED COST</b>
P2143	1296-3 Reservoir, 2.0 MG	\$15,000
R2034	860-1 Recycled Water Reservoir, 4.0 MG	\$40,000
R2077	24-Inch Recycled Water Pipeline, 860 Zone, Alta Road - Alta Gate/Airway	\$15,000
R2087	20-Inch Recycled Water Pipeline, 944 Zone, Wueste Road-Olympic Pkwy/Otay Treatment Plant	\$15,000
R2088	20-Inch Recycled Water Pipeline, 860 Zone, County-Roll Reservoir/860-1 Reservoir	\$15,000
P2033	PL - 16-Inch, 1296 Zone, Hillside Drive-Campo/Presilla	\$15,000
<b>TOTAL:</b>		<b>\$115,000</b>

The geotechnical scopes for the above projects are estimated from preliminary information and planning studies. The geotechnical scopes of the projects may change during the design phase, potentially increasing geotechnical study costs.

Similarly, industry-wide increases in the cost of performing geotechnical investigations, such as fees for drilling and excavation subcontractors, insurance, and regulatory compliance, may also increase the cost of performing geotechnical studies. Therefore, staff believes that a \$150,000 cap on the As-Needed Geotechnical Services contract is appropriate.

The As-Needed Geotechnical Services contract would have a one-year base period commencing upon Board approval, and a one-year extension based on the District's CIP schedule and the consultant's successful performance. The contract is not to exceed \$150,000 for all task orders. Fees for professional services will be charged to the CIP Projects for which the investigations are performed.

This As-Needed Geotechnical Services contract does not commit the District to any expenditures until a task order is approved to perform work on a CIP Project. The District does not guarantee work to the consultant, nor does the District guarantee to the consultant that it will expend all of the funds authorized by the contract on professional services.

Staff reviewed and ranked the proposals received in response to the District's request for proposals (see Attachment C). Staff recommends award of the As-Needed Geotechnical Services contract to Southern California Soil and Testing, Inc. for a two-year period commencing upon Board approval for an amount not-to-exceed \$150,000.

**FISCAL IMPACT:**



The funds for this contract will be expended from the CIP projects noted previously. The fees for professional services requested herein are available in the authorized CIP project budgets. This contract is for professional services based on the District's need and schedule, and expenditures will not be made until a task order is approved by the District for the consultant's professional services on a specific CIP project.

**STRATEGIC GOAL:**

This project supports the District's strategic goal to meet current and future potable water demands and the strategy to become a recycled water leader.

**LEGAL IMPACT:**

Consulting services would be subject to the terms of the District's standard Agreement for Professional Services (Attachment B).



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**General Manager**

Attachments

DP/RR/RP:jf

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## ATTACHMENT A

SUBJECT/PROJECT:	Award of As-Needed Geotechnical Services Contract, FY 07-08
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### COMMITTEE ACTION:

The Engineering & Water Operations Committee reviewed this item in detail at a meeting held on November 15, 2006. The following comments were made:

- Staff is requesting the board's authorization to award a professional services contract to obtain geotechnical services on an as-needed basis to Southern California Soil and Testing, Inc. for an amount not to exceed \$150,000 for fiscal year 2007 and 2008.
- It was discussed that staff has identified CIP projects requiring geotechnical investigations in Fiscal Years 2007 and 2008 and estimates the cost at approximately \$115,000. Staff has included an additional \$35,000 should it be required. The committee inquired if staff felt that the additional \$35,000 would be sufficient. Staff indicated that they felt it would.
- The committee suggested that in the future staff handle small service contracts under the General Manager's authority. They also discussed staff possibly identifying a "preferred" vendor, such as Southern California Soil and Testing, Inc., which would be utilized for two years for such projects. The committee requested that staff check with legal counsel if there would be any issues in identifying preferred vendors.
- It was noted that such services for large projects were handled through the bid process.
- The committee supported moving forward with this item as "is" and in future handle such services under the General Manager's authority.

Upon completion of the discussion, the Committee supported staff's recommendation and forwarding to the Board of Directors on consent.



## ATTACHMENT B

<b>SUBJECT/PROJECT:</b>	Award of As-Needed Geotechnical Services Contract, FY 07-08
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AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN  
**OTAY WATER DISTRICT**  
AND  
**CONSULTANT**  
FOR  
**AS-NEEDED GEOTECHNICAL SERVICES**

This Agreement (Agreement) is made and entered into this \_\_\_\_ day of December, 2006 by and between the OTAY WATER DISTRICT, a municipal water district, formed and existing pursuant to California Municipal Water District Act of 1911, as amended, hereinafter referred to as "DISTRICT," and [CONSULTANT], hereinafter referred to as "CONSULTANT."

W I T N E S S E T H

WHEREAS, the DISTRICT requires the services of a geotechnical consultant to render certain technical and professional services described below; and

WHEREAS, the CONSULTANT has available, and offers to provide, personnel and facilities necessary to accomplish the work within the required time.

NOW, THEREFORE, DISTRICT AND CONSULTANT agree as follows:

***I. Scope of Services***

The CONSULTANT agrees to perform those services described in the scope of work set forth in Exhibit 'A' attached hereto and incorporated herein by this reference. The scope of consulting services shall include meetings with District staff and review of previous technical documentation.

***II. Authorization***

General authorization to proceed with the work described in Exhibit 'A' is hereby granted upon full execution of the Agreement. However, CONSULTANT shall not proceed with any work described in Exhibit 'A' until the receipt of a request for specific services or "task order" from the District's Designated Agent. Upon receipt of such a request for specific services, CONSULTANT shall provide the the District's Designated Agent with an estimated budget for the requested services and an estimated time for completion. The District's Designated Agent shall then provide the CONSULTANT with authorization to proceed. No work shall be commenced until the CONSULTANT receives the authorization to proceed.

***III. Compensation***

In return for providing the services described in Exhibit 'A', which are to be performed by the CONSULTANT, the DISTRICT agrees to pay, and the CONSULTANT agrees to accept,

compensation for all executed service requests up to an amount not-to-exceed ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000.00), payable as agreed to by the parties per service request. Total compensation for all Professional Services provided under this agreement shall not exceed ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000.00) during the term of this agreement without prior written authorization from the DISTRICT.

The CONSULTANT shall invoice the DISTRICT on a monthly schedule in the format shown in Exhibits 'B' and 'C'. The CONSULTANT shall not invoice the DISTRICT for work that has not been completed at the time the invoice is prepared. The DISTRICT shall have forty-five (45) days from the date of receipt of error-free invoices prepared in accordance with Exhibits 'B' and 'C' to make payment without incurring interest and/or penalty charges.

#### **IV. Standard of Care**

The CONSULTANT is employed to render geotechnical consulting services only, and any payment made to the CONSULTANT is compensation solely for such services as the CONSULTANT may render and recommendations the CONSULTANT may make. The CONSULTANT'S services shall be furnished in accordance with generally accepted geotechnical consulting principles and practices.

#### **V. Documents**

All original drawings, spreadsheets and documents, including digital photographs and files developed for the project, shall, upon payment in full for the services described in this Agreement, be furnished to and become the property of the DISTRICT, except as otherwise provided in Section VIII: Termination or Abandonment.

The CONSULTANT shall provide final documents on high-density media such as ZIP® disk 100/250 MB or compact disk (CD). Final drawings and details shall be in AutoCAD® 2000 format or more recent. Final Contract Specifications, reports, and spreadsheets shall be in Microsoft® Office 2000 format or more recent. Any other electronic format documents provided to the DISTRICT must be formatted to the same software version or release as that of the DISTRICT.

#### **VI. Performance and Schedule**

The CONSULTANT agrees to coordinate project work to ensure its timely completion and shall promptly notify the DISTRICT of any anticipated delays, which may affect the work schedule. In the event the time for completing the scope of work is exceeded due to circumstances beyond the control of the CONSULTANT, the CONSULTANT shall have an additional amount of time to be agreed upon in writing between the parties in which to complete the work.

#### **VII. Change in Scope of Work**

Work under this agreement is to be performed on a task order basis and shall be pre-approved by the DISTRICT. Each task order shall specify the services requested, the time for performance and an estimated cost for such services. If the services requested require a change, addition or modification, such change, addition or modification shall require prior approval of

the DISTRICT. In the event that the services requested are outside of the Scope of Services specified in Exhibit 'A', CONSULTANT shall bring it to the attention of the DISTRICT immediately, and no such work shall be done prior to obtaining written approval from the DISTRICT.

If the DISTRICT changes the Scope of Work, or if changes in regulations after execution of this Agreement necessitate changes in the Scope of Work, or if the CONSULTANT is requested to perform services not detailed in the Scope of Work, the parties shall execute an amendment to Exhibit 'A', Scope of Work.

All work performed without proper authorization shall be considered part of this Agreement for no additional compensation.

### **VIII. Termination or Abandonment**

Ten (10) calendar days from the date of a written notice to terminate, the DISTRICT has the right to terminate or abandon all or any portion of a work order. The District is under no obligation to require all the services described under the Scope of Work and shall be able to select only those services needed from time to time, as provided in each work order. In the event that the District abandons or terminates any services requested as provided hereunder, the DISTRICT will have the right to take possession and shall own immediately all original specifications, drawings, and other documents developed for that portion of the work completed and/or being abandoned. The DISTRICT will pay the CONSULTANT for services for any portion of the work being terminated which were rendered prior to termination. If said termination occurs prior to completion of any task of the project for which a payment request has not been received, the fee for service performed during such task shall be based on an amount mutually agreed to by the DISTRICT and the CONSULTANT for the portion of such task completed but not paid prior to said termination. The DISTRICT will not be liable for any costs other than the fees or portions thereof, which are specified herein. If all work is abandoned as herein provided, this Agreement shall automatically terminate on the 10<sup>th</sup> day from the date of notice.

### **IX. Indemnification**

A. CONSULTANT agrees to the following:

1. *Indemnification for Professional Services.* CONSULTANT will save harmless and indemnify and, at DISTRICT's request, defend DISTRICT and all its officers, volunteers, employees, and representatives from and against suits, actions, or claims brought for, or on account of, injuries or damages sustained by any person or property directly resulting from a negligent or wrongful act, error or omission by CONSULTANT or any of CONSULTANT's officers, agents, employees, or representatives, in the performance of this Agreement.
2. *Indemnification for other Damages.* CONSULTANT indemnifies and holds DISTRICT harmless from and against a claim, action, damages, costs (including reasonable attorney's fees), injuries, or liability, directly resulting from this Agreement, for its negligent performance. Should DISTRICT be named in a suit, or should a claim be brought against it by suit or otherwise,

directly resulting out of this Agreement, for the CONSULTANT's negligent performance, CONSULTANT will defend DISTRICT (at DISTRICT's request and with counsel satisfactory to DISTRICT) and will indemnify DISTRICT for any judgment rendered against it or any sums paid out in settlement or otherwise.

- B. For purpose of this section "DISTRICT" includes DISTRICT's officers, officials, employees, agents, representatives, and certified volunteers.
- C. It is expressly understood and agreed that the foregoing provisions will survive termination of this Agreement.
- D. The requirements as to the types and limits of insurance coverage to be maintained by CONSULTANT as required by this Agreement and any approval of said insurance by DISTRICT, are not intended to and will not in any manner limit or qualify the liabilities and obligations otherwise assumed by CONSULTANT pursuant to this Agreement, including, without limitation, to the provisions concerning indemnification.

**X. Insurance Requirements**

- A. Before commencing performance under this Agreement, and at all other times this Agreement is effective, CONSULTANT will procure and maintain the following types of insurance with coverage limits complying, at a minimum, with the limits set forth below:

<u>Type of Insurance</u>	<u>Limits (combined single)</u>
Commercial general liability	\$1,000,000
Professional liability	\$1,000,000
Business automobile liability	\$1,000,000
Workers compensation	Statutory requirement

- B. Commercial general liability insurance will meet or exceed the requirements of ISO-CGL Form No. CG 12 10 11 97. The amount of insurance set forth above will be a combined single limit per occurrence for bodily injury, personal injury, and property damage for the policy coverage. Liability policies will be endorsed to name DISTRICT, its officials, and employees as "additional insureds" under said insurance coverage and to state that such insurance will be deemed "primary" such that any other insurance that may be carried by DISTRICT will be excess thereto. Such insurance will be on an "occurrence" basis, except professional liability shall be on a "claims made" basis, and will not be cancelable or subject to reduction except upon a thirty- (30) day prior written notice to DISTRICT.
- C. Automobile coverage will be written on ISO Business Auto Coverage Form CA 00 01 10 01, including symbol 1 (Any Auto).

- D. CONSULTANT will furnish to DISTRICT duly authenticated Certificates of Insurance and Endorsements evidencing maintenance of the insurance required under this Agreement and such other evidence of insurance as may be reasonably required by DISTRICT from time to time. Insurance must be placed with insurers with a current A.M. Best Company Rating equivalent to at least a Rating of "A:VII." Originals of the duly authenticated Certificates of Insurance and Endorsements shall be included with this Agreement as Exhibit D.

**XI. Successors and Assigns**

This Agreement and all of the terms, conditions, and provisions hereof shall inure to the benefit of and be binding upon the parties hereto, and their respective successors and assigns; provided, however, that no assignment of this Agreement shall be made without written consent of the parties to this Agreement. Any attempt by the CONSULTANT to assign or otherwise transfer any interest in this Agreement without the prior written consent of the DISTRICT shall be void. Since the primary consideration of the DISTRICT in entering this agreement is the qualifications of the CONSULTANT, as opposed to a low bid, the DISTRICT will refuse to consent to assignments if it considers the assignee to have lesser qualifications. Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, registered or certified, postage prepaid, addressed to:

DISTRICT:	CONSULTANT:
Otay Water District	Firm Name
2554 Sweetwater Springs Boulevard	Address
Spring Valley, California 91978-2004	Attention:
Attention: Mark Watton	

and shall be effective upon date of mailing.

**XII. Project Organization**

The CONSULTANT proposes to assign [name] as the Project Manager. The Project Manager shall not be removed from the project or reassigned without prior approval of the DISTRICT, which approval shall not be unreasonably withheld. No subcontracting of significant portions of the contracted services shall be made without prior approval of the DISTRICT.

**XIII. Integration**

This Agreement and the attached Exhibits represent the entire understanding by and between the DISTRICT and the CONSULTANT as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by both parties hereto.

**XIV. Execution**

**OTAY WATER DISTRICT**

**CONSULTANT**

---

Mark Watton, General Manager

---

Name, Title

APPROVED AS TO FORM

---

District Counsel

COPIES.  FILE (Orig.),  CONSULTANT,  PROJECT MANAGER.,  ACCOUNTS PAYABLE

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## **EXHIBIT A**

### **SCOPE OF SERVICES**

#### **SCOPE OF REQUIRED SERVICES**

The Scope of Services shall be consistent with the following as may be revised by the District to include additions or deletions recommended by the Consultant for specific task orders.

The contract period will be two (2) years commencing upon the date noted in the Agreement with a not to exceed amount of \$150,000. The District does not guarantee any minimum amount of services to be performed for the duration of the contract.

The District will review the contract at the end of the first year and, based on need and performance, may desire to continue the agreement for one (1) additional year. The District reserves the right to request proposals from other firms for any project, including other work which the District may deem outside of the specialty or scope of this contract. The District reserves the right to appoint a different District Project Manager at any time to provide direction and coordination of the professional services to be provided by the Consultant.

#### **CONSULTANT-PROVIDED SERVICES**

##### **SCOPE OF REQUIRED SERVICES**

Task orders under this contract may not require the full level of work outlined herein, or may require additional work. Further, the number of projects to be evaluated over the term of the agreement is not known in certainty; therefore, work may or may not be available for the Consultant.

The scope of services listed below is intended to describe the typical services that may be requested of the Consultant. The services listed are not all-inclusive, but rather represent those normally expected during the performance of the contract. Specifically, the Consultant shall have experience and ability to perform the following:

##### **Geotechnical Investigations:**

The Consultant shall conduct subsurface geotechnical investigations for the design of new water storage reservoirs, pump stations and pipelines and their appurtenances, or for the modification, improvement or repair of existing District facilities.

1. Review available background data including geotechnical reports, geologic maps, pertinent literature and aerial photographs.
2. Perform geologic mapping of the site by an Engineering Geologist.

3. Mark-out subsurface exploration locations and Contact Underground Services Alert at least two working days prior to explorations. Obtain mark-out from all utility companies having utilities in the exploration area prior to conducting the explorations.
4. Provide brush clearing as may be required for site access and to perform tests.
5. Obtain any required drilling permits from the County of San Diego. Obtain any required encroachment permits for explorations within public right-of-way from the appropriate jurisdictional agency.
6. Perform subsurface explorations to evaluate the soil and groundwater conditions using conventional drilling or excavation equipment best suited for the site conditions and scope of the investigation. The types of equipment and the locations and depths of explorations shall be proposed by the Consultant for each specific project during the duration of the contract. The soil and groundwater conditions encountered in the explorations shall be logged by an engineer or geologist. Relatively undisturbed and bulk soil samples shall be collected for laboratory testing from borings at a minimum 5-foot depth interval. Borings and excavations shall be backfilled in accordance with County of San Diego requirements.
7. Perform laboratory testing of selected samples to characterize the in-place dry density, moisture content, grain-size distribution, shear strength, settlement potential, expansion potential, R-value, maximum density, optimum moisture content and soil corrosivity.
8. Perform seismic refraction surveys to evaluate bedrock rippability to design depths. The method and number of traverses which are anticipated shall be proposed by the Consultant for each specific project during the duration of the contract. A 12-channel, digital seismograph with a 10-pound hammer shall be used as the energy source for the seismic refraction surveys. If the Consultant proposes other methods, these alternative methods shall be discussed in the proposal.
9. Prepare geotechnical investigation reports to include tables, figures and appendices together with discussions of geotechnical findings, recommendations and conclusions. Reports shall provide the following information:
  - A summary of the field and laboratory test procedures and results including penetration resistance, soil classification of the materials encountered and depth to groundwater.
  - A summary of geologic conditions and evaluation of pertinent geologic hazards including seismicity, liquefaction potential, dynamic settlement potential, and slope stability.
  - The results of engineering analyses and recommendations for temporary excavations; shoring design parameters; dewatering; site preparation; removal of unsuitable soils; fill and backfill placement and compaction; permanent slope inclinations; shallow or deep foundations including vertical and horizontal load capacities and anticipated settlement;

allowable bearing for pipeline thrust blocks; modulus of soil reaction ( $E'$ ) for pipeline design; Portland cement concrete slabs-on-grade or structurally-supported slabs; retaining wall design parameters; seismic design parameters in accordance with UBC criteria; asphalt and Portland cement concrete pavements; corrosion potential of the on-site soils to below-grade ferrous metals and concrete foundations; suitability of on-site materials for use as pipe bedding and backfill; and imported fill requirements.

- Provide draft reports for the District's review.
- Incorporate pertinent review comments and provide final reports to the District.

### Design Review

1. Attend meetings during the design phase.
2. Perform foundation and/or grading plan review for conformance with geotechnical recommendations.
3. Coordinate with the District's structural engineer and provide clarifications as necessary during design.

### **DELIVERABLES**

1. All electronic digital drawings/design files shall be delivered in AutoCAD 2000 format or more recent.
2. All electronic text document deliverables shall be in the Microsoft Office platform (Word, Excel, PowerPoint, Project, etc.) version 2000 or more recent.
3. All Geographical Information System (GIS) files shall be delivered in ArcView Shapefile format (.shp).
4. All horizontal data (X,Y coordinates) shall be delivered using the California Coordinate System (NAD 83, Zone VI, feet). All vertical data (Z coordinates) shall be delivered using the North American Vertical Datum of 1988 (NAVD 88).
5. Specifications shall be in Construction Specification Institute (CSI) format and in conformance with District's Standard Specifications.

## **DISTRICT-PROVIDED SERVICES**

The District will:

1. Provide existing reports, record drawings, and other related materials to the Consultant that are in the District's possession. All such materials will be provided in the format available (digital or non-digital).
2. Pay all required fees to California Department of Fish and Game, U.S. Army Corps of Engineers and other agencies as required, excluding fees for drilling permits, right-of-way encroachment permits or the cost of traffic control required for subsurface explorations which shall be paid for by Consultant.
3. Coordinate with the Consultant's Project Manager during all phases of the work for each project.

## EXHIBIT B

### Sample Invoice Format (Summary)

Firm Name

Address

---

**INVOICE SUBMITTED TO:**

Accounts Payable

Otay Water District  
2554 Sweetwater Springs Boulevard  
Spring Valley, CA 91978-2004

**DATE OF INVOICE:****INVOICE NO.****JOB DESCRIPTION:**

PROJECT NAME: As-Needed Geotechnical  
Services Contract

Otay Project Manager: David Padilla

Capital Improvement Project No: Pxxxx-00xxxx

**AUTHORIZATION:**

Purchase Order Number:

Work Order Number:

Consultant Project Number:

**DESCRIPTION OF SERVICES RELATED TO INVOICE: 7/1/07 to 8/1/07**

Perform geotechnical investigation and attend meetings.

**AUTHORIZED AND INVOICED FEE:**

Original Fee Amount Authorized	\$40,000.00
Change Order No. 1 Amount Authorized	\$ 250.00
Change Order No. 2 Amount Authorized	<u>\$ 1,350.00</u>
Total Fee Amount Authorized	\$41,600.00

<b>Amount of This Invoice</b>	<b>\$ 5,433.00</b>
-------------------------------	--------------------

Amount Previously Invoiced	<u>\$32,456.00</u>
----------------------------	--------------------

Total Amount Invoiced to Date	\$37,889.00
-------------------------------	-------------

Amount Previously Paid	\$32,456.00
------------------------	-------------

Authorized Fee Amount Remaining	\$ 3,711.00
---------------------------------	-------------

Percent Complete	91%
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**CONTRACTED DATE OF PROJECT COMPLETION: November 7, 2007**

Invoice has been reviewed and found correct.

---

[Name], Project Manager

## EXHIBIT C

### Sample Invoice Format (task detail)

**Otay Water District**

*As-Needed Geotechnical Services*

MM/DD/YY

WO XXXX / CIP PXXXX-00XXXX

DESCRIPTION	THIS INVOICE			INVOICED TO DATE	CONTRACT AMOUNT	TOTAL %	
	HRS/\$s	RATE	AMOUNT			BILLED	COMPLETE
PROJECT TOTAL			\$5,763.35	\$20,884.30	\$46,500.00	45%	37%
TASK 1 – Project Management and Administration			\$3,955.25	\$15,420.90	\$20,600.00	75%	88%
Sub-Task 1.1	Data Acquisition		\$951.00	\$2,944.00	\$3,000.00	98%	100%
Project Manager	Smith	16.0 hr	41.00 \$/hr		\$656.00		
Drafter	Williams	5.0 hr	35.00 \$/hr		\$175.00		
Secretary	Allred	6.0 hr	20.00 \$/hr		\$120.00		
Sub-Task 1.2	Report Preparation		\$931.50	\$8,865.00	\$13,000.00	68%	75%
Principle	James	2.5 hr	95.00 \$/hr		\$237.50		
Project Manager	Smith	4.0 hr	41.00 \$/hr		\$164.00		
Drafter	Williams	14.0 hr	35.00 \$/hr		\$490.00		
Secretary	Allred	2.0 hr	20.00 \$/hr		\$40.00		
Direct Expenses			\$1,884.50	\$2,431.00	\$3,000.00	81%	81%
Reproduction			\$17.50	10%	\$19.25		
Subconsultant #1	B&K		\$610.00	5%	\$640.50		
Subconsultant #2	CEW		\$1000.00	5%	\$1,050.00		
TASK 2 – Review Existing Documentation & Related Proj. Info.			\$1,808.10	\$5,463.40	\$15,700.00	35%	22%
Sub-Task 2.1			\$951.00	\$2,944.00	\$12,000.00	25%	22%
Project Manager	Smith	16.0 hr	41.00 \$/hr		\$656.00		
Drafter	Williams	5.0 hr	35.00 \$/hr		\$175.00		
Secretary	Allred	6.0 hr	20.00 \$/hr		\$120.00		
Direct Expenses			\$762.00	\$2,225.00	\$2,500.00	89%	89%
Reproduction			\$120.00	10%	\$132.00		
Subconsultant #2	CEW		\$600.00	5%	\$630.00		

Note: 1) Consultant to edit, update, and add lines as necessary.

2) Rates shown above are to remain in effect throughout the life of the contract

## **EXHIBIT D**

(Consultant's Insurance Certificate)



**ATTACHMENT C**

**SUBJECT/PROJECT: Award of As-Needed Geotechnical Services Contract, FY 07-08**

**PROPOSAL RANKING**

		Qualifications, experience of Consultant's assigned personnel	Experience relevant to type of project being considered	Proposed method to accomplish work	Knowledge of jurisdictional agencies, local area environmental concerns, and regulatory requirements	Proposed Fee	Completeness, addressed requested information	Ability to complete projects on schedule	Consultant's commitment to EBE, DBE, MBE, SBE	TOTAL SCORE	AVERAGE SCORE	RANK
FIRM	REVIEWER	15	15	10	10	20	15	10	5	100		
<b>Geo-Environmental, Inc.</b>	Elmer Alex	15	14	3	4	20.0	14	10	5	85.0	83.0	4.0
	David Padilla	15	15	4	5	20.0	12	10	5	86.0		
	Jim Peasley	9	9	8	6	20.0	11	8	5	76.0		
	Marta Riendeau	15	15	5	7	20.0	8	7	5	82.0		
	Richard Shackley	15	15	6	6	20.0	11	8	5	86.0		
<b>Geotechnics Inc.</b>	Elmer Alex	15	15	3	4	19.0	15	8	5	84.0	87.6	2.0
	David Padilla	15	15	8	9	19.0	14	10	5	95.0		
	Jim Peasley	10	12	8	8	19.0	12	8	5	82.0		
	Marta Riendeau	12	14	8	10	19.0	10	7	5	85.0		
	Richard Shackley	14	15	8	9	19.0	13	9	5	92.0		
<b>Geotek, Inc.</b>	Elmer Alex	15	14	10	10	14.6	15	10	0	88.6	79.4	7.0
	David Padilla	15	14	10	9	14.6	13	10	0	85.6		
	Jim Peasley	8	12	8	7	14.6	12	8	0	69.6		
	Marta Riendeau	11	12	8	9	14.6	11	7	0	72.6		
	Richard Shackley	14	13	8	9	14.6	13	9	0	80.6		
<b>Leighton Consulting, Inc.</b>	Elmer Alex	15	14	9	6	15.8	15	6	0	80.8	80.4	6.0
	David Padilla	15	14	8	7	15.8	14	6	0	79.8		
	Jim Peasley	12	12	8	8	15.8	12	8	0	75.8		
	Marta Riendeau	12	13	8	10	15.8	14	8	0	80.8		
	Richard Shackley	15	14	10	9	15.8	13	8	0	84.8		
<b>Ninyo &amp; Moore</b>	Elmer Alex	15	15	10	10	13.6	14	10	5	92.6	87.4	3.0
	David Padilla	15	15	10	10	13.6	14	6	5	88.6		
	Jim Peasley	13	12	8	9	13.6	12	8	5	80.6		
	Marta Riendeau	14	15	8	10	13.6	11	7	5	83.6		
	Richard Shackley	15	15	10	10	13.6	14	9	5	91.6		
<b>Petra Geotechnical, Inc.</b>	Elmer Alex	13	13	8	4	10.0	15	8	0	71.0	70.0	10.0
	David Padilla	12	13	8	6	10.0	14	10	0	73.0		
	Jim Peasley	9	11	9	6	10.0	12	8	0	65.0		
	Marta Riendeau	13	13	8	7	10.0	10	10	0	71.0		
	Richard Shackley	12	13	8	6	10.0	12	9	0	70.0		



**ATTACHMENT C**

**SUBJECT/PROJECT: Award of As-Needed Geotechnical Services Contract, FY 07-08**

**PROPOSAL RANKING**

FIRM	REVIEWER	15	15	10	10	20	15	10	5	100	AVERAGE SCORE	RANK
		Qualifications, experience of Consultant's assigned personnel	Experience relevant to type of project being considered	Proposed method to accomplish work	Knowledge of jurisdictional agencies, local area environmental concerns, and regulatory requirements	Proposed Fee	Completeness, addressed requested information	Ability to complete projects on schedule	Consultant's commitment to EBE, DBE, MBE, SBE	TOTAL SCORE		
<b>PSI, Inc.</b>	Elmer Alex	13	13	3	4	18.5	15	9	0	75.5	73.3	9.0
	David Padilla	13	13	5	5	18.5	13	10	0	77.5		
	Jim Peasley	8	8	8	5	18.5	12	8	0	67.5		
	Marta Riendeau	12	11	6	7	18.5	8	9	0	71.5		
	Richard Shackley	12	12	5	6	18.5	12	9	0	74.5		
<b>Sladden Engineering</b>	Elmer Alex	10	8	3	4	14.2	7	4	0	50.2	63.2	11.0
	David Padilla	13	13	5	5	14.2	8	6	0	64.2		
	Jim Peasley	8	7	8	4	14.2	11	8	0	60.2		
	Marta Riendeau	15	12	8	8	14.2	12	8	0	77.2		
	Richard Shackley	13	10	6	6	14.2	10	5	0	64.2		
<b>Solid Rock Engineering, Inc.</b>	Elmer Alex	14	13	5	4	17.5	15	0	5	73.5	77.1	8.0
	David Padilla	13	13	5	5	17.5	12	5	5	75.5		
	Jim Peasley	10	11	8	8	17.5	12	8	5	79.5		
	Marta Riendeau	12	14	5	10	17.5	10	7	5	80.5		
	Richard Shackley	12	13	7	6	17.5	10	6	5	76.5		
<b>Southern California Soil &amp; Testing, Inc.</b>	Elmer Alex	14	13	9	10	16.8	13	9	5	89.8	87.8	1.0
	David Padilla	14	14	9	9	16.8	12	10	5	89.8		
	Jim Peasley	11	13	9	9	16.8	13	8	5	84.8		
	Marta Riendeau	11	13	9	10	16.8	11	7	5	82.8		
	Richard Shackley	15	14	9	10	16.8	13	9	5	91.8		
<b>Testing Engineers - San Diego, Inc./Bureau Veritas</b>	Elmer Alex	15	15	8	6	18.8	14	10	0	86.8	82.2	5.0
	David Padilla	14	14	8	8	18.8	12	10	0	84.8		
	Jim Peasley	11	11	8	7	18.8	11	8	0	74.8		
	Marta Riendeau	13	13	8	9	18.8	12	9	0	82.8		
	Richard Shackley	13	13	8	8	18.8	13	8	0	81.8		



# AGENDA ITEM 6e

## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	December 6, 2006
SUBMITTED BY:	William Granger, Water Conservation Manager <i>WG</i>	W.O./G.F. NO:	n/a DIV. NO. all
APPROVED BY: (Chief)	Rom Sarno, Chief of Administrative Services <i>RS</i>		
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager of Finance and Administration <i>GA</i>		
SUBJECT:	Annual Water Conservation Reports for Fiscal Years 2005 and 2006		

**GENERAL MANAGER'S RECOMMENDATION:**

For the Board to receive an update on the District's FY 2005 and FY 2006 Water Conservation Best Management Practice Reports. This item is informational only and does not require Board action.

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

See Attachment "A"

**PURPOSE:**

To provide the Board a summary of the 2005 and 2006 annual Water Conservation Best Management Practices Reports. These reports are submitted to the California Urban Water Conservation Council (CUWCC) every two years.

**ANALYSIS:**

The District voluntarily agreed to implement the fourteen water conservation Best Management Practices (BMPs) beginning in 1992, as one of the original signatories to the Memorandum of Understanding Regarding Urban Water Conservation in California. The District submits its annual report to the CUWCC every two years for the past two recently completed fiscal years. The FY 05 and 06 BMP reports must be submitted by December 1, 2006.

The District's BMP reports are also an element of its Urban Water Management Plan. The District is required to submit an Urban Water Management Plan every five years to the Department of Water Resources, and this Plan focuses heavily on an agency's water conservation efforts. Non-compliance with the BMPs may ultimately impact future growth, as this report is submitted as part of SB 221/610 reporting requirements. Both the Department

of Water Resources and the United States Bureau of Reclamation restrict grant funding only to water agencies who implement the BMPs. Once submitted to the CUWCC, the District's BMP reports become open to the public.

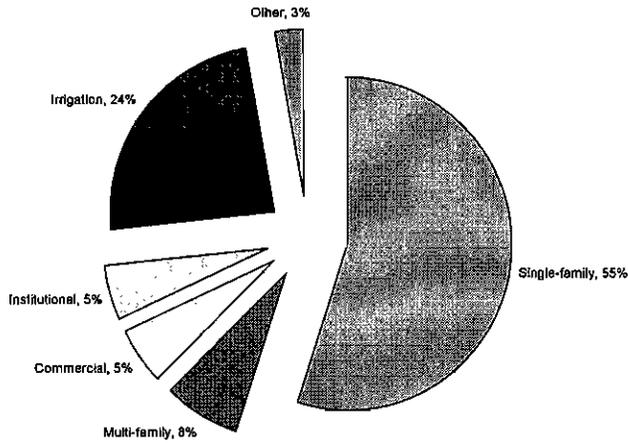
By participating in regionally implemented programs with Metropolitan Water District of Southern California (MET) and the San Diego County Water Authority (Water Authority), the District is able to meet its water conservation goals in a cost-effective manner. The District's water conservation program activity to date resulted in water savings of 1,165 acre-feet last fiscal year. Without these Water Conservation programs, the District would need to spend \$788,700 to purchase this water last fiscal year, at a marginal cost of \$677 per acre-foot.

As a water retailer, the District reports on 13 BMPs. In addition to the BMPs, Otay also reports on the number of accounts by customer class and details its supply sources. Listed below is a summary of the BMPs to be submitted to the CUWCC along with the District's breakdown of water use by account type.

#### **Water Use by Customer Class**

In Fiscal Year 2006, the District's residential single family customers comprised 90% of the total accounts and represented 55% of the total demand. It is estimated that over 60% of that sector's demand is applied to landscapes. The District's irrigation accounts also continue to grow over time and have doubled since 1997, from 841 accounts to 1692 accounts at the end of FY 2006. Irrigation accounts represent 24% of the District's overall demand. Overall, it is estimated that at least 65% of the district's water is used for irrigation, since many of the commercial, institutional and multi-family accounts are mixed use meters such as Cuyamaca College, Southwestern College and Sharp's Chula Vista. The District estimates that it has 422 mixed-use commercial and institutional meters.

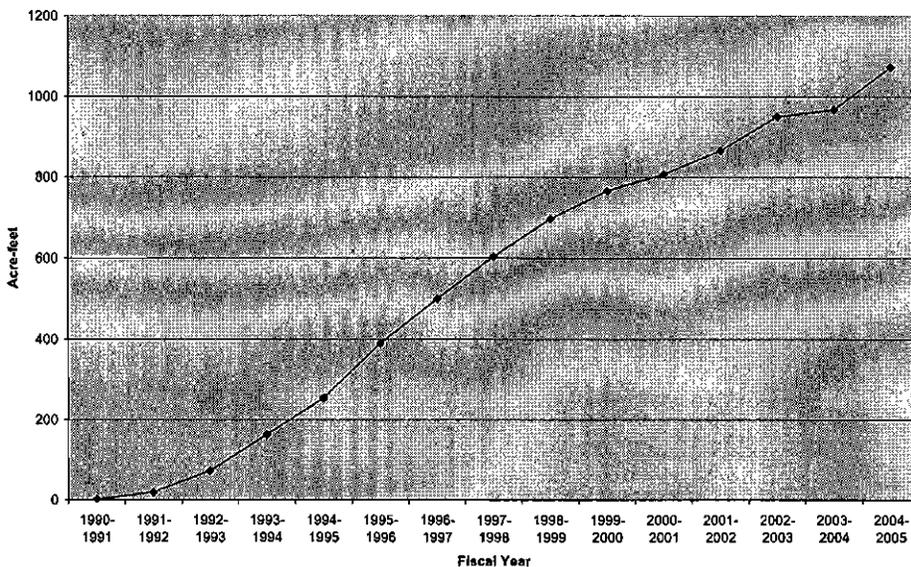
FY 2006 Water Usage by Account Type



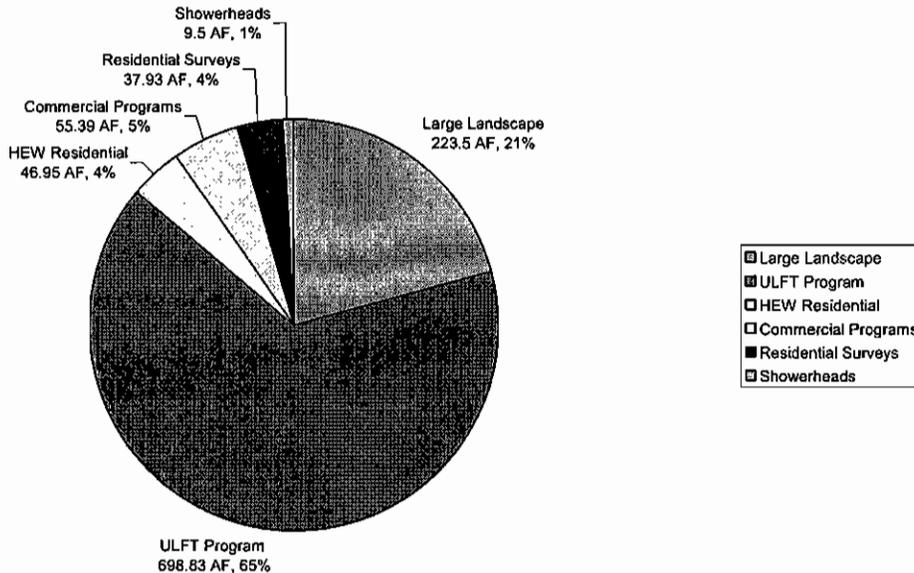
**Water Savings 1990 to 2006:**

As noted in the chart below, the District's water savings continue to increase each year since 1990 when the first water conservation programs began. The District's water savings goal for the "Total Water Saved" performance measure for FY 07 is 1,271 acre-feet. The chart reflects water savings attributed to devices replaced or surveys conducted through water conservation programs.

OWD Annual Water Savings (AF/year)



The pie chart below highlights where the bulk of the District's water savings is achieved by program. Over time, savings attributed to commercial, high efficiency clothes washer and landscape programs is expected to grow.



**BMP Report Summary:**

***BMP 1: Residential Survey Program***

This BMP requires an agency to offer and complete residential surveys for 15% of its single family and 15% of its multi-family accounts within ten years of the date implementation was to commence (1997). Through the end of FY 06, one thousand and seven surveys were conducted in Otay since the program began back in 1995. Surveys were directly marketed to the District's top residential customers as well as on its web page and at events. While in the past the District and the Authority each paid one-fourth the cost of the survey and MET paid the remainder, beginning in FY 05, MET stopped funding residential surveys, and CWA only provided a limited amount of funding for surveys. Surveys typically involve checking for toilet leaks, measuring showerhead and faucet flow rates, reviewing the irrigation system, timers, and developing an irrigation schedule. **The District is currently behind schedule (by 1,588 SF surveys) in meeting the coverage requirements of this BMP.**

**This BMP is scheduled to sunset on June 30, 2007 and be replaced with the proposed BMP 15.**

***BMP 2: Residential Plumbing Retrofit***

This BMP involves the distribution of showerheads until 75% of the District's pre-1992 single-family households have low flow showerheads using 2.5 gallons per minute (gpm) or less. The 2.5 gpm requirement has been a Federal standard since January 1, 1994. The Authority and its member agencies distributed over 550,000 showerheads between 1991 and 2002, and there is a 4% estimated replacement rate. In addition, the District distributed three hundred and sixty-one 2.0 gpm showerheads to its customers over the last two fiscal years. **The District is in compliance with the coverage requirements of this BMP.**

***BMP 3: System Water Audits, Leak Detection and Repair***

A pre-screening audit was completed to determine if the District's water loss exceeds 10%. The pre-screening audit totals the metered sales and other verifiable uses and then divides them by the total supply. If the pre-screening audit indicates that water loss exceeded 10%, then the District is required to complete a full system audit. Water loss was 2% in FY 05 and 9% in FY 06. **The District is in compliance with the coverage requirements of this BMP.**

***BMP 4: Metering with Commodity Rates for all New Connections and Retrofit of Existing Connections***

This BMP asks if meters are installed for all new connections, and if customers are billed by volume of use. In addition, this BMP asks if a feasibility study has been conducted to assess the merits of developing a mixed meter retrofit program. Otay has installed meters at all of its 47,400 connections, but has not conducted a mixed meter retrofit feasibility study. The vast majority of the District's commercial meters with over an acre of landscape have separate irrigation meters. Since 1990, new commercial accounts situated on parcels of at least an acre are required to have a dedicated irrigation meter. **The District is in compliance with the coverage requirements of this BMP.**

***BMP 5: Large Landscape Conservation Programs and Incentives***

This BMP involves targeting water conservation programs to large (1 acre+) landscape accounts and asks whether the District's dedicated irrigation meters have water budgets. At the end of

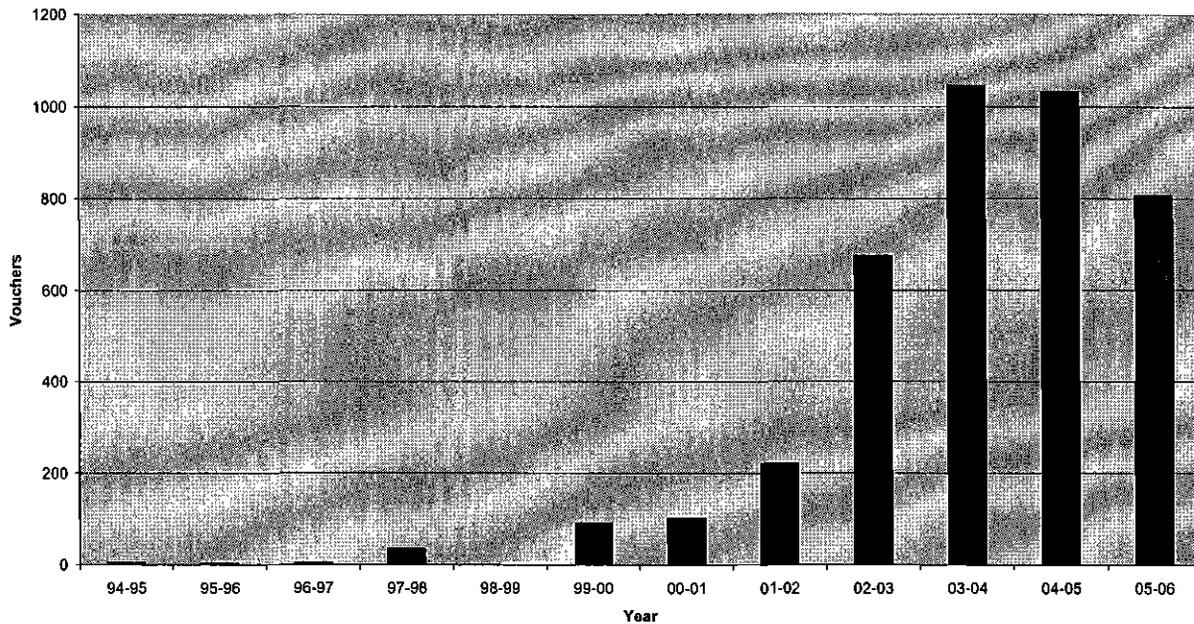
fiscal year 2006, the District had 1,692 dedicated irrigation accounts. Beginning in FY 2005, the District participated in a web-based water budget reporting program. Roughly half of the District's accounts signed up to be notified of their monthly water budget through this program. The District has actively promoted large landscape surveys since 1990, and over 175 audits have been completed.

The coverage requirements for this BMP involve meeting all three conditions for compliance: developing water budgets for 90% of its dedicated irrigation meters, offering landscape surveys to at least 20% of its commercial and institutional mixed use meters, and implementing a dedicated landscape meter retrofit program for mixed use meters or assigning water budgets to mixed use meters. Until recently, the District was not certain how many mixed use meters were in place. Section 27 of the District's Code of Ordinances has required the installation of dedicated irrigation meters on commercial parcels of an acre or more since 1990 and allowed for the purchase of a separate irrigation meter beginning in 1993. **For this reason, the District wrote that our program and ordinance is "at least as effective as" the coverage requirements of this BMP.**

***BMP 6: High-Efficiency (HE) Clothes Washing Machine Rebate Programs***

Since 1994, the District has offered a financial incentive toward the purchase of a high-efficiency clothes washer. The District and the Authority collectively offer a \$125 voucher, providing 4,015 vouchers in Otay since 1994. As highlighted on the chart below, the District provided 1,031 HE Clothes Washer Vouchers in FY 05 and 807 in FY 06. Beginning July 1, 2005 the \$125 voucher was only available for high efficiency clothes washers (HEWs) with a water factor of 6.0 or less. HEWs with a water factor of 6.0 or less are estimated to save 9,100 gallons per household per year over the fourteen year lifespan of the machine. **The District is meeting the coverage requirements of this BMP.**

Otay HE Washer activity  
1994-2006



#### ***BMP 7: Public Information Programs***

The District maintains an active public information program to promote and educate customers about water conservation and its water conservation programs. Otay actively promotes its water conservation programs through community events, on its web page, in the quarterly Pipeline customer newsletter, through bill messages, and in bill inserts. Outreach to Otay customers regarding the Water Conservation Garden is included under this BMP report. Beginning in FY 05, this BMP report no longer includes outreach by the Authority on behalf of the District. **The District is meeting the coverage requirements of this BMP.**

#### ***BMP 8: School Education Program***

The District and Water Authority school program efforts within Otay are highlighted in this BMP. Since the school education program began in 1990, over 96,000 students have participated in the school education program and over 6,200 students have participated in the program over the last two fiscal years. The programs include distribution of classroom kits to teachers, funding for school buses to visit the Garden, and teacher workshops. For the first time, beginning in FY 2005, the Water Authority's school program activity is not included within the report. **The District is meeting the coverage requirements of this BMP.**

**BMP 9: Conservation Programs for Commercial, Institutional and Industrial Accounts**

In conjunction with the Water Authority and MET, the District offers vouchers of either \$135 for ultra-low flush toilets or \$165 for high efficiency toilets, \$130 for single load or \$775 for multi-load commercial clothes washers, \$625 for cooling towers and \$60 for pre-rinse spray valves. In addition to the programs noted, the District partnered with the Water Authority to fund water surveys for its top two institutional water users. **The District is currently behind schedule in meeting the coverage requirements of this BMP.**

**BMP 10: Wholesale Agency Assistance Program**

This BMP is not applicable to retail water agencies

**BMP 11: Conservation Pricing**

Otay detailed its pricing structure in this BMP as well as how much revenue is collected through both water and sewer customer classes including: residential, commercial, industrial, institutional/government, irrigation, and other. **The District will be in compliance with this BMP once it moves from flat to volumetric charges for its sewer customers.**

**BMP 12: Conservation Coordinator**

The District has had a Water Conservation Coordinator/Manager since the spring of 1991. This BMP asks how much of the Coordinator's time is spent on water conservation, their experience, and the conservation budget. **The District is in compliance with the requirements of this BMP.**

**BMP 13: Water Waste Prohibition**

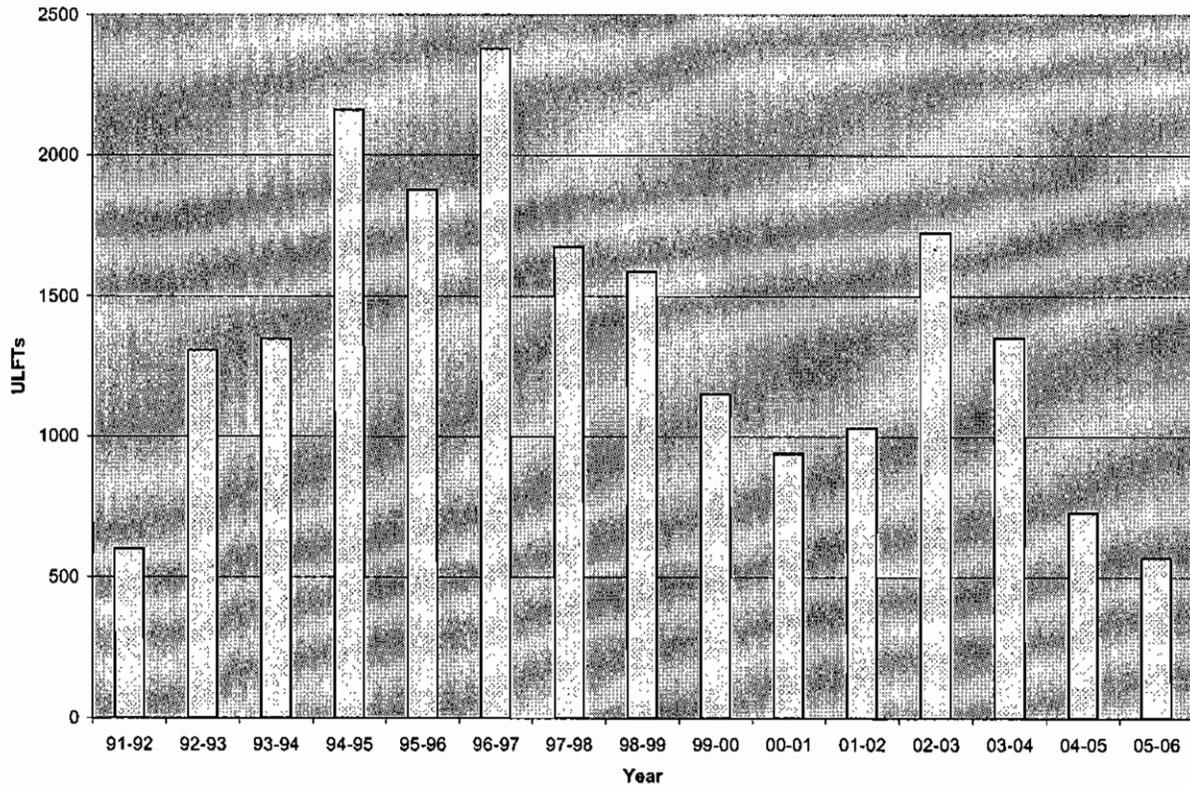
The District complies with this BMP through its water waste prohibition ordinance, listed within Section 39 of its Code of Ordinances.

**BMP 14: Residential ULFT Replacement Programs**

Since 1992, the District has replaced 20,430 older toilets with 1.6 gallon per flush toilets as noted on the chart below. Customers were offered either a \$75 voucher to install an Ultra Low Flush Toilet (ULFT), or a \$95 voucher towards the installation of a dual-flush toilet. The District reports the

number of toilets installed in multi-family vs. single family accounts and beginning in FY 05, lists the number of dual-flush or high efficiency toilets (maximum of 1.28 gallons per flush) installed through the program. **The District is currently behind schedule (by between 600 to 1000 ULFTs depending on whether they are installed in a single-family or multi-family setting) in implementing this BMP due to the low number of multi-family accounts that have replaced their older toilets.**

Otay ULFT activity  
1991-2006



**FISCAL IMPACT:**

None

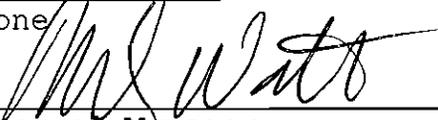


**STRATEGIC GOAL:**

The District's performance measures of "total water saved" and "Water Conservation Garden Awareness" are directly related to implementation of the fourteen Best Management Practices.

**LEGAL IMPACT:**

None

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

Attachment "A"  
FY 05 BMP Report  
FY 06 BMP Report  
BMP Compliance Reports



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Otay Water District's Water Conservation Best Management Practice Reports for FY 2005 and FY 2006
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### COMMITTEE ACTION:

The Water Resources and Security Committee reviewed this item in detail at meetings held on November 29, 2006. The following comments were made:

- It was noted that Otay became one of the 1st signatories in 1991 to the Memorandum of Understanding Regarding Urban Water Conservation in California. Every two years the District submits its Annual Water Conservation Best Management Practices (BMP) Reports to the California Urban Water Conservation Council (CUWCC);
- The District reports on 13 of 14 BMPs;
- Participation is voluntary;
- The benefits of BMP implementation are:
  - Water Savings - The District started many of its conservation programs in 1990 and is up to 1165 AF in water savings in 2006. The annual goal for Fiscal Year 2007 is 1271 AF of water savings.
    - The water savings is largely from residential use (72% of total water savings), large landscape (20%) and commercial (8%)
    - Residential savings are attributed to:
      - Ultra Low Flush Toilets (62%), Water Efficient Clotheswashers (6%) and Low Flow Shower Heads (1%)
  - Grant funding is available from USBR and DWR only to agencies that are signatories

- It was discussed that the District was on "target" on all BMP's with the exception of five. The five BMP's that are behind schedule are:
  - BMP 1: Residential Survey Program for SF and MF Accounts
    - BMP 1 is expected to sunset on June 30, 2007 and will be replaced with BMP 15 (residential landscape)
  - BMP 5: Large Landscape Programs
    - Currently behind schedule, but expected to be in compliance in early 2007
  - BMP 9: Conservation Programs for Commercial and Institutional Accounts
    - Currently behind schedule, however, the District has gained some ground in commercial water conservation and savings has increased from 2% in 2004 to 8% in 2006
  - BMP 11: Conservation Pricing
    - Currently behind schedule, but staff will be evaluating the feasibility of a conservation-based rate structure for the District's 4,570 sewer customers
  - BMP 14: Residential Toilet Replacement Programs
    - Currently behind schedule. The District challenge is that it has a relatively small percentage of older homes to target for this program (as well as BMP 9). The single-family ULFT program will end on March 2007, but multi-family toilets will continue to be targeted.
- Single Family and Multi-family Residential customers who reside in homes older than 1992 have been notified that the ULFT Voucher Program will end in March 2007;
- The Water Efficient Washer Voucher is only applicable to those washers with a water factor rate 6.0. These washers are the most water efficient and save approximately 9000 gallons of water per year.
- It was discussed that it was not a negative for the District to be behind on five of the BMP's. Among the signatories statewide, approximately 14% are on target and 86% are behind schedule on the above noted BMP's;
- There was discussion that the only way to quantify water savings in residential irrigation is through irrigation controllers and landscape surveys. New technology is being developed to detect hard scape versus vegetation of residential homes via satellite

imagery. The challenge will be is to verify and quantify the amount of water that is going into the landscape versus the sewer system.

- It was noted that letters are sent to those customers with large grass areas (such as High School football fields) indicating to the customer the units that they utilized for irrigation versus what was actually required. The letters also highlight available water conservation programs.
- The committee requested that staff verify if the Steele Canyon Golf Course had dropped their water usage as they have moved to well water for irrigation purposes. Staff will verify.
- It was noted that Valhalla High School is also planning to use well water for irrigation purposes to help fund their artificial turf program.
- It was discussed that Donovan and Bailey are interested in implementing the suggestions from the District's water survey findings, however, both are working on budgeting the items into their fiscal year budget.

Upon completion of the discussion, the Committee supported staff's recommendation and forwarding to the Board of Directors on consent.

*Attachment(s) or exhibit(s), if appropriate*

Reported as of 11/2

**Water Supply & Reuse**

Reporting Unit:

**Otay Water District**

Year:

**2006****Water Supply Source Information**

<b>Supply Source Name</b>	<b>Quantity (AF) Supplied</b>	<b>Supply Type</b>
San Diego Water Authority	41095.8	Imported
Ralph W. Chapman	1233.7	Recycled

**Total AF: 42329.5**

Reported as of 11/2

**Accounts & Water Use**

Reporting Unit Name:  
**Otay Water District**

Form Status:  
**100% Complete**

Year:  
**2006**

**A. Service Area Population Information:**

1. Total service area population 190000

**B. Number of Accounts and Water Deliveries (AF)**

Type	Metered		Unmetered	
	No. of Accounts	Water Deliveries (AF)	No. of Accounts	Water Deliveries (AF)
1. Single-Family	42742	20841.88	0	0
2. Multi-Family	765	2844.65	0	0
3. Commercial	1141	2069.73	0	0
4. Industrial	0	0	0	0
5. Institutional	231	2017.75	0	0
6. Dedicated Irrigation	1692	9018.47	0	0
7. Recycled Water	0	0	0	0
8. Other	838	1335.33	0	0
9. Unaccounted	NA	4201.69	NA	0
<b>Total</b>	<b>47409</b>	<b>42329.5</b>	<b>0</b>	<b>0</b>
		<b>Metered</b>		<b>Unmetered</b>

Reported as of 11/2

## BMP 01: Water Survey Programs for Single-Family and Multi-Family Residential Customers

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2006**

### A. Implementation

- |   |            |
|---|------------|
| 1. Based on your signed MOU date, 09/04/1991, your Agency STRATEGY DUE DATE is:   | 09/03/1993 |
| 2. Has your agency developed and implemented a targeting/ marketing strategy for SINGLE-FAMILY residential water use surveys? | yes        |
| a. If YES, when was it implemented?   | 7/1/1995   |
| 3. Has your agency developed and implemented a targeting/ marketing strategy for MULTI-FAMILY residential water use surveys?  | yes        |
| a. If YES, when was it implemented?   | 7/1/1995   |

### B. Water Survey Data

Survey Counts:	Single Family Accounts	Multi-Family Units
1. Number of surveys offered:	3	0
2. Number of surveys completed:	3	0

### Indoor Survey:

- |   |     |     |
|---|-----|-----|
| 3. Check for leaks, including toilets, faucets and meter checks   | yes | yes |
| 4. Check showerhead flow rates, aerator flow rates, and offer to replace or recommend replacement, if necessary   | yes | yes |
| 5. Check toilet flow rates and offer to install or recommend installation of displacement device or direct customer to ULFT replacement program, as necessary; replace leaking toilet flapper, as necessary | yes | yes |

### Outdoor Survey:

- |  |     |          |
|--|-----|----------|
| 6. Check irrigation system and timers  | yes | yes      |
| 7. Review or develop customer irrigation schedule  | yes | yes      |
| 8. Measure landscaped area (Recommended but not required for surveys)  | yes | yes      |
| 9. Measure total irrigable area (Recommended but not required for surveys)   | yes | yes      |
| 10. Which measurement method is typically used (Recommended but not required for surveys)                                |     | Pacing   |
| 11. Were customers provided with information packets that included evaluation results and water savings recommendations? | yes | yes      |
| 12. Have the number of surveys offered and completed, survey results, and survey costs been tracked?                     | yes | yes      |
| a. If yes, in what form are surveys tracked?   |     | database |

b. Describe how your agency tracks this information.

Honeywell tracks the surveys they completed in their database, beginning July 1 2004. They conducted 1/3 surveys listed above. The district maintains a spreadsheet that tracks the total number of surveys offered, completed for each fiscal year.

### C. "At Least As Effective As"

1. Is your AGENCY implementing an "at least as effective as" variant of this BMP? No

a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

### D. Comments

Surveys were offered on a case-by case basis and while evaluating sites for our pilot Cash for Plants program. Beginning last fiscal year, this program was not funded at any levels we could market (they offered to co-fund approximately 20 surveys, and near the end of the fiscal year there was an offer to co-fund surveys retroactively by MET but it was too late to promote them. Instead, program emphasis shifted to the promotion of an incentive for residential smart irrigation controllers and surveys were offered during this time. Honeywell's bid to conduct residential surveys and their cost was dramatically higher than in past years. 2 residential smart controllers were installed through the voucher program that offered \$65 per "smart" controller through the 2nd quarter of this fiscal year. Another 76 "smart" controllers were distributed in March, April and June of this fiscal year.

Reported as of 11/2

### BMP 02: Residential Plumbing Retrofit

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2006**

#### A. Implementation

- 1. Is there an enforceable ordinance in effect in your service area requiring replacement of high-flow showerheads and other water use fixtures with their low-flow counterparts? no
  - a. If YES, list local jurisdictions in your service area and code or ordinance in each:
  
- 2. Has your agency satisfied the 75% saturation requirement for single-family housing units? yes
- 3. Estimated percent of single-family households with low-flow showerheads: 75%
- 4. Has your agency satisfied the 75% saturation requirement for multi-family housing units? yes
- 5. Estimated percent of multi-family households with low-flow showerheads: 75%
- 6. If YES to 2 OR 4 above, please describe how saturation was determined, including the dates and results of any survey research.

The San Diego County Water Authority and its member agencies distributed over 550,000 showerheads between 1991 and 2002. The average rate of natural replacement is 4.0%, while housing demolition is 0.5%. And, effective January 1, 1994 showerheads manufactured in the United States must be 2.5 gpm maximum. Data from the 01/02 Residential Survey Program showed a 80-95% home saturation. The Otay Water District is one of five agencies within the San Diego County that will be participating in an upcoming (beginning late FY 07) California Single-Family Residential Water Efficiency Study.

#### B. Low-Flow Device Distribution Information

- 1. Has your agency developed a targeting/ marketing strategy for distributing low-flow devices? yes
  - a. If YES, when did your agency begin implementing this strategy? 1/1/1992
  - b. Describe your targeting/ marketing strategy.

Over 550,000 showerheads have been distributed in the region to date. Marketing that has been done in the San Diego region includes the following: residential survey distribution, direct distribution to customers (lobby counter), distribution at community events, by customer request and distribution at CBO events. In addition, this fiscal year, the Otay Water District distributed 500? showerheads to customers who came in to pay their bills or who visited our agency booth at an outreach event. The average rate of natural replacement is 4% while housing demolition is .5%. Since January 1, 1994 showerheads manufactured in the USA must be in compliance with the 2.5 gpm maximum flow rate. Data gathered from the Residential Survey Program showed a 80-95% saturation of low flow showerheads in homes surveyed.

<b>Low-Flow Devices Distributed/ Installed</b>	<b>SF Accounts</b>	<b>MF Units</b>
2. Number of low-flow showerheads distributed:	220	0

- |  |   |             |
|--|---|-------------|
| 3. Number of toilet-displacement devices distributed:                    | 0 | 0           |
| 4. Number of toilet flappers distributed:                                | 0 | 0           |
| 5. Number of faucet aerators distributed:                                | 0 | 0           |
| 6. Does your agency track the distribution and cost of low-flow devices? |   | yes         |
| a. If YES, in what format are low-flow devices tracked?                  |   | Spreadsheet |
| b. If yes, describe your tracking and distribution system :              |   |             |

The San Diego County Water Authority documented distribution in the region in a spreadsheet by region, rather than by specific member agency. The District began tracking the distribution of showerheads it personally distributed beginning in FY 02.

### C. "At Least As Effective As"

- |  |    |
|--|----|
| 1. Is your AGENCY implementing an "at least as effective as" variant of this BMP?  | No |
| a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as." |    |

### D. Comments

We distribute 2.0 gpm showerheads. In addition, a large portion of our service area was built after 1992.

Reported as of 11/2

**BMP 03: System Water Audits, Leak Detection and Repair**

Reporting Unit:	BMP Form Status:	Year:
Otay Water District	100% Complete	2006

**A. Implementation**

- |  |          |
|--|----------|
| 1. Does your agency own or operate a water distribution system?  | yes      |
| 2. Has your agency completed a pre-screening system audit for this reporting year?   | yes      |
| 3. If YES, enter the values (AF/Year) used to calculate verifiable use as a percent of total production:   |          |
| a. Determine metered sales (AF)  | 37832.03 |
| b. Determine other system verifiable uses (AF)   | 295.8    |
| c. Determine total supply into the system (AF)   | 42329.5  |
| d. Using the numbers above, if (Metered Sales + Other Verifiable Uses) / Total Supply is < 0.9 then a full-scale system audit is required.                       | 0.90     |
| 4. Does your agency keep necessary data on file to verify the values entered in question 3?  | yes      |
| 5. Did your agency complete a full-scale audit during this report year?  | no       |
| 6. Does your agency maintain in-house records of audit results or completed AWWA M36 audit worksheets for the completed audit which could be forwarded to CUWCC? | yes      |
| 7. Does your agency operate a system leak detection program?   | yes      |
| a. If yes, describe the leak detection program:  |          |

Leak detection is based on purchased vs. sales, physical observations of wet spots, mainflushing load contents, and field staff calls. Otay staff calls in American Leak Detection Service depending upon the urgency or the staffing. B. Survey Data

**B. Survey Data**

- |  |     |
|--|-----|
| 1. Total number of miles of distribution system line.    | 740 |
| 2. Number of miles of distribution system line surveyed. | 9.2 |

**C. "At Least As Effective As"**

- |  |    |
|--|----|
| 1. Is your agency implementing an "at least as effective as" variant of this BMP?  | No |
| a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as." |    |

**D. Comments**

3b-"other" includes Otay water district meters, work orders and unbilled water usage

**Voluntary Questions (Not used to calculate compliance)****E. Volumes**

Estimated	Verified
-----------	----------

1. Volume of raw water supplied to the system:
2. Volume treated water supplied into the system:
3. Volume of water exported from the system:
4. Volume of billed authorized metered consumption:
5. Volume of billed authorized unmetered consumption:
6. Volume of unbilled authorized metered consumption:
7. Volume of unbilled authorized unmetered consumption:

**F. Infrastructure and Hydraulics**

1. System input (source or master meter) volumes metered at the entry to the:
2. How frequently are they tested and calibrated?
3. Length of mains:
4. What % of distribution mains are rigid pipes (metal, ac, concrete)?
5. Number of service connections:
6. What % of service connections are rigid pipes (metal)?
7. Are residential properties fully metered?
8. Are non-residential properties fully metered?
9. Provide an estimate of customer meter under-registration:
10. Average length of customer service line from the main to the point of the meter:
11. Average system pressure: 115
12. Range of system pressures: From 30 to 225
13. What percentage of the system is fed from gravity feed?
14. What percentage of the system is fed by pumping and re-pumping?

**G. Maintenance Questions**

1. Who is responsible for providing, testing, repairing and replacing customer meters? Utility
2. Does your agency test, repair and replace your meters on a regular timed schedule? yes
  - a. If yes, does your agency test by meter size or customer category?: Meter Size
    - b. If yes to meter size, please provide the frequency of testing by meter size:
      - Less than or equal to 1"
      - 1.5" to 2"
      - 3" and Larger
    - c. If yes to customer category, provide the frequency of testing by customer category:

- SF residential
- MF residential
- Commercial
- Industrial & Institutional

3. Who is responsible for repairs to the customer lateral or customer service line?	Utility
4. Who is responsible for service line repairs downstream of the customer meter?	Utility
5. Does your agency proactively search for leaks using leak survey techniques or does your utility reactively repair leaks which are called in, or both?	Leak Survey Techniques
6. What is the utility budget breakdown for:	
Leak Detection	\$
Leak Repair	\$
Auditing and Water Loss Evaluation	\$
Meter Testing	\$

**H. Comments**

Currently we test meters by customer request. We are setting up a regular testing program with an emphasis on 3" and larger meters beginning late FY 07, and evaluating how often the meters will be checked but will consider size, application, age and consumption.

**BMP 04: Metering with Commodity Rates for all New Connections and Retrofit of Existing**

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2006**

**A. Implementation**

1. Please fill out the following matrix:

<b>Types of Billed Accounts</b>	<b>% Accounts Metered</b>	<b>% Accounts Measured (Not Metered)</b>	<b>% Accounts Volumetric Billing</b>
Treated Water SF Residential Accounts	100		100
Treated Water MF Residential Accounts	100		100
Treated Water Commercial Accounts	100		100
Treated Water Industrial Accounts	100		100
Treated Water Institutional Accounts	100		100
Raw Water Residential Deliveries	100	0	100
Raw Water Non-Residential Deliveries	100	0	100

2. If your agency does not meter 100% of all treated water accounts:

- a. Does your agency have a plan or program for retrofitting existing unmetered treated water connections?
- b. By what date would 100% of all treated water accounts be metered?
- c. Number of previously unmetered accounts fitted with meters during report year:

3. If your agency does bill 100% of all treated water accounts by volume of use:

- a. By what date (Year must be four digit mm/dd/yyyy) will all customers with meters be billed by volume of use?

4. If your agency does not meter or measure 100% of all raw water delivery fields (as listed in question 1f & 1g), does your agency intend to develop a program for measuring all raw water deliveries?

5. If your agency does not volumetrically bill 100% of all raw water delivery, does your agency intend to develop a program for billing all raw water deliveries by volume of use?

6. Does your agency meter by volume of use all municipal or governmental accounts?: Yes

- a. If no, which types of accounts are not included:

7. Does your agency bill by volume of use all municipal or governmental accounts? Yes

- a. If no, which types of accounts are not included:

**B. Feasibility Study**

1. Has your agency conducted a feasibility study to assess the merits of a program to provide incentives to switch mixed-use accounts to dedicated landscape meters? no

a. If YES, when was the feasibility study conducted?  
(mm/dd/yy)

b. Describe the feasibility study:

2. Number of CII accounts with mixed-use meters: 423

3. Number of CII accounts with mixed-use meters retrofitted with dedicated irrigation meters during reporting period 0

**D. "At Least As Effective As"**

1. Is your agency implementing an "at least as effective as" variant of this BMP? No

a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

**E. Comments**

Since 1990, the District has required that all CII accounts on a parcel larger than one acre have a dedicated irrigation meter. There are known CII sites with mixed use meters including Donovan Correctional Facility, Southwestern College and Cuyamaca College.

Reported as of 11/2

## BMP 05: Large Landscape Conservation Programs and Incentives

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2006**

### A. Water Use Budgets

- |  |      |
|--|------|
| 1. Number of Dedicated Irrigation Meter Accounts:  | 1692 |
| 2. Number of Dedicated Irrigation Meter Accounts with Water Budgets:                         | 788  |
| 3. Budgeted Use for Irrigation Meter Accounts with Water Budgets (AF) during reporting year: | 2286 |
| 4. Actual Use for Irrigation Meter Accounts with Water Budgets (AF) during reporting year:   | 1131 |
| 5. Does your agency provide water use notices to accounts with budgets each billing cycle?   | yes  |

### B. Landscape Surveys

- |  |           |
|--|-----------|
| 1. Has your agency developed a marketing / targeting strategy for landscape surveys? | yes       |
| a. If YES, when did your agency begin implementing this strategy?                    | 8/10/1990 |
| b. Description of marketing / targeting strategy:                                    |           |

The Water Authority in partnership with the District and its other member agencies developed a number of new programs including a voucher program for "smart" irrigation controllers and mini-grants for improving the irrigation efficiency. The programs were marketed to all of the district's 1600 landscape accounts but specifically to accounts who had already received a large landscape survey (previously called PALM surveys). There was limited funding for large landscape surveys this fiscal year. The programs were marketed through direct mail as well as on the water bills. Staff also called a number of the district's largest landscape accounts to explain the program and there was cross marketing from the district's pilot Cash for Plants turfgrass retrofit program. The pilot Cash for Plants program ran through December of 2005.

- |   |     |
|---|-----|
| 2. Number of Surveys Offered during reporting year.                             | 700 |
| 3. Number of Surveys Completed during reporting year.                           | 3   |
| 4. Indicate which of the following Landscape Elements are part of your survey:  |     |
| a. Irrigation System Check  | yes |
| b. Distribution Uniformity Analysis   | yes |
| c. Review / Develop Irrigation Schedules  | yes |
| d. Measure Landscape Area   | yes |
| e. Measure Total Irrigable Area   | yes |
| f. Provide Customer Report / Information  | yes |
| 5. Do you track survey offers and results?                                      | yes |
| 6. Does your agency provide follow-up surveys for previously completed surveys? | yes |

a. If YES, describe below:

Follow-up surveys are offered at the customer's request.

**C. Other BMP 5 Actions**

- 1. An agency can provide mixed-use accounts with ETo-based landscape budgets in lieu of a large landscape survey program. no  
Does your agency provide mixed-use accounts with landscape budgets?
- 2. Number of CII mixed-use accounts with landscape budgets. 0  
  - Number of CII accounts with mixed-use meters retrofitted with dedicated irrigation meters during reporting period. (From BMP 4 report) 0
  - Total number of change-outs from mixed-use to dedicated irrigation meters since Base Year.
- 3. Do you offer landscape irrigation training? yes
- 4. Does your agency offer financial incentives to improve landscape water use efficiency? yes

Type of Financial Incentive:	Budget (Dollars/Year)	Number Awarded to Customers	Total Amount Awarded
a. Rebates	27000	2	6699
b. Loans	0	0	0
c. Grants	0	0	0

- 5. Do you provide landscape water use efficiency information to new customers and customers changing services? yes

a. If YES, describe below:

Yes, new customers are required by Otay's planning department to provide square footage of landscaped area and receive notice of the Water Efficient Irrigation Ordinance and monthly allocation. On changing services, they are notified by Customer Service or Water Conservation of the allocation and banking system. Surveyed account info kept in file and tracked. If consumption history shows no improvement within 6 months, a review and/or second survey is recommended to customer.

- 6. Do you have irrigated landscaping at your facilities? yes
  - a. If yes, is it water-efficient? yes
  - b. If yes, does it have dedicated irrigation metering? no
- 7. Do you provide customer notices at the start of the irrigation season? no
- 8. Do you provide customer notices at the end of the irrigation season? no

**D. "At Least As Effective As"**

- 1. Is your AGENCY implementing an "at least as effective as" variant of this BMP? yes
  - a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

On October 17, 1990 the Otay Water District passed Ordinance No. 367 which mandated the installation of a separate landscape meter on commercial or industrial properties if they are located on a parcel of land an acre or more in size. Then in December of 1993, the District approved

Ordinance No. 424 allowing commercial customers who obtained a single water meter to October 1990 to obtain a second meter for indoor use without paying water capacity fees if the additional meter is solely for the purpose of isolating current indoor water use from that used for outdoor landscaping. The landscape meter requirement is found in Section 27 of the District's Code of Ordinances. 6: The District installed three water "smart" irrigation controllers around its offices this fiscal year.

#### **E. Comments**

4. a. Jamacha Park HOA received two CLIP grants and upgraded their irrigation system as well as installed a smart irrigation controller. Funding shown above also includes incentives for 2 "smart" controllers. Additionally, one "smart" controller was provided to a landscape account through the distribution program. Home Owners Associations with significant turfgrass areas were encouraged to replace their turfgrass with waterwise plant material through the District's pilot Cash for Plants program. Funding was limited to four sites at \$6,000 per site. In addition, a \$30,000 incentive (\$10K from CWA) was available for installing artificial turf grass in sports fields. Both programs were promoted through either direct mailing or by cold calling high schools within the District. At the beginning of this FY, the Water Authority hired ConserVision to develop a web-based water budget reporting program for its member agencies. This program was running by about the mid point of the fiscal year.

Reported as of 11/2

**BMP 06: High-Efficiency Washing Machine Rebate Programs**

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2006**

**A. Coverage Goal**

	Single Family	Multi-Family
1. Number of <b>residential</b> dwelling units in the agency service area.	40,866	12,422
2. Coverage Goal = Total Dwelling Units x 0.048	= 2,558 Points	

**B. Implementation**

1. Does your agency offer rebates for **residential** high-efficiency washers? yes

HEW Water Factor	Number of Financial Incentives Issued	Total Value of Financial Incentives			TOTAL	POINTS AWARDED
		Retail Water Agency	Wholesaler/ Grants (if applicable)	Energy Utility (if applicable)		
2. <b>Greater than 8.5 but not exceeding 9.5</b> (1 point)	0	\$ 0	\$ 0	\$ 0	\$ 0	0
3. <b>Greater than 6.0 but not exceeding 8.5</b> (2 points)	0	\$ 0	\$ 0	\$ 0	\$ 0	0
4. <b>Less than or equal to 6.0</b> (3 points)	807	\$ 29,471	\$ 107,734	\$ 0	\$ 137,206	2421
<b>TOTALS:</b>		<b>807</b>	<b>\$ 29,471</b>	<b>\$ 107,734</b>	<b>\$ 0</b>	<b>\$ 137,206 2,421</b>

**C. Past Credit Points**

**For HEW incentives issued before July 1, 2004, select ONE of the following TWO options:**

- Method One: Points based on HEW Water Factor
  - Method Two: Agency earns 1 point for each HEW.
- NOTE: Agency shall not receive credit for any HEW incentives where the agency did not provide a financial incentive of \$25 or more.

**Method One: Points based on HEW Water Factor**

HEW Water Factor	Number of Financial Incentives Issued	Total Value of Water Agency Financial Incentives	POINTS AWARDED
1. <b>Greater than 8.5 but</b>			

<b>not exceeding 9.5</b> (1 point each)	\$ 0
<b>2. Greater than 6.0 but not exceeding 8.5</b> (2 points each)	\$ 0
<b>3. Less than or equal to 6.0</b> (3 points each)	\$ 0

**Method Two: Agency earns 1 point for each HEW**

	Number of Financial Incentives Issued	Total Value of Water Agency Financial Incentives	POINTS AWARDED
<b>4. Total HEWs installed</b>	2053	\$ 256,375	2053
<b>PAST CREDIT TOTALS:</b>	<b>2053</b>	<b>\$ 256,375</b>	<b>2,053</b>

**D. Rebate Program Expenditures**

- 1. Average or Estimated Administration and Overhead \$ 25,824
- 2. Is the financial incentive offered per HEW at least equal to the marginal benefits of the water savings per HEW? yes

**E. "At Least As Effective As"**

- 1. Is your AGENCY implementing an "at least as effective as" variant of this BMP? no
  - a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

**F. Comments**

Beginning this FY, only washers with a water factor of 6.0 or less were eligible for the \$125 voucher.

**BMP 07: Public Information Programs**

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2006**

**A. Implementation**

1. How is your public information program implemented?

Wholesaler and retailer both materially participate in program

Which wholesaler(s)?

San Diego County Water Authority

2. Describe the program and how it's organized:

Otay's water conservation division promotes and educates customers about its water conservation and school education programs with help from the District's Public Information Officer. The District regularly promotes water conservation and seeks to educate its customers about waterwise landscaping principals, as well as to encourage them to participate in voucher programs. The District is active in a number of large public outreach events including the City of Chula Vista's Cinco de Mayo (May) and Lemon Festival (August), Bonita Festival (September), and events held at the Water Conservation Garden such as it's California Friendly Gardening Festival (October), its California Friendly Plant Sale (March) and its Spring Garden Festival (May). The District also regularly encourages its customers to visit the Water Conservtion Garden, which it built in cooperation with the Helix Water District and Cuyamaca College in 1999. The District regularly encourages its customers to attend residential and professional landscape classes at the Garden through its webpage, messages on the bill, bill inserts and distribution of class flyers at outreach events.

3. Indicate which and how many of the following activities are included in your public information program:

Public Information Program Activity in Retail Service Area	Yes/No	Number of Events
a. Paid Advertising	yes	84
b. Public Service Announcement	yes	2
c. Bill Inserts / Newsletters / Brochures	yes	7
d. Bill showing water usage in comparison to previous year's usage	yes	
e. Demonstration Gardens	yes	3
f. Special Events, Media Events	yes	1
g. Speaker's Bureau	yes	2
h. Program to coordinate with other government agencies, industry and public interest groups and media	yes	

**B. Conservation Information Program Expenditures**

1. Annual Expenditures (Excluding Staffing) 21000

**C. "At Least As Effective As"**

1. Is your AGENCY implementing an "at least as effective as" variant of this BMP? No

a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

**D. Comments**

3a. The increase in the number of paid advertising was due to grants that heavily funded the growing California Friendly Landscape Contest. There were 2 paid ads in the Homescape section of the San Diego Union Tribune and 80 spots on four radio stations. b. PSA was written and distributed promoting the new technologies and clothes washer giveaway at the May 2006 Spring Garden Festival. c. Includes four newsletters, two bill inserts, Welcome to Otay brochure, and new California Friendly Landscape brochure that emphasizes water-wise landscape designs. In addition, it includes promotion of the California Friendly Landscape Contest. e. e. Includes the Spring and Fall Festival at the Garden and the first ever California Friendly Plant Sale at the Garden in March of 2006. G. Presentations WindingWalk HOA, CWA Water Conservation Action Committee, and intermediate landscape design students at Cuyamaca College B1: includes giveaway items such as magnets, stress balls, bill inserts, brochures, graphic design services, advertising.

Reported as of 11/2

### BMP 08: School Education Programs

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2006**

#### A. Implementation

1. How is your public information program implemented?  
 Wholesaler and retailer both participate in program  
 Which wholesaler(s)?  
 San Diego County Water Authority
2. Please provide information on your region-wide school programs (by grade level):

Grade	Are grade-appropriate materials distributed?	No. of class presentations	No. of students reached	No. of teachers' workshops
Grades K-3rd	yes	26	1907	0
Grades 4th-6th	yes	15	1181	1
Grades 7th-8th	yes	0	0	0
High School	yes	0	0	0

4. Did your Agency's materials meet state education framework requirements?      yes
5. When did your Agency begin implementing this program?      9/9/1990

#### B. School Education Program Expenditures

1. Annual Expenditures (Excluding Staffing)      13987.59

#### C. "At Least As Effective As"

1. Is your AGENCY implementing an "at least as effective as" variant of this BMP?      No
  - a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

#### D. Comments

Teacher workshops are open to grades K-12 and conducted at least once a year in partnership with our neighboring water agencies, but indicated just once above. A.2: Presentations include school tours conducted at the Water Conservation Garden as well as kits used by teachers in the classroom on water cycle, water pollution and water conservation. The District funds tours to the Garden for schools within its service area. B.1: Reflects expenditures for FY 06. \$12,200 was budgeted for this FY, but Board agreed to expand funding for Splash Labs.

Reported as of 11/2

**BMP 09: Conservation Programs for CII Accounts**

Reporting Unit:  
**Otay Water District**

BMP Form Status:  
**100% Complete**

Year:  
**2006**

**A. Implementation**

- 1. Has your agency identified and ranked COMMERCIAL customers according to use? yes
- 2. Has your agency identified and ranked INDUSTRIAL customers according to use? yes
- 3. Has your agency identified and ranked INSTITUTIONAL customers according to use? yes

**Option A: CII Water Use Survey and Customer Incentives Program**

4. Is your agency operating a CII water use survey and customer incentives program for the purpose of complying with BMP 9 under this option? If so, please describe activity during reporting period: no

	<b>CII Surveys</b>	<b>Commercial Accounts</b>	<b>Industrial Accounts</b>	<b>Institutional Accounts</b>
a. Number of New Surveys Offered				
b. Number of New Surveys Completed				
c. Number of Site Follow-ups of Previous Surveys (within 1 yr)				
d. Number of Phone Follow-ups of Previous Surveys (within 1 yr)				
	<b>CII Survey Components</b>	<b>Commercial Accounts</b>	<b>Industrial Accounts</b>	<b>Institutional Accounts</b>
e. Site Visit				
f. Evaluation of all water-using apparatus and processes				
g. Customer report identifying recommended efficiency measures, paybacks and agency incentives				
	<b>Agency CII Customer Incentives</b>	<b>Budget (\$/Year)</b>	<b># Awarded to Customers</b>	<b>Total \$ Amount Awarded</b>
h. Rebates				
i. Loans				
j. Grants				
k. Others				

**Option B: CII Conservation Program Targets**

5. Does your agency track CII program interventions and water savings for the purpose of complying with BMP 9 under this option? yes

6. Does your agency document and maintain records on how savings were realized and the method of calculation for estimated savings? yes

7. **System Calculated** annual savings (AF/yr):

CII Programs	# Device Installations
a. Ultra Low Flush Toilets	16
b. Dual Flush Toilets	0
c. High Efficiency Toilets	0
d. High Efficiency Urinals	0
e. Non-Water Urinals	0
f. Commercial Clothes Washers (coin-op only; not industrial)	0
g. Cooling Tower Controllers	0
h. Food Steamers	0
i. Ice Machines	0
j. Pre-Rinse Spray Valves	14
k. Steam Sterilizer Retrofits	0
l. X-ray Film Processors	0

8. **Estimated** annual savings (AF/yr) from agency programs not including the devices listed in Option B. 7., above:

CII Programs	Annual Savings (AF/yr)
a. Site-verified actions taken by agency:	
Staff at Bailey Detention Facility repaired a leak that was estimated to be losing 2.6 million gallons per year (8AFY. While the survey was funded and conducted in late FY 05, the repair was made in FY 06.	8
b. Non-site-verified actions taken by agency:	0

**B. Conservation Program Expenditures for CII Accounts**

	This Year	Next Year
1. Budgeted Expenditures	6000	31000
2. Actual Expenditures	758	

**C. "At Least As Effective As"**

1. Is your agency implementing an "at least as effective as" variant of this BMP? No

a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

**D. Comments**

In the second half of FY 05, Otay and the San Diego County Water Authority co-funded two commercial surveys for its top two commercial/institutional water users. However, the water softener line was not repaired until FY 06 and is noted above.



Reported as of 11/2

## BMP 11: Conservation Pricing

Reporting Unit: <b>Otay Water District</b>	BMP Form Status: <b>100% Complete</b>	Year: <b>2006</b>
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### A. Implementation

#### Water Service Rate Structure Data by Customer Class

Number of schedules:		Use of classification:
For the following accounts, how many rate schedules does agency offer/use?		This agency:
1. <b>Single-family residential</b>	1	Uses classification in its billing system
2. <b>Multi-family residential</b>	1	Uses classification in its billing system
3. <b>Commercial</b>	1	Uses classification in its billing system
4. <b>Industrial</b>	1	Uses classification in its billing system
5. <b>Institutional/ government</b>	0	Does not serve this type of customer
6. <b>Dedicated irrigation (potable water)</b>	1	Uses classification in its billing system
7. <b>Other</b>	1	Uses classification in its billing system
8. <b>Recycled-reclaimed water</b>	1	Uses classification in its billing system
9. <b>Raw water (urban use)</b>	0	Does not offer this type of water
10. <b>Wholesale (urban use)</b>	0	Does not offer this type of water

#### Sewer Service

- 11. Does your agency provide sewer service to your water customers? yes
- 12. If yes, does sewer service use conservation rate structures? no
- 13. Has your agency made the required efforts (as prescribed in BMP 11) to have sewer services billed on conservation rates? yes
- 14. What water agency activities have been undertaken during the reporting period to achieve waste water agency volumetric billing in your water agency service area? Studies

### B. "At Least As Effective As"

- 1. Is your AGENCY implementing an "at least as effective as" variant of this BMP? yes

a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

We do charge our commercial sewer customers based on strength

and volume. The variance is residential customers is not as significant. The District is planning on moving to a winter based usage charge for the residential customers by FY 2008.

**C. Comments**

### BMP 11: Conservation Pricing

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2006**

#### 1.A. Single-Family Residential Rate Schedule A

a. Water Rate Structure	Increasing Block
b. Sewer Rate Structure	Uniform Seasonal
c. Total Revenue from only Volumetric Charges	16784430
d. Total Revenue from Non-Volumetric Charges (Includes fixed fees, surcharges, minimum usage charges, monthly service charges, meter charges etc.)	8051037.43
e. Total Revenue from this category	24835467.43

#### 1.A. Rate Schedule - Volumetric

**Title:** Rate Schedule - Volumetric

f. Billing Cycles/year	12
g. Service Charges/Cycle	10.25
h. Gallons/Bill Unit	748
i. Minimum Use/Cycle	1
j. Non-billed Units (included in monthly service charge)	0

	<b>\$/Bill Unit</b>	<b>Starting At (unit qty.)</b>
k. Tier 1	1.01	1-5 units
l. Tier 2	1.67	6-25 units
m. Tier 3	1.81	26-35 units
n. Tier 4	2.65	36-50 units
o. Tier 5		
p. Tier 6		

q. Approximate quantity of meters/accounts on this rate schedule	43528
r. Are elevation charges included?	yes
s. Approximate total annual water usage (AF) from customers on this rate schedule	20907.1

**BMP 11: Conservation Pricing**

Reporting Unit:  
**Otay Water District**

BMP Form Status:  
**100% Complete**

Year:  
**2006**

**2.A. Multi-Family Residential Rate Schedule A**

a. Water Rate Structure	Uniform
b. Sewer Rate Structure	Non-volumetric Flat Rate
c. Total Revenue from only Volumetric Charges	2155894
d. Total Revenue from Non-Volumetric Charges (Includes fixed fees, surcharges, minimum usage charges, monthly service charges, meter charges etc.)	382458
e. Total Revenue from this category	2538352

**2.A. Rate Schedule - Volumetric**

**Title:** Rate Schedule - Volumetric

f. Billing Cycles/year	12
g. Service Charges/Cycle	20
h. Gallons/Bill Unit	748.5
i. Minimum Use/Cycle	1
j. Non-billed Units (included in monthly service charge)	0

	<b>\$/Bill Unit</b>	<b>Starting At (unit qty.)</b>
k. Tier 1	1.78	1-unit
l. Tier 2	1.94	1-unit
m. Tier 3	2.83	1-unit
n. Tier 4		
o. Tier 5		
p. Tier 6		

q. Approximate quantity of meters/accounts on this rate schedule	765
r. Are elevation charges included?	yes
s. Approximate total annual water usage (AF) from customers on this rate schedule	2844.65

### BMP 11: Conservation Pricing

Reporting Unit:  
**Otay Water District**

BMP Form Status:  
**100% Complete**

Year:  
**2006**

#### 3.A. Commercial Rate Schedule A

a. Water Rate Structure	Uniform
b. Sewer Rate Structure	Non-volumetric Flat Rate
c. Total Revenue from only Volumetric Charges	1779894
d. Total Revenue from Non-Volumetric Charges (Includes fixed fees, surcharges, minimum usage charges, monthly service charges, meter charges etc.)	1687733.76
e. Total Revenue from this category	3467627.76

#### 3.A. Rate Schedule - Volumetric

**Title:** Rate Schedule - Volumetric

f. Billing Cycles/year	12
g. Service Charges/Cycle	20
h. Gallons/Bill Unit	748.5
i. Minimum Use/Cycle	1
j. Non-billed Units (included in monthly service charge)	0

	<b>\$/Bill Unit</b>	<b>Starting At (unit qty.)</b>
k. Tier 1	1.86	1- unit
l. Tier 2		
m. Tier 3		
n. Tier 4		
o. Tier 5		
p. Tier 6		

q. Approximate quantity of meters/accounts on this rate schedule	1141
r. Are elevation charges included?	yes
s. Approximate total annual water usage (AF) from customers on this rate schedule	2069.73

### BMP 11: Conservation Pricing

Reporting Unit:  
**Otay Water District**

BMP Form Status:  
**100% Complete**

Year:  
**2006**

#### 4.A. Industrial Rate Schedule A

a. Water Rate Structure	Uniform
b. Sewer Rate Structure	Uniform
c. Total Revenue from only Volumetric Charges	1737288.67
d. Total Revenue from Non-Volumetric Charges (Includes fixed fees, surcharges, minimum usage charges, monthly service charges, meter charges etc.)	311064.47
e. Total Revenue from this category	2048353.14

#### 4.A. Rate Schedule - Volumetric

**Title:** Rate Schedule - Volumetric

f. Billing Cycles/year	12
g. Service Charges/Cycle	20
h. Gallons/Bill Unit	748.5
i. Minimum Use/Cycle	1
j. Non-billed Units (included in monthly service charge)	0

	<b>\$/Bill Unit</b>	<b>Starting At (unit qty.)</b>
k. Tier 1	1.93	1 - unit
l. Tier 2		
m. Tier 3		
n. Tier 4		
o. Tier 5		
p. Tier 6		

q. Approximate quantity of meters/accounts on this rate schedule	231
r. Are elevation charges included?	yes
s. Approximate total annual water usage (AF) from customers on this rate schedule	2017.75

### BMP 11: Conservation Pricing

Reporting Unit:  
**Otay Water District**

BMP Form Status:  
**100% Complete**

Year:  
**2006**

#### 6.A. Irrigation Rate Schedule A

a. Water Rate Structure	Uniform
b. Sewer Rate Structure	Non-volumetric Flat Rate
c. Total Revenue from only Volumetric Charges	3979340.43
d. Total Revenue from Non-Volumetric Charges (Includes fixed fees, surcharges, minimum usage charges, monthly service charges, meter charges etc.)	1070309.27
e. Total Revenue from this category	5049649.7

#### 6.A. Rate Schedule - Volumetric

**Title:** Rate Schedule - Volumetric

f. Billing Cycles/year	12
g. Service Charges/Cycle	20
h. Gallons/Bill Unit	748.5
i. Minimum Use/Cycle	1
j. Non-billed Units (included in monthly service charge)	0

	<b>\$/Bill Unit</b>	<b>Starting At (unit qty.)</b>
k. Tier 1	1.85	1-unit
l. Tier 2		
m. Tier 3		
n. Tier 4		
o. Tier 5		
p. Tier 6		

q. Approximate quantity of meters/accounts on this rate schedule	1145
r. Are elevation charges included?	yes
s. Approximate total annual water usage (AF) from customers on this rate schedule	5042.29

### BMP 11: Conservation Pricing

Reporting Unit:  
**Otay Water District**

BMP Form Status:  
**100% Complete**

Year:  
**2006**

#### 7.A. Other Rate Schedule A

a. Water Rate Structure	Uniform
b. Sewer Rate Structure	Uniform
c. Total Revenue from only Volumetric Charges	1538929.68
d. Total Revenue from Non-Volumetric Charges (Includes fixed fees, surcharges, minimum usage charges, monthly service charges, meter charges etc.)	545761.3
e. Total Revenue from this category	2084690.98

#### 7.A. Rate Schedule - Volumetric

**Title:** Rate Schedule - Volumetric

f. Billing Cycles/year	12
g. Service Charges/Cycle	20
h. Gallons/Bill Unit	748.5
i. Minimum Use/Cycle	1
j. Non-billed Units (included in monthly service charge)	0

	<b>\$/Bill Unit</b>	<b>Starting At (unit qty.)</b>
k. Tier 1	1.85	1 - unit
l. Tier 2		
m. Tier 3		
n. Tier 4		
o. Tier 5		
p. Tier 6		

q. Approximate quantity of meters/accounts on this rate schedule	806
r. Are elevation charges included?	yes
s. Approximate total annual water usage (AF) from customers on this rate schedule	920.04

### BMP 11: Conservation Pricing

Reporting Unit:  
**Otay Water District**

BMP Form Status:  
**100% Complete**

Year:  
**2006**

#### 8.A. Recycled Rate Schedule A

a. Water Rate Structure	Uniform
b. Sewer Rate Structure	Non-volumetric Flat Rate
c. Total Revenue from only Volumetric Charges	3066689.23
d. Total Revenue from Non-Volumetric Charges (Includes fixed fees, surcharges, minimum usage charges, monthly service charges, meter charges etc.)	496751.57
e. Total Revenue from this category	3563440.8

#### 8.A. Rate Schedule - Volumetric

**Title:** Rate Schedule - Volumetric

f. Billing Cycles/year	12
g. Service Charges/Cycle	20
h. Gallons/Bill Unit	748.5
i. Minimum Use/Cycle	1
j. Non-billed Units (included in monthly service charge)	0

	<b>\$/Bill Unit</b>	<b>Starting At (unit qty.)</b>
k. Tier 1	1.57	1-unit
l. Tier 2		
m. Tier 3		
n. Tier 4		
o. Tier 5		
p. Tier 6		

q. Approximate quantity of meters/accounts on this rate schedule	558
r. Are elevation charges included?	yes
s. Approximate total annual water usage (AF) from customers on this rate schedule	4030.4

Reported as of 11/2

**BMP 12: Conservation Coordinator**

Reporting Unit:	BMP Form Status:	Year:
<b>Otay Water District</b>	<b>100% Complete</b>	<b>2006</b>

**A. Implementation**

- |   |   |
|---|---|
| 1. Does your Agency have a conservation coordinator?  | yes   |
| 2. Is a coordinator position supplied by another agency with which you cooperate in a regional conservation program ? | no  |
| a. Partner agency's name:   |   |
| 3. If your agency supplies the conservation coordinator:  |   |
| a. What percent is this conservation coordinator's position?  | 100%  |
| b. Coordinator's Name   | William Granger   |
| c. Coordinator's Title  | Water Conservation Manager  |
| d. Coordinator's Experience in Number of Years  | 12 years experience developing and managing water conservation programs |
| e. Date Coordinator's position was created (mm/dd/yyyy)   | 3/28/1991   |
| 4. Number of conservation staff (FTEs), including Conservation Coordinator.   | 2   |

**B. Conservation Staff Program Expenditures**

- |  |           |
|--|-----------|
| 1. Staffing Expenditures (In-house Only)   | 198105.61 |
| 2. BMP Program Implementation Expenditures | 183322.73 |

**C. "At Least As Effective As"**

- |  |    |
|--|----|
| 1. Is your agency implementing an "at least as effective as" variant of this BMP?  | no |
| a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as." |    |

**D. Comments**

Includes the District's agreed upon cost-share of the Water Conservation Garden's Operations and Maintenance Budget, which is strongly supported by the District and reported under BMP 7.

Reported as of 11/2

**BMP 13: Water Waste Prohibition**

Reporting Unit:

BMP Form Status:

Year:

**Otay Water District****100% Complete****2006****A. Requirements for Documenting BMP Implementation**

1. Is a water waste prohibition ordinance in effect in your service area? yes

a. If YES, describe the ordinance:

Section 39 of the Otay Water District Code of Ordinances outlines the District's Conservation and Water Shortage Response Program. Section 39.02 states that "available water resources be put to maximum beneficial use to the extent to which they are capable; that the waste or unreasonable use, or unreasonable method of use of water be prevented; and that the conservation of such water be encouraged with a view to the maximum reasonable and beneficial use thereof in the interests of the residents of the District and for the public welfare."

2. Is a copy of the most current ordinance(s) on file with CUWCC? yes

a. List local jurisdictions in your service area in the first text box and water waste ordinance citations in each jurisdiction in the second text box:

The eastern portions (east of 805) of the City of Chula Vista and portions of unincorporated areas of San Diego County, including Spring Valley, Rancho San Diego, Bonita, Jamul, El Cajon and Otay Mesa, served by the County of San Diego.

District Rules and Regulations for Water Conservation, revised on 12/7/2005. Both the City of Chula Vista and the County of San Diego adopted landscape ordinances in the early 1990s.

**B. Implementation**

1. Indicate which of the water uses listed below are prohibited by your agency or service area.

a. Gutter flooding yes

b. Single-pass cooling systems for new connections yes

c. Non-recirculating systems in all new conveyor or car wash systems yes

d. Non-recirculating systems in all new commercial laundry systems yes

e. Non-recirculating systems in all new decorative fountains yes

f. Other, please name

As per Section 39.05 C, "Customers are required to repair all water leaks within 48 hours of knowledge that a leak exists", and "39.05 D "Water shall not be used to wash down sidewalks, driveways, parking areas, tennis courts, patios, or other paved areas except to alleviate immediate safety or sanitation hazards" yes

2. Describe measures that prohibit water uses listed above:

The following measures apply at all times as per Section 39.05 of the District's Code of Ordinances: (a) At no time shall water be wasted or used unreasonably, (b) Water shall not be allowed to leave the the customer's property by drainage onto adjacent properties or public or

private roadways or streets due to excessive irrigation and/or neglect, (c) Customers shall be required to repair all water leaks within 48 hours of knowledge that a leak exists, (d) water shall not be used to wash down sidewalks, driveways, parking areas, tennis courts, patios, or other paved areas except to alleviate immediate safety or sanitation hazards, (e) Lawn watering or irrigation, other than by hand or drip methods, is prohibited except between the hours of 4:00 p.m. and 9:00 a.m. the following morning. New plantings and newly seeded areas are exempt from these limits for 30 days, (f) The use of hand-held hose for spraying, lawn watering, vehicle washing or structure washing is prohibited without an automatic shut-off nozzle. The following measures apply during Stage 2 and above: (a) No non-residential fountains shall be operated unless reclaimed water is used, (b) Restaurants shall not serve water to their customers except when specifically requested. During Stages 4 and above: No filling, refilling, or adding to artificial ponds or lakes shall be permitted unless reclaimed water is used

**Water Softeners:**

3. Indicate which of the following measures your agency has supported in developing state law:

- a. Allow the sale of more efficient, demand-initiated regenerating DIR models. yes
- b. Develop minimum appliance efficiency standards that:
  - i.) Increase the regeneration efficiency standard to at least 3,350 grains of hardness removed per pound of common salt used. yes
  - ii.) Implement an identified maximum number of gallons discharged per gallon of soft water produced. yes
- c. Allow local agencies, including municipalities and special districts, to set more stringent standards and/or to ban on-site regeneration of water softeners if it is demonstrated and found by the agency governing board that there is an adverse effect on the reclaimed water or groundwater supply. yes

4. Does your agency include water softener checks in home water audit programs? yes

5. Does your agency include information about DIR and exchange-type water softeners in educational efforts to encourage replacement of less efficient timer models? yes

**C. "At Least As Effective As"**

1. Is your AGENCY implementing an "at least as effective as" variant of this BMP? no

- a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

**D. Comments**

While we personally conduct a limited number of residential surveys we always look for or ask if they have a water softener and ask if it is an "on-demand" unit or on a timer.

Reported as of 11/2

**BMP 14: Residential ULFT Replacement Programs**

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2006**

**A. Implementation****Number of 1.6 gpf Toilets Replaced by Agency Program During Report Year**

	Single-Family Accounts	Multi- Family Units
1. Does your Agency have program(s) for replacing high-water-using toilets with ultra-low flush toilets?	yes	yes
<b>Replacement Method</b>	<b>SF Accounts</b>	<b>MF Units</b>
2. Rebate	479	79
3. Direct Install	0	0
4. CBO Distribution	0	0
5. Other	0	0
<b>Total</b>	<b>479</b>	<b>79</b>

**Number of 1.2 gpf High-Efficiency Toilets (HETs) Replaced by Agency Program During Report Year**

	Single-Family Accounts	Multi- Family Units
6. Does your Agency have program(s) for replacing high-water-using toilets with ultra-low flush toilets?	yes	yes
<b>Replacement Method</b>	<b>SF Accounts</b>	<b>MF Units</b>
7. Rebate	3	0
8. Direct Install	0	0
9. CBO Distribution	0	0
10. Other	0	0
<b>Total</b>	<b>3</b>	<b>0</b>

**Number of Dual-Flush Toilets Replaced by Agency Program During Report Year**

	Single-Family Accounts	Multi- Family Units
11. Does your Agency have program(s) for replacing high-water-using toilets with ultra-low flush toilets?	yes	yes
<b>Replacement Method</b>	<b>SF Accounts</b>	<b>MF Units</b>
12. Rebate	7	0
13. Direct Install	0	0
14. CBO Distribution	0	0
15. Other	0	0

---

**Total            7            0**

16. Describe your agency's ULFT, HET, and/or Dual-Flush Toilet programs for single-family residences.

SF customers are offered a voucher redeemable for up to \$75 off the purchase price of all the 3.5+ gallon per flush toilets in their home and the incentive was increased from \$95 to \$165 to fund the installation of HETs (including DFTs).

17. Describe your agency's ULFT, HET, and/or Dual-Flush Toilet programs for multi-family residences.

Participating MF customers are offered a voucher redeemable for up to \$75 off the purchase price of all the 3.5+ gallon per flush toilets in the multi-family complex, and \$165 toward the installation of HETs (including DFTs). New MF residences could apply for the \$70 voucher available for installing DFTs in new construction.

18. Is a toilet retrofit on resale ordinance in effect for your service area? no

19. List local jurisdictions in your service area in the left box and ordinance citations in each jurisdiction in the right box:

**B. Residential ULFT Program Expenditures**

1. Estimated cost per ULFT/HET replacement: 23.85

**C. "At Least As Effective As"**

1. Is your AGENCY implementing an "at least as effective as" variant of this BMP? no

a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

**D. Comments**

The District continues to offer an incentive to encourage developers and builders to install dual flush toilets in new construction, co-funded by CWA and MET.

## BMP 01 Coverage: Water Survey Programs for Single-Family and Multi-Family Residential Customers

Reporting Unit:  
**Otay Water District**

Reporting Period:  
**05-06**

### MOU Exhibit 1 Coverage Requirement

No exemption request filed

Agency indicated "at least as effective as" implementation during report period?

No

A Reporting Unit (RU) must meet three conditions to satisfy strict compliance for BMP 1.

Condition 1: Adopt survey targeting and marketing strategy on time

Condition 2: Offer surveys to 20% of SF accounts and 20% of MF units during report period

Condition 3: Be on track to survey 15% of SF accounts and 15% of MF units within 10 years of implementation start date.

### Test for Condition 1

Otay Water District to Implement Targeting/Marketing Program by:	1999		
		<b>Single-Family</b>	<b>Multi-Family</b>
Year Otay Water District Reported Implementing Targeting/Marketing Program:	1995	1995	1995
Otay Water District Met Targeting/Marketing Coverage Requirement:	YES	YES	YES

### Test for Condition 2

			<b>Single-Family</b>	<b>Multi-Family</b>
Survey Program to Start by:	1998	Residential Survey Offers (%)	0.04%	
Reporting Period:	05-06	Survey Offers $\geq$ 20%	NO	NO

### Test for Condition 3

	Completed Residential Surveys	
	<b>Single Family</b>	<b>Multi-Family</b>
Total Completed Surveys 1999 - 2006:	446	
Past Credit for Surveys Completed Prior to 1999 (Implementation of Reporting Database):	626	28
Total + Credit	1,072	28
Residential Accounts in Base Year	27,776	7,204
Otay Water District Survey Coverage as % of Base	3.86%	0.39%

## Year Residential Accounts

Coverage Requirement by Year 8 of Implementation per Exhibit 1	9.60%	9.60%
Otay Water District on Schedule to Meet 10-Year Coverage Requirement	NO	NO

**BMP 1 COVERAGE STATUS SUMMARY:**

**Water supplier is not currently on track to meet the coverage requirements for this BMP.**

**BMP 02 Coverage: Residential Plumbing Retrofit**Reporting Unit:  
**Otay Water District**Reporting Period:  
**05-06****MOU Exhibit 1 Coverage Requirement**

No exemption request filed

Agency indicated "at least as effective as" implementation during report period?

No

An agency must meet one of three conditions to satisfy strict compliance for BMP 2.

Condition 1: The agency has demonstrated that 75% of SF accounts and 75% of MF units constructed prior to 1992 are fitted with low-flow showerheads.

Condition 2: An enforceable ordinance requiring the replacement of high-flow showerheads and other water use fixtures with their low-flow counterparts is in place for the agency's service area.

Condition 3: The agency has distributed or directly installed low-flow showerheads and other low-flow plumbing devices to not less than 10% of single-family accounts and 10% of multi-family units constructed prior to 1992 during the reporting period.

**Test for Condition 1**

<u>Report Year</u>	<u>Report Period</u>	<u>Single-Family</u>		<u>Multi-Family</u>	
		<u>Reported Saturation</u>	<u>Saturation &gt; 75%?</u>	<u>Reported Saturation</u>	<u>Saturation &gt; 75%?</u>
1999	99-00	75.00%	YES	75.00%	YES
2000	99-00	75.00%	YES	75.00%	YES
2001	01-02	75.00%	YES	75.00%	YES
2002	01-02	75.00%	YES	75.00%	YES
2003	03-04	75.00%	YES	75.00%	YES
2004	03-04	75.00%	YES	75.00%	YES
2005	05-06	75.00%	YES	75.00%	YES
2006	05-06	75.00%	YES	75.00%	YES

**Test for Condition 2**

<u>Report Year</u>	<u>Report Period</u>	<u>Otay Water District has ordinance requiring showerhead retrofit?</u>
1999	99-00	NO
2000	99-00	NO
2001	01-02	NO
2002	01-02	NO
2003	03-04	NO
2004	03-04	NO
2005	05-06	NO
2006	05-06	NO

**Test for Condition 3**

Reporting Period: 05-06

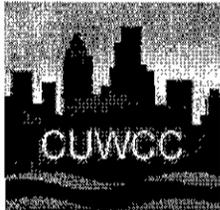
<u>1992 SF Accounts</u>	<u>Num. Showerheads Distributed to SF Accounts</u>	<u>Single-Family Coverage Ratio</u>	<u>SF Coverage Ratio &gt; 10%</u>
-------------------------	--	-------------------------------------	-----------------------------------

23,625	500	2.1%	NO
<u>1992 MF</u>	<u>Num. Showerheads Distributed to</u>	<u>Multi-Family</u>	<u>MF Coverage</u>
<u>Accounts</u>	<u>MF Accounts</u>	<u>Coverage Ratio</u>	<u>Ratio &gt; 10%</u>
6,236			NO

---

**BMP 2 COVERAGE STATUS SUMMARY:**

Water supplier has met the coverage requirements for this BMP.



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### BMP 03 Coverage: System Water Audits, Leak Detection and Repair

Reporting Unit:  
**Otay Water District**

#### **MOU Exhibit 1 Coverage Requirement**

No exemption request filed

Agency indicated "at least as effective as" implementation during report period? No

An agency must meet one of two conditions to be in compliance with BMP 3:

Condition 1: Perform a prescreening audit. If the result is equal to or greater than 0.9 nothing more needs be done.

Condition 2: Perform a prescreening audit. If the result is less than 0.9, perform a full audit in accordance with AWWA's Manual of Water Supply Practices, Water Audits, and Leak Detection.

#### Test for Conditions 1 and 2

<u>Report Year</u>	<u>Report Period</u>	<u>Pre-Screen Completed</u>	<u>Pre-Screen Result</u>	<u>Full Audit Indicated</u>	<u>Full Audit Completed</u>
1999	99-00	YES	93.7%	NO	NO
2000	99-00	YES	92.8%	NO	NO
2001	01-02	YES	99.1%	NO	NO
2002	01-02	YES	96.4%	NO	NO
2003	03-04	YES	98.2%	NO	NO
2004	03-04	YES	93.7%	NO	NO
2005	05-06	YES	98.3%	NO	NO
2006	05-06	YES	90.1%	NO	NO

#### **BMP 3 COVERAGE STATUS SUMMARY:**

**Water supplier has met the coverage requirements for this BMP.**

You are viewing coverage for:

**BMP 03  
05-06**

**YRs**

DN - UP

**BMPs**

DN - UP

**Print Report**

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**Memorandum of Understanding**

## BMP 04 Coverage: Metering with Commodity Rates for all New Connections and Retrofit of Existing

Reporting Unit:  
**Otay Water District**

Reporting Period:  
**05-06**

### MOU Exhibit 1 Coverage Requirement

No exemption request filed

Agency indicated "at least as effective as" implementation during report period?

No

---

An agency must be on track to retrofit 100% of its unmetered accounts within 10 years to be in compliance with BMP 4.

---

### Test for Compliance

---

Total Meter Retrofits  
 Reported through 2006

No. of Unmetered Accounts  
 in Base Year

Meter Retrofit Coverage as  
 % of Base Year Unmetered  
 Accounts

Coverage Requirement by  
 Year 7 of Implementation per  
 Exhibit 1

52.5%

RU on Schedule to meet 10  
 Year Coverage Requirement

YES

---

### BMP 4 COVERAGE STATUS SUMMARY:

**Water supplier has met the coverage requirements for this BMP.**

## BMP 05 Coverage: Large Landscape Conservation Programs and Incentives

Reporting Unit:  
Otay Water District

Reporting Period:  
05-06

### MOU Exhibit 1 Coverage Requirement

No exemption request filed

Agency indicated "at least as effective as" implementation during report period?

No

An agency must meet three conditions to comply with BMP 5.

Condition 1: Develop water budgets for 90% of its dedicated landscape meter accounts within four years of the date implementation is to start.

Condition 2: (a) Offer landscape surveys to at least 20% of its CII accounts with mixed use meters each report cycle and be on track to survey at least 15% of its CII accounts with mixed use meters within 10 years of the date implementation is to start OR (b) Implement a dedicated landscape meter retrofit program for CII accounts with mixed use meters or assign landscape budgets to mixed use meters.

Condition 3: Implement and maintain customer incentive program(s) for irrigation equipment retrofits.

#### Test for Condition 1

Year	Report Period	BMP 5 Implementation Year	No. of Irrigation Meter Accounts	No. of Irrigation Accounts with Budgets	Budget Coverage Ratio	90% Coverage Met by Year 4
1999	99-00		1,034	1,034	100.0%	NA
2000	99-00	1	1,076	1,076	100.0%	NA
2001	01-02	2	1,129	1,129	100.0%	NA
2002	01-02	3	1,202	1,202	100.0%	NA
2003	03-04	4	1,293	1,293	100.0%	Yes
2004	03-04	5	1,460	1,460	100.0%	Yes
2005	05-06	6				No
2006	05-06	7				No

#### Test for Condition 2a (survey offers)

Select Reporting Period: 05-06

Large Landscape Survey Offers as % of Mixed Use Meter CII Accounts

Survey Offers Equal or Exceed 20% Coverage Requirement NO

#### Test for Condition 2a (surveys completed)

Total Completed Landscape Surveys Reported through Credit for Surveys Completed Prior to Implementation of Reporting Database	78
Total + Credit	78
CII Accounts in Base Year	1,331
RU Survey Coverage as a % of Base Year CII Accounts	5.9%
Coverage Requirement by Year of Implementation per Exhibit 1	7.9%

RU on Schedule to Meet 10 Year Coverage Requirement

NO

**Test for Condition 2b (mixed use budget or meter retrofit program)**

<u>Report Year</u>	<u>Report Period</u>	<u>BMP 5 Implementation Year</u>	<u>Agency has mix-use budget program</u>	<u>No. of mixed-use budgets</u>
1999	99-00		NO	
2000	99-00	1	NO	
2001	01-02	2	NO	
2002	01-02	3	NO	
2003	03-04	4	NO	
2004	03-04	5	NO	
2005	05-06	6		
2006	05-06	7		

<u>Report Year</u>	<u>Report Period</u>	<u>BMP 4 Implementation Year</u>	<u>No. of mixed use CII accounts</u>	<u>No. of mixed use CII accounts fitted with irrig. meters</u>
1999	99-00			
2000	99-00	1		
2001	01-02	2	1,111	
2002	01-02	3	1,130	
2003	03-04	4	595	
2004	03-04	5	553	
2005	05-06	6	423	
2006	05-06	7	423	

**Test for Condition 3**

<u>Report Year</u>	<u>Report Period</u>	<u>BMP 5 Implementation Year</u>	<u>RU offers financial incentives?</u>	<u>No. of Loans</u>	<u>Total Amt. Loans</u>
1999	99-00		NO		
2000	99-00	1	NO		
2001	01-02	2	YES		
2002	01-02	3	YES		
2003	03-04	4	YES		
2004	03-04	5	YES		
2005	05-06	6			
2006	05-06	7			

<u>Report Year</u>	<u>Report Period</u>	<u>No. of Grants</u>	<u>Total Amt. Grants</u>	<u>No. of rebates</u>	<u>Total Amt. Rebates</u>
1999	99-00				
2000	99-00				
2001	01-02				
2002	01-02				
2003	03-04				
2004	03-04				
2005	05-06				
2006	05-06				

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**BMP 5 COVERAGE STATUS SUMMARY:**

**Water supplier is not currently on track to meet the coverage requirements for this BMP.**

## BMP 06 Coverage: High-Efficiency Washing Machine Rebate Programs

Reporting Unit:  
Otay Water District

Reporting  
Period:  
05-06

### MOU Exhibit 1 Coverage Requirement

No exemption request filed

Agency indicated "at least as effective as" implementation during report period? No

An agency must meet two conditions to comply with BMP 6.

Condition 1: Offer a cost-effective financial incentive to customers for the purchase of high-efficiency washers with water factors of 9.5 or less.

Condition 2: Meet Coverage Goal (CG=Total Dwelling Units x 0.048) by January 1, 2007.

#### Test for Condition 1

Agency offers rebates for residential high-efficiency washers with water factors of 9.5 or less: YES

#### Test for Condition 2

Coverage Goal: 2,558

Total Coverage Points Awarded (incl. past credit): 6,890

<% of Coverage Goal: 2.69

#### BMP 6 COVERAGE STATUS SUMMARY:

Water supplier has met the coverage requirements for this BMP.

**BMP 07 Coverage: Public Information Programs**

Reporting Unit:  
**Otay Water District**

Reporting Period:  
**05-06**

**MOU Exhibit 1 Coverage Requirement**

No exemption request filed

Agency indicated "at least as effective as" implementation during report period? No

An agency must meet one condition to comply with BMP 7.

Condition 1: Implement and maintain a public information program consistent with BMP 7's definition.

**Test for Condition 1**

<u>Year</u>	<u>Report Period</u>	<u>BMP 7 Implementation Year</u>	<u>RU Has Public Information Program?</u>
1999	99-00	1	
2000	99-00	2	
2001	01-02	3	
2002	01-02	4	
2003	03-04	5	
2004	03-04	6	
2005	05-06	7	
2006	05-06	8	

**BMP 7 COVERAGE STATUS SUMMARY:**

**Water supplier has met the coverage requirements for this BMP.**

**BMP 08 Coverage: School Education Programs**

Reporting Unit:  
**Otay Water District**

Reporting Period:  
**05-06**

**MOU Exhibit 1 Coverage Requirement**

No exemption request filed

Agency indicated "at least as effective as" implementation during report period? No

An agency must meet one condition to comply with BMP 8.

Condition 1: Implement and maintain a school education program consistent with BMP 8's definition.

**Test for Condition 1**

<u>Year</u>	<u>Report Period</u>	<u>BMP 8 Implementation Year</u>	<u>RU Has School Education Program?</u>
1999	99-00	1	
2000	99-00	2	
2001	01-02	3	
2002	01-02	4	
2003	03-04	5	
2004	03-04	6	
2005	05-06	7	
2006	05-06	8	

**BMP 8 COVERAGE STATUS SUMMARY:**

**Water supplier has met the coverage requirements for this BMP.**

## BMP 09 Coverage: Conservation Programs for CII Accounts

Reporting Unit:  
Otay Water District

Reporting Period:  
05-06

### MOU Exhibit 1 Coverage Requirement

No exemption request filed

Agency indicated "at least as effective as" implementation during report period? No

An agency must meet three conditions to comply with BMP 9.

Condition 1: Agency has identified and ranked by use commercial, industrial, and institutional accounts.

Condition 2(a): Agency is on track to survey 10% of commercial accounts, 10% of industrial accounts, and 10% of institutional accounts within 10 years of date implementation to commence.

OR

Condition 2(b): Agency is on track to reduce CII water use by an amount equal to 10% of baseline use within 10 years of date implementation to commence.

OR

Condition 2(c): Agency is on track to meet the combined target as described in Exhibit 1 BMP 9 documentation.

### Test for Condition 1

Year	Report Period	BMP 9 Implementation Year	Ranked Com. Use	Ranked Ind. Use	Ranked Inst. Use
1999	99-00		YES	YES	YES
2000	99-00	1	YES	YES	YES
2001	01-02	2	YES	NO	YES
2002	01-02	3	YES	NO	YES
2003	03-04	4	YES	NO	YES
2004	03-04	5	YES	YES	YES
2005	05-06	6	YES	YES	YES
2006	05-06	7	YES	YES	YES

### Test for Condition 2a

	Commercial	Industrial	Institutional
Total Completed Surveys Reported through 2006			
Credit for Surveys Completed Prior to Implementation of Reporting Databases			
Total + Credit			2
CII Accounts in Base Year	1,153		178
RU Survey Coverage as % of Base Year CII Accounts			1.1%
Coverage Requirement by Year 7 of Implementation per Exhibit 1	5.3%	5.3%	5.3%
RU on Schedule to Meet 10 Year Coverage Requirement	NO	NO	NO

### Test for Condition 2b

Year	Report Period	BMP 9 Implementation Year	Performance Target Savings (AF/yr)	Performance Target Savings Coverage	Performance Target Savings Coverage Requirement	Coverage Requirement Met
1999	99-00		2	0.0%		YES
2000	99-00	1	3	0.0%	0.5%	NO
2001	01-02	2	32	0.4%	1.0%	NO
2002	01-02	3	32	0.4%	1.7%	NO
2003	03-04	4	19	0.2%	2.4%	NO
2004	03-04	5	28	0.3%	3.3%	NO
2005	05-06	6	8	0.1%	4.2%	NO
2006	05-06	7	8	0.1%	5.3%	NO

---

#### Test for Condition 2c

Total BMP 9 Surveys + Credit	2
BMP 9 Survey Coverage	0.2%
BMP 9 Performance Target Coverage	0.1%
BMP 9 Survey + Performance Target Coverage	0.2%
Combined Coverage Equals or Exceeds Coverage Requirement?	NO

---

#### BMP 9 COVERAGE STATUS SUMMARY:

Water supplier is not currently on track to meet the coverage requirements for this BMP.

**BMP 11 Coverage: Conservation Pricing**

Reporting Unit:  
Otay Water District

Reporting  
Period:  
05-06

**MOU Exhibit 1 Coverage Requirement**

No exemption request filed

Agency indicated "at least as effective as" implementation during report period?

Yes

An agency must meet one condition to comply with BMP 11.

Agency shall maintain rate structure consistent with BMP 11's definition of conservation pricing. Implementation methods shall be at least as effective as eliminating non-conserving pricing and adopting conserving pricing. For signatories supplying both water and sewer service, this BMP applies to pricing of both water and sewer service. Signatories that supply water but not sewer service shall make good faith efforts to work with sewer agencies so that those sewer agencies adopt conservation pricing for sewer service.

a) Non-conserving pricing provides no incentives to customers to reduce use. Such pricing is characterized by one or more of the following components: rates in which the unit price decreases as the quantity used increases (declining block rates); rates that involve charging customers a fixed amount per billing cycle regardless of the quantity used; pricing in which the typical bill is determined by high fixed charges and low commodity charges.

b) Conservation pricing provides incentives to customers to reduce average or peak use, or both. Such pricing includes: rates designed to recover the cost of providing service; and billing for water and sewer service based on metered water use. Conservation pricing is also characterized by one or more of the following components: rates in which the unit rate is constant regardless of the quantity used (uniform rates) or increases as the quantity used increases (increasing block rates); seasonal rates or excess-use surcharges to reduce peak demands during summer months; rates based upon the longrun marginal cost or the cost of adding the next unit of capacity to the system.

**Test for Condition 1**

<u>Year</u>	<u>Report Period</u>	<u>RU Employed Conserving WATER Rate Structure</u>	<u>RU Employed Conserving SEWER Rate Structure</u>	<u>RU Meets BMP 11 Coverage Requirement</u>
1999	99-00	YES	YES	YES
2000	99-00	YES	YES	YES
2001	01-02	YES	YES	YES
2002	01-02	YES	YES	YES
2003	03-04	YES	YES	YES
2004	03-04	YES	YES	YES
2005	05-06			
2006	05-06			

**BMP 11 COVERAGE STATUS SUMMARY:**

Water supplier is not currently on track to meet the coverage requirements for this BMP.

**BMP 12 Coverage: Conservation Coordinator**

Reporting Unit:

Reporting Period:

**Otay Water District****05-06****MOU Exhibit 1 Coverage Requirement**

No exemption request filed

Agency indicated "at least as effective as" implementation during report period?

No

Agency shall staff and maintain the position of conservation coordinator and provide support staff as necessary.

**Test for Compliance**

<u>Report Year</u>	<u>Report Period</u>	<u>Conservation Coordinator Position Staffed?</u>	<u>Total Staff on Team (incl. CC)</u>
1999	99-00	YES	4
2000	99-00	YES	5
2001	01-02	YES	2
2002	01-02	YES	2
2003	03-04	YES	2
2004	03-04	YES	2
2005	05-06	YES	2
2006	05-06	YES	2

**BMP 12 COVERAGE STATUS SUMMARY:****Water supplier has met the coverage requirements for this BMP.**

**BMP 13 Coverage: Water Waste Prohibition**

Reporting Unit:  
**Otay Water District**

Reporting Period:  
**05-06**

**MOU Exhibit 1 Coverage Requirement**

No exemption request filed

Agency indicated "at least as effective as" implementation during report period? No

An agency must meet one condition to comply with BMP 13.

Implementation methods shall be enacting and enforcing measures prohibiting gutter flooding, single pass cooling systems in new connections, non-recirculating systems in all new conveyer car wash and commercial laundry systems, and non-recycling decorative water fountains.

**Test for Condition 1****Agency or service area prohibits:**

<u>Year</u>	<u>Gutter Flooding</u>	<u>Single-Pass Cooling Systems</u>	<u>Single-Pass Car Wash</u>	<u>Single-Pass Laundry</u>	<u>Single-Pass Fountains</u>	<u>Other</u>	<u>RU has ordinance that meets coverage requirement</u>
1999	YES	YES	YES	NO	YES	YES	NO
2000	YES	YES	YES	NO	YES	YES	NO
2001	YES	YES	YES	NO	YES	YES	NO
2002	YES	YES	YES	NO	YES	YES	NO
2003	YES	YES	YES	NO	YES	YES	NO
2004	YES	YES	YES	NO	YES	YES	NO
2005	YES	YES	YES	YES	YES	YES	YES
2006	YES	YES	YES	YES	YES	YES	YES

**BMP 13 COVERAGE STATUS SUMMARY:**

**Water supplier has met the coverage requirements for this BMP.**

## BMP 14 Coverage: Residential ULFT Replacement Programs

Reporting Unit: **Otay Water District**

### MOU Exhibit 1 Coverage Requirement

A Reporting Unit (RU) must meet one of the following conditions to be in compliance with BMP 14.

Condition 1: Retrofit-on-resale (ROR) ordinance in effect in service area.

Condition 2: Water savings from toilet replacement programs equal to 90% of Exhibit 6 coverage requirement.

An agency with an exemption for BMP 14 is not required to meet one of the above conditions. This report treats an agency with missing base year data required to compute the Exhibit 6 coverage requirement as out of compliance with BMP 14.

**Status: Water supplier is not currently on track to meet the coverage requirements for this BMP. as of 2006**

<u>Coverage Year</u>	<u>BMP 14 Data Submitted to CUWCC</u>	<u>Exemption Filled with CUWCC</u>	<u>ROR Ordinance In Effect</u>	<u>Exhibit 6 Coverage Req'mt (AF)</u>	<u>Toilet Replacement Program Water Savings* (AF)</u>
1998	NO			43.06	
1999	YES	NO	NO	124.10	40.51
2000	YES	NO	NO	238.51	116.72
2001	YES	NO	NO	382.12	214.06
2002	YES	NO	NO	551.12	330.46
2003	YES	NO	NO	742.09	480.98
2004	YES	NO	NO	951.90	655.21
2005	NO	NO	NO	1177.75	822.46
2006	NO	NO	NO	1417.09	983.02
2007	NO	NO	NO	1667.63	

\*NOTE: Program water savings listed are net of the plumbing code. Savings are cumulative (not annual) between 1991 and the given year. Residential ULFT count data from unsubmitted forms are NOT included in the calculation.

#### **BMP 14 COVERAGE STATUS SUMMARY:**

**Water supplier is not currently on track to meet the coverage requirements for this BMP.**

## BMP 14 Coverage: Residential ULFT Replacement Programs

Reporting Unit: Otay Water District

### BMP 14 Coverage Calculation Detail: Retrofit on Resale (ROR) Ordinance Water Savings

	Single Family	Multi- Family
<b>1992 Housing Stock</b>		
Average rate of natural replacement (% of remaining stock)	.04	.04
Average rate of housing demolition (% of remaining stock)	.005	.005
Estimated Housing Units with 3.5+ gpf Toilets in 1997	19283.25	5089.96
Average resale rate	.04	.04
Average persons per unit		
Average toilets per unit		
Average savings per home (gpd; from Exhibit 6)	38.4	52.2

### Single Family Housing Units

Coverage Year	Unretrofitted Houses	Houses Sold	Houses Unsold	Sold and Retrofitted	Sold and Already Retrofitted	Unsold and Retrofitted	Gross ROR Savings (AFY)	Nat'l Replacement Only Savings (AFY)	Net ROR Savings (AFY)
1998	17779.01	767.47	18419.36	767.47		736.77	251.42	219.73	31.69
1999	16392.10	763.64	18327.27	707.60	56.03	679.30	311.07	251.43	59.64
2000	15113.39	759.82	18235.63	652.41	107.41	626.31	366.06	281.86	84.20
2001	13934.42	756.02	18144.45	601.51	154.51	577.45	416.76	311.08	105.69
2002	12847.42	752.24	18053.73	554.59	197.65	532.41	463.51	339.14	124.38
2003	11845.22	748.48	17963.46	511.33	237.15	490.87	506.61	366.08	140.54
2004	10921.20	744.74	17873.64	471.44	273.30	452.58	546.35	391.94	154.41
2005	10069.26	741.01	17784.28	434.66	306.35	417.28	582.99	416.78	166.21
2006	9283.78	737.31	17695.36	400.76	336.55	384.73	616.77	440.63	176.14
2007	8559.57	733.62	17606.88	369.49	364.13	354.71	647.92	463.54	184.38

### Multi Family Housing Units

Coverage Year	Unretrofitted Houses	Houses Sold	Houses Unsold	Sold and Retrofitted	Sold and Already Retrofitted	Unsold and Retrofitted	Gross ROR Savings (AFY)	Nat'l Replacement Only Savings (AFY)	Net ROR Savings (AFY)
1998	4692.91	202.58	4861.93	202.58		194.48	90.21	78.84	11.37
1999	4326.82	201.57	4837.62	186.78	14.79	179.31	111.62	90.22	21.40
2000	3989.29	200.56	4813.43	172.21	28.35	165.32	131.35	101.14	30.21
2001	3678.10	199.56	4789.37	158.77	40.78	152.42	149.54	111.62	37.92
2002	3391.18	198.56	4765.42	146.39	52.17	140.53	166.32	121.69	44.63
2003	3126.64	197.57	4741.59	134.97	62.60	129.57	181.78	131.35	50.43
2004	2882.73	196.58	4717.89	124.44	72.14	119.46	196.04	140.64	55.40
2005	2657.86	195.60	4694.30	114.73	80.86	110.14	209.19	149.55	59.64
2006	2450.52	194.62	4670.82	105.78	88.83	101.55	221.31	158.11	63.20

2007	2259.36	193.64	4647.47	97.53	96.11	93.63	232.48	166.32	66.16
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Reported as of 11/2

**Water Supply & Reuse**

Reporting Unit:

**Otay Water District**

Year:

**2005**

**Water Supply Source Information**

<b>Supply Source Name</b>	<b>Quantity (AF) Supplied</b>	<b>Supply Type</b>
San Diego County Water Authority	37678	Imported
Ralph W. Chapman	1150.4	Recycled

**Total AF: 38828.4**

Reported as of 11/2

**Accounts & Water Use**

Reporting Unit Name:  
**Otay Water District**

Form Status:  
**100% Complete**

Year:  
**2005**

**A. Service Area Population Information:**

1. Total service area population 186000

**B. Number of Accounts and Water Deliveries (AF)**

Type	Metered		Unmetered	
	No. of Accounts	Water Deliveries (AF)	No. of Accounts	Water Deliveries (AF)
1. Single-Family	42033	19808.02	0	0
2. Multi-Family	758	2727.01	0	0
3. Commercial	1092	2055	0	0
4. Industrial	0	0	0	0
5. Institutional	225	2131.25	0	0
6. Dedicated Irrigation	1613	8262.8	0	0
7. Recycled Water	0	0	0	0
8. Other	804	3165.55	0	0
9. Unaccounted	NA	678.77	NA	0
<b>Total</b>	<b>46525</b>	<b>38828.4</b>	<b>0</b>	<b>0</b>
		<b>Metered</b>		<b>Unmetered</b>

Reported as of 11/2

## BMP 01: Water Survey Programs for Single-Family and Multi-Family Residential Customers

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2005**

### A. Implementation

- |  |            |
|--|------------|
| 1. Based on your signed MOU date, 09/04/1991, your Agency STRATEGY DUE DATE is:  | 09/03/1993 |
| 2. Has your agency developed and implemented a targeting/marketing strategy for SINGLE-FAMILY residential water use surveys? | yes        |
| a. If YES, when was it implemented?  | 7/1/1995   |
| 3. Has your agency developed and implemented a targeting/marketing strategy for MULTI-FAMILY residential water use surveys?  | yes        |
| a. If YES, when was it implemented?  | 7/1/1995   |

### B. Water Survey Data

Survey Counts:	Single Family Accounts	Multi-Family Units
1. Number of surveys offered:	9	0
2. Number of surveys completed:	9	0

### Indoor Survey:

- |   |     |     |
|---|-----|-----|
| 3. Check for leaks, including toilets, faucets and meter checks   | yes | yes |
| 4. Check showerhead flow rates, aerator flow rates, and offer to replace or recommend replacement, if necessary   | yes | yes |
| 5. Check toilet flow rates and offer to install or recommend installation of displacement device or direct customer to ULFT replacement program, as necessary; replace leaking toilet flapper, as necessary | yes | yes |

### Outdoor Survey:

- |  |     |          |
|--|-----|----------|
| 6. Check irrigation system and timers  | yes | yes      |
| 7. Review or develop customer irrigation schedule  | yes | yes      |
| 8. Measure landscaped area (Recommended but not required for surveys)  | yes | yes      |
| 9. Measure total irrigable area (Recommended but not required for surveys)   | yes | yes      |
| 10. Which measurement method is typically used (Recommended but not required for surveys)                                |     | Pacing   |
| 11. Were customers provided with information packets that included evaluation results and water savings recommendations? | yes | yes      |
| 12. Have the number of surveys offered and completed, survey results, and survey costs been tracked?                     | yes | yes      |
| a. If yes, in what form are surveys tracked?   |     | database |

b. Describe how your agency tracks this information.

Honeywell tracks the surveys they completed in their database, beginning July 1 2004. They conducted 4/9 surveys listed above. The district maintains a spreadsheet that tracks the total number of surveys offered, completed for each fiscal year.

**C. "At Least As Effective As"**

1. Is your AGENCY implementing an "at least as effective as" variant of this BMP? No

a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

**D. Comments**

Surveys were offered on a case-by case basis. Beginning this fiscal year, this program was not funded at any levels we could market (they offered to co-fund approximately 20 surveys) . Instead, program emphasis shifted to the promotion of an incentive for residential smart irrigation controllers and surveys were offered during this time. Honeywell bid to conduct residential surveys and their cost was dramatically higher than in past years.

Reported as of 11/2

## BMP 02: Residential Plumbing Retrofit

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2005**

### A. Implementation

- 1. Is there an enforceable ordinance in effect in your service area requiring replacement of high-flow showerheads and other water use fixtures with their low-flow counterparts? no
  - a. If YES, list local jurisdictions in your service area and code or ordinance in each:
  
- 2. Has your agency satisfied the 75% saturation requirement for single-family housing units? yes
- 3. Estimated percent of single-family households with low-flow showerheads: 75%
- 4. Has your agency satisfied the 75% saturation requirement for multi-family housing units? yes
- 5. Estimated percent of multi-family households with low-flow showerheads: 75%
- 6. If YES to 2 OR 4 above, please describe how saturation was determined, including the dates and results of any survey research.

The San Diego County Water Authority and its member agencies distributed over 550,000 showerheads between 1991 and 2002. The average rate of natural replacement is 4.0%, while housing demolition is 0.5%. And, effective January 1, 1994 showerheads manufactured in the United States must be 2.5 gpm maximum. Data from the 01/02 Residential Survey Program showed a 80-95% home saturation. The Otay Water District is one of five agencies within the San Diego County that will be participating in an upcoming (beginning late FY 07) California Single-Family Residential Water Efficiency Study.

### B. Low-Flow Device Distribution Information

- 1. Has your agency developed a targeting/ marketing strategy for distributing low-flow devices? yes
  - a. If YES, when did your agency begin implementing this strategy? 1/1/1992
  - b. Describe your targeting/ marketing strategy.

Over 550,000 showerheads have been distributed in the region to date. Marketing that has been done in the San Diego region includes the following: residential survey distribution, direct distribution to customers (lobby counter), distribution at community events, by customer request and distribution at CBO events. In addition, this fiscal year, the Otay Water District distributed 300 showerheads to customers who came in to pay their bills or who visited our agency booth at an outreach event. The average rate of natural replacement is 4% while housing demolition is .5%. Since January 1, 1994 showerheads manufactured in the USA must be in compliance with the 2.5 gpm maximum flow rate. Data gathered from the Residential Survey Program showed a 80-95% saturation of low flow showerheads in homes surveyed.

<b>Low-Flow Devices Distributed/ Installed</b>	<b>SF Accounts</b>	<b>MF Units</b>
2. Number of low-flow showerheads distributed:	191	0

- |  |   |             |
|--|---|-------------|
| 3. Number of toilet-displacement devices distributed:                    | 0 | 0           |
| 4. Number of toilet flappers distributed:                                | 0 | 0           |
| 5. Number of faucet aerators distributed:                                | 0 | 0           |
| 6. Does your agency track the distribution and cost of low-flow devices? |   | yes         |
| a. If YES, in what format are low-flow devices tracked?                  |   | Spreadsheet |
| b. If yes, describe your tracking and distribution system :              |   |             |

The San Diego County Water Authority documented distribution in the region in a spreadsheet by region, rather than by specific member agency. The District began tracking the distribution of showerheads it personally distributed beginning in FY 02.

### C. "At Least As Effective As"

- |  |    |
|--|----|
| 1. Is your AGENCY implementing an "at least as effective as" variant of this BMP?  | No |
| a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as." |    |

### D. Comments

We distribute 2.0 gpm showerheads. Most of the homes within the district were constructed after 1992.

Reported as of 11/2

### BMP 03: System Water Audits, Leak Detection and Repair

Reporting Unit:	BMP Form Status:	Year:
<b>Otay Water District</b>	<b>100% Complete</b>	<b>2005</b>

#### A. Implementation

- |  |         |
|--|---------|
| 1. Does your agency own or operate a water distribution system?  | yes     |
| 2. Has your agency completed a pre-screening system audit for this reporting year?   | yes     |
| 3. If YES, enter the values (AF/Year) used to calculate verifiable use as a percent of total production:   |         |
| a. Determine metered sales (AF)  | 37515   |
| b. Determine other system verifiable uses (AF)   | 635.7   |
| c. Determine total supply into the system (AF)   | 38828.4 |
| d. Using the numbers above, if (Metered Sales + Other Verifiable Uses) / Total Supply is < 0.9 then a full-scale system audit is required.                       | 0.98    |
| 4. Does your agency keep necessary data on file to verify the values entered in question 3?  | yes     |
| 5. Did your agency complete a full-scale audit during this report year?  | no      |
| 6. Does your agency maintain in-house records of audit results or completed AWWA M36 audit worksheets for the completed audit which could be forwarded to CUWCC? | yes     |
| 7. Does your agency operate a system leak detection program?   | yes     |
| a. If yes, describe the leak detection program:  |         |

Leak detection is based on purchased vs. sales, physical observations of wet spots, mainflushing load contents, and field staff calls. Otay staff calls in American Leak Detection Service depending upon the urgency or the staffing.

#### B. Survey Data

- |  |       |
|--|-------|
| 1. Total number of miles of distribution system line.    | 706   |
| 2. Number of miles of distribution system line surveyed. | 12.75 |

#### C. "At Least As Effective As"

- |  |    |
|--|----|
| 1. Is your agency implementing an "at least as effective as" variant of this BMP?  | No |
| a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as." |    |

#### D. Comments

3b-"other" includes Otay water district meters, unbilled water usage and work orders

### Voluntary Questions (Not used to calculate compliance)

#### E. Volumes

<b>Estimated</b>	<b>Verified</b>
------------------	-----------------

1. Volume of raw water supplied to the system:
2. Volume treated water supplied into the system:
3. Volume of water exported from the system:
4. Volume of billed authorized metered consumption:
5. Volume of billed authorized unmetered consumption:
6. Volume of unbilled authorized metered consumption:
7. Volume of unbilled authorized unmetered consumption:

**F. Infrastructure and Hydraulics**

1. System input (source or master meter) volumes metered at the entry to the:
2. How frequently are they tested and calibrated?
3. Length of mains:
4. What % of distribution mains are rigid pipes (metal, ac, concrete)?
5. Number of service connections:
6. What % of service connections are rigid pipes (metal)?
7. Are residential properties fully metered? yes
8. Are non-residential properties fully metered? yes
9. Provide an estimate of customer meter under-registration:
10. Average length of customer service line from the main to the point of the meter: 30
11. Average system pressure: 115
12. Range of system pressures: From 30 to 225
13. What percentage of the system is fed from gravity feed?
14. What percentage of the system is fed by pumping and re-pumping?

**G. Maintenance Questions**

1. Who is responsible for providing, testing, repairing and replacing customer meters? Utility
2. Does your agency test, repair and replace your meters on a regular timed schedule? no
  - a. If yes, does your agency test by meter size or customer category?: Meter Size
  - b. If yes to meter size, please provide the frequency of testing by meter size:
    - Less than or equal to 1"
    - 1.5" to 2"
    - 3" and Larger
  - c. If yes to customer category, provide the frequency of testing by customer category:
    - SF residential

MF residential  
 Commercial  
 Industrial & Institutional

- |  |          |
|--|----------|
| 3. Who is responsible for repairs to the customer lateral or customer service line?  | Utility  |
| 4. Who is responsible for service line repairs downstream of the customer meter?   | Customer |
| 5. Does your agency proactively search for leaks using leak survey techniques or does your utility reactively repair leaks which are called in, or both? |          |
| 6. What is the utility budget breakdown for:   |          |
| Leak Detection   | \$       |
| Leak Repair  | \$       |
| Auditing and Water Loss Evaluation   | \$       |
| Meter Testing  | \$ 0     |

**H. Comments**

Currently we test meters by customer request. We are setting up a regular testing program with an emphasis on 3" and larger meters beginning late FY 07, and evaluating how often the meters will be checked but will consider size, application, age and consumption.

### BMP 04: Metering with Commodity Rates for all New Connections and Retrofit of Existing

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2005**

#### A. Implementation

1. Please fill out the following matrix:

Types of Billed Accounts	% Accounts Metered	% Accounts Measured (Not Metered)	% Accounts Volumetric Billing
Treated Water SF Residential Accounts	100		100
Treated Water MF Residential Accounts	100		100
Treated Water Commercial Accounts	100		100
Treated Water Industrial Accounts	100		100
Treated Water Institutional Accounts	100		100
Raw Water Residential Deliveries	100	0	100
Raw Water Non-Residential Deliveries	100	0	100

2. If your agency does not meter 100% of all treated water accounts:

- a. Does your agency have a plan or program for retrofitting existing unmetered treated water connections?
- b. By what date would 100% of all treated water accounts be metered?
- c. Number of previously unmetered accounts fitted with meters during report year:

3. If your agency does bill 100% of all treated water accounts by volume of use:

- a. By what date (Year must be four digit mm/dd/yyyy) will all customers with meters be billed by volume of use?

4. If your agency does not meter or measure 100% of all raw water delivery fields (as listed in quesiton 1f & 1g), does your agency intend to develop a program for measuring all raw water deliveries?

5. If your agency does not volumetrically bill 100% of all raw water delivery, does your agency intend to develop a program for billing all raw water deliveries by volume of use?

6. Does your agency meter by volume of use all municipal or governmental accounts?: Yes

- a. If no, which types of accounts are not included:

7. Does your agency bill by volume of use all municipal or governmental accounts? Yes

- a. If no, which types of accounts are not included:

**B. Feasibility Study**

1. Has your agency conducted a feasibility study to assess the merits of a program to provide incentives to switch mixed-use accounts to dedicated landscape meters? no

a. If YES, when was the feasibility study conducted?  
(mm/dd/yy)

b. Describe the feasibility study:

2. Number of CII accounts with mixed-use meters: 423

3. Number of CII accounts with mixed-use meters retrofitted with dedicated irrigation meters during reporting period 0

**D. "At Least As Effective As"**

1. Is your agency implementing an "at least as effective as" variant of this BMP? No

a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

**E. Comments**

B2. The figure is from a query of our billing system. Since 1990, the District has required that all CII accounts on a parcel larger than one acre have a dedicated irrigation meter. There are known CII sites with mixed use meters including Donovan Correctional Facility, Southwestern College and Cuyamaca College.

Reported as of 11/2

## BMP 05: Large Landscape Conservation Programs and Incentives

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2005**

### A. Water Use Budgets

- |  |      |
|--|------|
| 1. Number of Dedicated Irrigation Meter Accounts:  | 1613 |
| 2. Number of Dedicated Irrigation Meter Accounts with Water Budgets:                         | 770  |
| 3. Budgeted Use for Irrigation Meter Accounts with Water Budgets (AF) during reporting year: | 5458 |
| 4. Actual Use for Irrigation Meter Accounts with Water Budgets (AF) during reporting year:   | 2852 |
| 5. Does your agency provide water use notices to accounts with budgets each billing cycle?   | yes  |

### B. Landscape Surveys

- |  |           |
|--|-----------|
| 1. Has your agency developed a marketing / targeting strategy for landscape surveys? | yes       |
| a. If YES, when did your agency begin implementing this strategy?                    | 8/10/1990 |
| b. Description of marketing / targeting strategy:                                    |           |

The Water Authority in partnership with the District and its other member agencies developed a number of new programs including a voucher program for "smart" irrigation controllers and mini-grants for improving the irrigation efficiency. The programs were marketed to all of the district's 1600 landscape accounts but specifically to accounts who had already received a large landscape survey (previously called PALM surveys). There was limited funding for large landscape surveys this fiscal year. The programs were marketed through direct mail as well as on the water bills. Staff also called a number of the district's largest landscape accounts to explain the program and there was cross marketing from the district's pilot Cash for Plants turfgrass retrofit program.

- |   |     |
|---|-----|
| 2. Number of Surveys Offered during reporting year.                             | 650 |
| 3. Number of Surveys Completed during reporting year.                           | 2   |
| 4. Indicate which of the following Landscape Elements are part of your survey:  |     |
| a. Irrigation System Check  | yes |
| b. Distribution Uniformity Analysis   | yes |
| c. Review / Develop Irrigation Schedules  | yes |
| d. Measure Landscape Area   | yes |
| e. Measure Total Irrigable Area   | yes |
| f. Provide Customer Report / Information  | yes |
| 5. Do you track survey offers and results?                                      | yes |
| 6. Does your agency provide follow-up surveys for previously completed surveys? | yes |
| a. If YES, describe below:  |     |

Follow-up surveys are offered at the customer's request.

**C. Other BMP 5 Actions**

- 1. An agency can provide mixed-use accounts with ETo-based landscape budgets in lieu of a large landscape survey program. no  
Does your agency provide mixed-use accounts with landscape budgets?
- 2. Number of CII mixed-use accounts with landscape budgets. 0  
  - Number of CII accounts with mixed-use meters retrofitted with dedicated irrigation meters during reporting period. (From BMP 4 report) 0
  - Total number of change-outs from mixed-use to dedicated irrigation meters since Base Year.
- 3. Do you offer landscape irrigation training? yes
- 4. Does your agency offer financial incentives to improve landscape water use efficiency? yes

Type of Financial Incentive:	Budget (Dollars/Year)	Number Awarded to Customers	Total Amount Awarded
a. Rebates	27000	0	0
b. Loans	0	0	0
c. Grants	0	0	0

- 5. Do you provide landscape water use efficiency information to new customers and customers changing services? yes

a. If YES, describe below:

Yes, new customers are required by Otay's planning department to provide square footage of landscaped area and receive notice of the Water Efficient Irrigation Ordinance and monthly allocation. On changing services, they are notified by Customer Service or Water Conservation of the allocation and banking system. Surveyed account info kept in file and tracked.

- 6. Do you have irrigated landscaping at your facilities? yes
  - a. If yes, is it water-efficient? yes
  - b. If yes, does it have dedicated irrigation metering? no
- 7. Do you provide customer notices at the start of the irrigation season? no
- 8. Do you provide customer notices at the end of the irrigation season? no

**D. "At Least As Effective As"**

- 1. Is your AGENCY implementing an "at least as effective as" variant of this BMP? yes

a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

On October 17, 1990 the Otay Water District passed Ordinance No. 367 which mandated the installation of a separate landscape meter on commercial or industrial properties if they are located on a parcel of land an acre or more in size. Then in December of 1993, the District approved Ordinance No. 424 allowing commercial customers who obtained a single water meter to October 1990 to obtain a second meter for indoor

use without paying water capacity fees if the additional meter is solely for the purpose of isolating current indoor water use from that used for outdoor landscaping. The landscape meter requirement is found in Section 27 of the District's Code of Ordinances.

#### **E. Comments**

4. a. Home Owners Associations with significant turfgrass areas were encouraged to replace their turfgrass with waterwise plant material through the District's pilot Cash for Plants program. Funding was limited to four sites at \$6,000 per site. In addition, a \$30,000 incentive (\$10K from CWA) was available for installing artificial turf grass in sports fields. Both programs were promoted through either direct mailing or by cold calling high schools within the District. At the beginning of this FY, the Water Authority hired ConserVision to develop a web-based water budget reporting program for its member agencies. This program was running by about the mid point of the fiscal year.

### BMP 06: High-Efficiency Washing Machine Rebate Programs

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2005**

#### A. Coverage Goal

	Single Family	Multi-Family
1. Number of <b>residential</b> dwelling units in the agency service area.	40,866	12,422
2. Coverage Goal = Total Dwelling Units x 0.048	= 2,558 Points	

#### B. Implementation

1. Does your agency offer rebates for **residential** high-efficiency washers? yes

HEW Water Factor	Number of Financial Incentives Issued	Total Value of Financial Incentives			TOTAL	POINTS AWARDED	
		Retail Water Agency	Wholesaler/ Grants (if applicable)	Energy Utility (if applicable)			
2. <b>Greater than 8.5 but not exceeding 9.5</b> (1 point)	205	\$ 3,163	\$ 27,368	\$ 0	\$ 30,531	205	
3. <b>Greater than 6.0 but not exceeding 8.5</b> (2 points)	267	\$ 4,101	\$ 35,511	\$ 0	\$ 39,612	534	
4. <b>Less than or equal to 6.0</b> (3 points)	559	\$ 8,625	\$ 74,626	\$ 0	\$ 83,252	1677	
<b>TOTALS:</b>		<b>1031</b>	<b>\$ 15,890</b>	<b>\$ 137,505</b>	<b>\$ 0</b>	<b>\$ 153,395</b>	<b>2,416</b>

#### C. Past Credit Points

**For HEW incentives issued before July 1, 2004, select ONE of the following TWO options:**

- Method One: Points based on HEW Water Factor
- Method Two: Agency earns 1 point for each HEW.

NOTE: Agency shall not receive credit for any HEW incentives where the agency did not provide a financial incentive of \$25 or more.

#### Method One: Points based on HEW Water Factor

HEW Water Factor	Number of Financial Incentives Issued	Total Value of Financial Incentives			TOTAL	POINTS AWARDED
		Retail Water Agency	Wholesaler/ Grants (if applicable)	Energy Utility (if applicable)		
1. <b>Greater</b>						

than 8.5 but not exceeding 9.5 (1 point each)	\$ 0	\$ 0	\$ 0	\$ 0
2. Greater than 6.0 but not exceeding 8.5 (2 points each)	\$ 0	\$ 0	\$ 0	\$ 0
3. Less than or equal to 6.0 (3 points each)	\$ 0	\$ 0	\$ 0	\$ 0

**Method Two: Agency earns 1 point for each HEW**

	Number of Financial Incentives Issued	Total Value of Water Agency Financial Incentives	POINTS AWARDED
4. Total HEWs installed	2053	\$ 256,375	2053

<b>PAST CREDIT TOTALS:</b>	<b>2053</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 256,375</b>	<b>2,053</b>
--------------------------------	-------------	-------------	-------------	-------------	-----------------------	--------------

**D. Rebate Program Expenditures**

- 1. Average or Estimated Administration and Overhead \$ 32,292
- 2. Is the financial incentive offered per HEW at least equal to the marginal benefits of the water savings per HEW? yes

**E. "At Least As Effective As"**

- 1. Is your AGENCY implementing an "at least as effective as" variant of this BMP? no
  - a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

**F. Comments**

Our billing system does note the number of dwelling units per multi-family account. The number of SF and MF dwelling units is as of the first day of FY 05 (7/1/2004).

## BMP 07: Public Information Programs

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2005**

### A. Implementation

1. How is your public information program implemented?

Wholesaler and retailer both materially participate in program

Which wholesaler(s)?

San Diego County Water Authority

2. Describe the program and how it's organized:

Otay's water conservation division promotes and educates customers about its water conservation and school education programs with help from the District's Public Information Officer. The District regularly promotes water conservation and seeks to educate its customers about waterwise landscaping principals, as well as to encourage them to participate in the ULFT and HEW voucher programs. The District is active in a number of large public outreach events including the City of Chula Vista's Cinco de Mayo (May) and Lemon Festival (August), Bonita Festival (September), and events held at the Water Conservation Garden such as it's California Friendly Gardening Festival (October), its California Friendly Plant Sale (March) and its Spring Garden Festival (May). The District also regularly encourages its customers to visit the Water Conservtion Garden, which it built in cooperation with the Helix Water District and Cuyamaca College in 1999. The District regularly encourages its customers to attend residential and professional landscape classes at the Garden through its webpage, messages on the bill, bill inserts and distribution of class flyers at outreach events. The Water Conservation outreach is part of the District's community and government outreach plan which includes quarterly newsletters, monthly bill inserts, monthly bill messaging and press releases on district programs and services including water conservation.

3. Indicate which and how many of the following activities are included in your public information program:

Public Information Program Activity in Retail Service Area	Yes/No	Number of Events
a. Paid Advertising	yes	3
b. Public Service Announcement	yes	0
c. Bill Inserts / Newsletters / Brochures	yes	8
d. Bill showing water usage in comparison to previous year's usage	yes	
e. Demonstration Gardens	yes	3
f. Special Events, Media Events	yes	1
g. Speaker's Bureau	yes	2
h. Program to coordinate with other government agencies, industry and public interest groups and media	yes	

### B. Conservation Information Program Expenditures

1. Annual Expenditures (Excluding Staffing)      21000

### C. "At Least As Effective As"

1. Is your AGENCY implementing an "at least as effective as" variant of this BMP?      No

a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective"

as."

#### **D. Comments**

2. a. paid advertising included two ads cofunded with Sweetwater Authority promoting the California Friendly Landscape Contest in the Star News and one ad co-funded with the Helix Water District in the Daily Californian. c. Includes four newsletters, two bill inserts, Welcome to Otay brochure, and California Friendly Gardening brochure. e. Includes the Spring and Fall Festival at the Garden as well as the Water-wise Technologies Expo held at the Garden in April 2005. F: Special event is the annual Otay Developer's luncheon where staff presents an update on its water conservation programs G. Presentations include WindingWalk HOA, CWA Water Conservation Action Committee, intermediate landscape design students at Cuyamaca College B1: includes printing of bill inserts, graphic design services, and the portion of the newsletters (typically 1/4 devoted to water conservation), the reprinting of the "Welcome to Otay" brochure, plus printing, brochure design budget and funding for outreach materials (seed packets, magnets, brochures) from Water Conservation.

Reported as of 11/2

**BMP 08: School Education Programs**

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2005**

**A. Implementation**

1. How is your public information program implemented?

Wholesaler and retailer both participate in program

Which wholesaler(s)?

San Diego County Water Authority

2. Please provide information on your region-wide school programs (by grade level):

Grade	Are grade-appropriate materials distributed?	No. of class presentations	No. of students reached	No. of teachers' workshops
Grades K-3rd	yes	33	2439	0
Grades 4th-6th	yes	10	850	1
Grades 7th-8th	yes	0	0	0
High School	yes	0	0	0

4. Did your Agency's materials meet state education framework requirements?      yes

5. When did your Agency begin implementing this program?      9/9/1990

**B. School Education Program Expenditures**

1. Annual Expenditures (Excluding Staffing)      8346.21

**C. "At Least As Effective As"**

1. Is your AGENCY implementing an "at least as effective as" variant of this BMP?      No

a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

**D. Comments**

Teacher workshops are open to grades K-12 but indicated just once above. Classroom presentations include school tours conducted at the Water Conservation Garden and kits used by teachers in their classroom. Kits are available on the water cycle, water pollution, or water conservation. The District funds tours to the Garden for schools within its service area and staffs the tours. B1. The District budgeted \$12,200, but amount shown above is actual budget expended. No longer includes CWA activity within the District's service area

Reported as of 11/2

### BMP 09: Conservation Programs for CII Accounts

Reporting Unit:  
**Otay Water District**

BMP Form Status:  
**100% Complete**

Year:  
**2005**

#### A. Implementation

- 1. Has your agency identified and ranked COMMERCIAL customers according to use? yes
- 2. Has your agency identified and ranked INDUSTRIAL customers according to use? yes
- 3. Has your agency identified and ranked INSTITUTIONAL customers according to use? yes

#### Option A: CII Water Use Survey and Customer Incentives Program

- 4. Is your agency operating a CII water use survey and customer incentives program for the purpose of complying with BMP 9 under this option? If so, please describe activity during reporting period: no

CII Surveys	Commercial Accounts	Industrial Accounts	Institutional Accounts
a. Number of New Surveys Offered	1	0	2
b. Number of New Surveys Completed	0	0	2
c. Number of Site Follow-ups of Previous Surveys (within 1 yr)	0	0	0
d. Number of Phone Follow-ups of Previous Surveys (within 1 yr)	0	0	0
CII Survey Components	Commercial Accounts	Industrial Accounts	Institutional Accounts
e. Site Visit			yes
f. Evaluation of all water-using apparatus and processes			yes
g. Customer report identifying recommended efficiency measures, paybacks and agency incentives			yes
Agency CII Customer Incentives	Budget (\$/Year)	# Awarded to Customers	Total \$ Amount Awarded
h. Rebates			
i. Loans			
j. Grants			
k. Others			

**Option B: CII Conservation Program Targets**

5. Does your agency track CII program interventions and water savings for the purpose of complying with BMP 9 under this option? yes

6. Does your agency document and maintain records on how savings were realized and the method of calculation for estimated savings? yes

7. **System Calculated** annual savings (AF/yr):

CII Programs	# Device Installations
a. Ultra Low Flush Toilets	17
b. Dual Flush Toilets	0
c. High Efficiency Toilets	0
d. High Efficiency Urinals	1
e. Non-Water Urinals	0
f. Commercial Clothes Washers (coin-op only; not industrial)	20
g. Cooling Tower Controllers	1
h. Food Steamers	0
i. Ice Machines	0
j. Pre-Rinse Spray Valves	34
k. Steam Sterilizer Retrofits	0
l. X-ray Film Processors	4

8. **Estimated** annual savings (AF/yr) from agency programs not including the devices listed in Option B. 7., above:

CII Programs	Annual Savings (AF/yr)
a. Site-verified actions taken by agency:	
As a direct result of the District and Water Authority funded commercial survey and follow-up at Bailey Detention Facility a significant leak in the water softener line was identified and fixed.	8
b. Non-site-verified actions taken by agency:	0

**B. Conservation Program Expenditures for CII Accounts**

	This Year	Next Year
1. Budgeted Expenditures	36000	6000
2. Actual Expenditures	25874.28	

**C. "At Least As Effective As"**

1. Is your agency implementing an "at least as effective as" variant of this BMP? No

a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

**D. Comments**

In the 3rd quarter of this FY, the District's Board of Directors agreed to authorize the expenditure of up to \$30,000 towards the completion of approximately 3 commercial/institutional water audits. The District signed an agreement to share the costs of the surveys with CWA. Two institutional surveys were completed at the end of this FY, at a total cost of \$23,428.28



## BMP 11: Conservation Pricing

Reporting Unit:  
**Otay Water District**

BMP Form  
 Status: **100% Complete**  
 Year: **2005**

### A. Implementation

#### Water Service Rate Structure Data by Customer Class

**Number of schedules:**

For the following accounts, how many rate schedules does agency offer/use?

- 1. **Single-family residential**                      1
- 2. **Multi-family residential**                      1
- 3. **Commercial**    1
- 4. **Industrial**    0
- 5. **Institutional/ government**                      0
- 6. **Dedicated irrigation (potable water)**                      1
- 7. **Other**    1
- 8. **Recycled-reclaimed water**                      1
- 9. **Raw water (urban use)**                      0
- 10. **Wholesale (urban use)**                      0

**Use of classification:**

This agency:

- Uses classification in its billing system
- Uses classification in its billing system
- Uses classification in its billing system
- Does not serve this type of customer
- Does not serve this type of customer
- Uses classification in its billing system
- Uses classification in its billing system
- Uses classification in its billing system
- Does not offer this type of water
- Does not offer this type of water

**Sewer Service**

- 11. Does your agency provide sewer service to your water customers?    yes
- 12. If yes, does sewer service use conservation rate structures?    no
- 13. Has your agency made the required efforts (as prescribed in BMP 11) to have sewer services billed on conservation rates?    no
- 14. What water agency activities have been undertaken during the reporting period to achieve waste water agency volumetric billing in your water agency service area?    Studies

### B. "At Least As Effective As"

- 1. Is your AGENCY implementing an "at least as effective as" variant of this BMP?    yes

a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

We do charge our commercial sewer customers based on strength

and volume. The variance in residential customers is not as significant. The District is planning on moving to a winter based usage charge for the residential customers by Fiscal Year 2008.

**C. Comments**

**BMP 11: Conservation Pricing**

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2005**

**1.A. Single-Family Residential Rate Schedule A**

a. Water Rate Structure	Increasing Block
b. Sewer Rate Structure	Non-volumetric Flat Rate
c. Total Revenue from only Volumetric Charges	13705261
d. Total Revenue from Non-Volumetric Charges (Includes fixed fees, surcharges, minimum usage charges, monthly service charges, meter charges etc.)	7739708
e. Total Revenue from this category	21444969

**1.A. Rate Schedule - Volumetric**

**Title:** Rate Schedule - Volumetric

f. Billing Cycles/year	12
g. Service Charges/Cycle	16.5
h. Gallons/Bill Unit	748.5
i. Minimum Use/Cycle	1
j. Non-billed Units (included in monthly service charge)	0

	<b>\$/Bill Unit</b>	<b>Starting At (unit qty.)</b>
k. Tier 1	1.01	1-5
l. Tier 2	1.67	6-25
m. Tier 3	1.81	26-35
n. Tier 4	2.65	36-50
o. Tier 5		
p. Tier 6		

q. Approximate quantity of meters/accounts on this rate schedule	42057
r. Are elevation charges included?	yes
s. Approximate total annual water usage (AF) from customers on this rate schedule	19922.3

**BMP 11: Conservation Pricing**

Reporting Unit:  
**Otay Water District**

BMP Form Status:  
**100% Complete**

Year:  
**2005**

**2.A. Multi-Family Residential Rate Schedule A**

a. Water Rate Structure	Increasing Block
b. Sewer Rate Structure	Non-volumetric Flat Rate
c. Total Revenue from only Volumetric Charges	2105275
d. Total Revenue from Non-Volumetric Charges (Includes fixed fees, surcharges, minimum usage charges, monthly service charges, meter charges etc.)	892562
e. Total Revenue from this category	2997837

**2.A. Rate Schedule - Volumetric**

**Title:** Rate Schedule - Volumetric

f. Billing Cycles/year	12
g. Service Charges/Cycle	20
h. Gallons/Bill Unit	748.5
i. Minimum Use/Cycle	0
j. Non-billed Units (included in monthly service charge)	0

	<b>\$/Bill Unit</b>	<b>Starting At (unit qty.)</b>
k. Tier 1	1.67	1-5 units
l. Tier 2	1.81	6-36 units
m. Tier 3	2.65	36+ units
n. Tier 4		
o. Tier 5		
p. Tier 6		

q. Approximate quantity of meters/accounts on this rate schedule	758
r. Are elevation charges included?	yes
s. Approximate total annual water usage (AF) from customers on this rate schedule	2727

**BMP 11: Conservation Pricing**

Reporting Unit:  
**Otay Water District**

BMP Form Status:  
**100% Complete**

Year:  
**2005**

**3.A. Commercial Rate Schedule A**

a. Water Rate Structure	Uniform
b. Sewer Rate Structure	Uniform
c. Total Revenue from only Volumetric Charges	1595078
d. Total Revenue from Non-Volumetric Charges (Includes fixed fees, surcharges, minimum usage charges, monthly service charges, meter charges etc.)	676257
e. Total Revenue from this category	2271335

**3.A. Rate Schedule - Volumetric**

**Title:** Rate Schedule - Volumetric

f. Billing Cycles/year	12
g. Service Charges/Cycle	20
h. Gallons/Bill Unit	748.5
i. Minimum Use/Cycle	1
j. Non-billed Units (included in monthly service charge)	0

	<b>\$/Bill Unit</b>	<b>Starting At (unit qty.)</b>
k. Tier 1	1.78	1 unit
l. Tier 2		
m. Tier 3		
n. Tier 4		
o. Tier 5		
p. Tier 6		

q. Approximate quantity of meters/accounts on this rate schedule	1092
r. Are elevation charges included?	no
s. Approximate total annual water usage (AF) from customers on this rate schedule	2055

### BMP 11: Conservation Pricing

Reporting Unit:  
**Otay Water District**

BMP Form Status:  
**100% Complete**

Year:  
**2005**

#### 6.A. Irrigation Rate Schedule A

a. Water Rate Structure	Uniform
b. Sewer Rate Structure	Non-volumetric Flat Rate
c. Total Revenue from only Volumetric Charges	4408220
d. Total Revenue from Non-Volumetric Charges (Includes fixed fees, surcharges, minimum usage charges, monthly service charges, meter charges etc.)	814743
e. Total Revenue from this category	5222963

#### 6.A. Rate Schedule - Volumetric

**Title:** Rate Schedule - Volumetric

f. Billing Cycles/year	12
g. Service Charges/Cycle	20
h. Gallons/Bill Unit	748.5
i. Minimum Use/Cycle	1
j. Non-billed Units (included in monthly service charge)	0

	<b>\$/Bill Unit</b>	<b>Starting At (unit qty.)</b>
k. Tier 1	1.86	1 unit
l. Tier 2		
m. Tier 3		
n. Tier 4		
o. Tier 5		
p. Tier 6		

q. Approximate quantity of meters/accounts on this rate schedule	1136
r. Are elevation charges included?	yes
s. Approximate total annual water usage (AF) from customers on this rate schedule	4967

**BMP 11: Conservation Pricing**

Reporting Unit:  
**Otay Water District**

BMP Form Status:  
**100% Complete**

Year:  
**2005**

**7.A. Other Rate Schedule A**

a. Water Rate Structure	Uniform
b. Sewer Rate Structure	Non-volumetric Flat Rate
c. Total Revenue from only Volumetric Charges	1840937
d. Total Revenue from Non-Volumetric Charges (Includes fixed fees, surcharges, minimum usage charges, monthly service charges, meter charges etc.)	846024
e. Total Revenue from this category	2686961

**7.A. Rate Schedule - Volumetric**

**Title:** Rate Schedule - Volumetric

f. Billing Cycles/year	12
g. Service Charges/Cycle	20
h. Gallons/Bill Unit	748.5
i. Minimum Use/Cycle	1
j. Non-billed Units (included in monthly service charge)	0

	<b>\$/Bill Unit</b>	<b>Starting At (unit qty.)</b>
k. Tier 1	1.78	1-unit
l. Tier 2		
m. Tier 3		
n. Tier 4		
o. Tier 5		
p. Tier 6		

q. Approximate quantity of meters/accounts on this rate schedule	772
r. Are elevation charges included?	yes
s. Approximate total annual water usage (AF) from customers on this rate schedule	2393.3

**BMP 11: Conservation Pricing**

Reporting Unit:  
**Otay Water District**

BMP Form Status:  
**100% Complete**

Year:  
**2005**

**8.A. Recycled Rate Schedule A**

a. Water Rate Structure	Uniform
b. Sewer Rate Structure	Uniform
c. Total Revenue from only Volumetric Charges	2084091
d. Total Revenue from Non-Volumetric Charges (Includes fixed fees, surcharges, minimum usage charges, monthly service charges, meter charges etc.)	346400
e. Total Revenue from this category	2430491

**8.A. Rate Schedule - Volumetric**

**Title:** Rate Schedule - Volumetric

f. Billing Cycles/year	12
g. Service Charges/Cycle	20
h. Gallons/Bill Unit	748.5
i. Minimum Use/Cycle	1
j. Non-billed Units (included in monthly service charge)	0

	<b>\$/Bill Unit</b>	<b>Starting At (unit qty.)</b>
k. Tier 1	1.51	1 unit
l. Tier 2		
m. Tier 3		
n. Tier 4		
o. Tier 5		
p. Tier 6		

q. Approximate quantity of meters/accounts on this rate schedule	483
r. Are elevation charges included?	yes
s. Approximate total annual water usage (AF) from customers on this rate schedule	3318.7

Reported as of 11/2

**BMP 12: Conservation Coordinator**Reporting Unit:  
**Otay Water District**BMP Form Status:  
**100% Complete**Year:  
**2005****A. Implementation**

1. Does your Agency have a conservation coordinator? yes
2. Is a coordinator position supplied by another agency with which you cooperate in a regional conservation program ? no
  - a. Partner agency's name:
3. If your agency supplies the conservation coordinator:
  - a. What percent is this conservation coordinator's position? 100%
  - b. Coordinator's Name William Granger
  - c. Coordinator's Title Water Conservation Manager
  - d. Coordinator's Experience in Number of Years 11 years experience developing and managing water conservation programs
  - e. Date Coordinator's position was created (mm/dd/yyyy) 3/28/1991
4. Number of conservation staff (FTEs), including Conservation Coordinator. 2

**B. Conservation Staff Program Expenditures**

1. Staffing Expenditures (In-house Only) 196558.37
2. BMP Program Implementation Expenditures 156614.71

**C. "At Least As Effective As"**

1. Is your agency implementing an "at least as effective as" variant of this BMP? no
  - a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

**D. Comments**

Includes the District's agreed upon cost-share of the Water Conservation Garden's Operations and Maintenance Budget, which is strongly supported by the District and reported under BMP 7.

Reported as of 11/2

**BMP 13: Water Waste Prohibition**

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2005**

**A. Requirements for Documenting BMP Implementation**

1. Is a water waste prohibition ordinance in effect in your service area? yes

a. If YES, describe the ordinance:

Section 39 of the Otay Water District Code of Ordinances outlines the District's Conservation and Water Shortage Response Program. Section 39.02 states that "available water resources be put to maximum beneficial use to the extent to which they are capable; that the waste or unreasonable use, or unreasonable method of use of water be prevented; and that the conservation of such water be encouraged with a view to the maximum reasonable and beneficial use thereof in the interests of the residents of the District and for the public welfare."

2. Is a copy of the most current ordinance(s) on file with CUWCC? yes

a. List local jurisdictions in your service area in the first text box and water waste ordinance citations in each jurisdiction in the second text box:

The eastern portions (east of 805) of the City of Chula Vista and portions of unincorporated areas of San Diego County, including Spring Valley, Rancho San Diego, Bonita, Jamul, El Cajon and Otay Mesa, served by the County of San Diego.

District Rules and Regulations for Water Conservation, revised on 12/7/2005. Both the City of Chula Vista and the County of San Diego adopted landscape ordinances in the early 1990s.

**B. Implementation**

1. Indicate which of the water uses listed below are prohibited by your agency or service area.

- a. Gutter flooding yes
- b. Single-pass cooling systems for new connections yes
- c. Non-recirculating systems in all new conveyor or car wash systems yes
- d. Non-recirculating systems in all new commercial laundry systems yes
- e. Non-recirculating systems in all new decorative fountains yes
- f. Other, please name yes  
 As per Section 39.05 C, "Customers are required to repair all water leaks within 48 hours of knowledge that a leak exists", and "39.05 D "Water shall not be used to wash down sidewalks, driveways, parking areas, tennis courts, patios, or other paved areas except to alleviate immediate safety or sanitation hazards"

2. Describe measures that prohibit water uses listed above:

The following measures apply at all times as per Section 39.05 of the District's Code of Ordinances: (a) At no time shall water be wasted or used unreasonably, (b) Water shall not be allowed to leave the the customer's property by drainage onto adjacent properties or public or

private roadways or streets due to excessive irrigation and/or neglect, (c) Customers shall be required to repair all water leaks within 48 hours of knowledge that a leak exists, (d) water shall not be used to wash down sidewalks, driveways, parking areas, tennis courts, patios, or other paved areas except to alleviate immediate safety or sanitation hazards, (e) Lawn watering or irrigation, other than by hand or drip methods, is prohibited except between the hours of 4:00 p.m. and 9:00 a.m. the following morning. New plantings and newly seeded areas are exempt from these limits for 30 days, (f) The use of hand-held hose for spraying, lawn watering, vehicle washing or structure washing is prohibited without an automatic shut-off nozzle. The following measures apply during Stage 2 and above: (a) No non-residential fountains shall be operated unless reclaimed water is used, (b) Restaurants shall not serve water to their customers except when specifically requested. During Stages 4 and above: No filling, refilling, or adding to artificial ponds or lakes shall be permitted unless reclaimed water is used

#### **Water Softeners:**

3. Indicate which of the following measures your agency has supported in developing state law:

- |  |     |
|--|-----|
| a. Allow the sale of more efficient, demand-initiated regenerating DIR models.   | yes |
| b. Develop minimum appliance efficiency standards that:  |     |
| i.) Increase the regeneration efficiency standard to at least 3,350 grains of hardness removed per pound of common salt used.  | yes |
| ii.) Implement an identified maximum number of gallons discharged per gallon of soft water produced.   | yes |
| c. Allow local agencies, including municipalities and special districts, to set more stringent standards and/or to ban on-site regeneration of water softeners if it is demonstrated and found by the agency governing board that there is an adverse effect on the reclaimed water or groundwater supply. | yes |

4. Does your agency include water softener checks in home water audit programs? yes

5. Does your agency include information about DIR and exchange-type water softeners in educational efforts to encourage replacement of less efficient timer models? yes

#### **C. "At Least As Effective As"**

1. Is your AGENCY implementing an "at least as effective as" variant of this BMP? no

a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

#### **D. Comments**

While we personally conduct a limited number of residential surveys we always look for or ask if they have a water softener and ask if it is an "on-demand" unit or on a timer.

Reported as of 11/2

### BMP 14: Residential ULFT Replacement Programs

Reporting Unit: **Otay Water District**      BMP Form Status: **100% Complete**      Year: **2005**

#### A. Implementation

##### Number of 1.6 gpf Toilets Replaced by Agency Program During Report Year

	Single-Family Accounts	Multi- Family Units
1. Does your Agency have program(s) for replacing high-water-using toilets with ultra-low flush toilets?	yes	yes
<b>Replacement Method</b>	<b>SF Accounts</b>	<b>MF Units</b>
2. Rebate	594	133
3. Direct Install	0	0
4. CBO Distribution	0	0
5. Other	0	0
<b>Total</b>	<b>594</b>	<b>133</b>

##### Number of 1.2 gpf High-Efficiency Toilets (HETs) Replaced by Agency Program During Report Year

	Single-Family Accounts	Multi- Family Units
6. Does your Agency have program(s) for replacing high-water-using toilets with ultra-low flush toilets?	no	no
<b>Replacement Method</b>	<b>SF Accounts</b>	<b>MF Units</b>
7. Rebate	0	0
8. Direct Install	0	0
9. CBO Distribution	0	0
10. Other	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

##### Number of Dual-Flush Toilets Replaced by Agency Program During Report Year

	Single-Family Accounts	Multi- Family Units
11. Does your Agency have program(s) for replacing high-water-using toilets with ultra-low flush toilets?	yes	yes
<b>Replacement Method</b>	<b>SF Accounts</b>	<b>MF Units</b>
12. Rebate	2	0
13. Direct Install	0	0
14. CBO Distribution	0	0

15. Other	0	0
	-----	
<b>Total</b>	<b>2</b>	<b>0</b>

16. Describe your agency's ULFT, HET, and/or Dual-Flush Toilet programs for single-family residences.

SF customers are offered a voucher redeemable for up to \$75 off the purchase price of all the 3.5+ gallon per flush toilets in their home. Toilets installed as part of new construction or bathroom additions do not qualify. Beginning last fiscal year, SF customers were offered \$95 to replace their older toilets with dual-flush toilets. Four of the seven hundred and twenty nine toilets installed were dual-flush toilets. As a pilot program, the District offered a \$70 incentive (\$45 last FY) toward dual-flush toilets offered in new construction. Six DFTs were installed this year through this program, but are not included in the totals above.

17. Describe your agency's ULFT, HET, and/or Dual-Flush Toilet programs for multi-family residences.

Participating MF customers are offered a voucher redeemable for up to \$75 off the purchase price of all the 3.5+ gallon per flush toilets in the multi-family complex. A \$95 voucher was available for the installation of dual-flush toilets in MF residences. New MF residences could apply for the \$70 voucher available for installing DFTs in new construction.

18. Is a toilet retrofit on resale ordinance in effect for your service area? no

19. List local jurisdictions in your service area in the left box and ordinance citations in each jurisdiction in the right box:

**B. Residential ULFT Program Expenditures**

1. Estimated cost per ULFT/HET replacement: 24.41

**C. "At Least As Effective As"**

1. Is your AGENCY implementing an "at least as effective as" variant of this BMP? no

a. If YES, please explain in detail how your implementation of this BMP differs from Exhibit 1 and why you consider it to be "at least as effective as."

**D. Comments**

As noted above, the District has offered an incentive to encourage developers and builders to install dual flush toilets in new construction. This fiscal year, 6 DFTs were installed through this program but are not counted in the program totals.



## AGENDA ITEM 7a

### STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	December 6, 2006
SUBMITTED BY:	Hossein Juybari <i>HJ</i>	PROJECT:	P2210 DIV. NO. ALL
APPROVED BY: (Chief)	Rod Posada <i>Rod Posada</i> Chief, Engineering		
APPROVED BY: (Asst GM)	Manny Magaña <i>Manny Magaña</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Informational Item - FY 2007 First Quarter Capital Improvement Program (CIP) Report		

#### GENERAL MANAGER'S RECOMMENDATION:

That the Board accept the FY 2007 First Quarter CIP Report for review and receive a summary via PowerPoint presentation.

#### COMMITTEE ACTION:

Please see Attachment A.

#### PURPOSE:

To update the Board about the status of all CIP project expenditure highlights, significant issues, progress, and milestones on major projects.

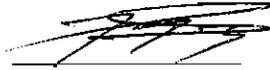
#### ANALYSIS:

To keep up with growth and to meet our ratepayers' expectations to adequately deliver safe, reliable, cost-effective, and quality water, each year Otay WD staff prepares a six-year CIP Plan that identifies the Otay WD infrastructure needs. The CIP is comprised of four categories consisting of backbone capital facilities, maintenance projects, developer's reimbursement projects, and capital purchases.

The quarterly update is intended to provide a detailed analysis of progress in completing these projects within the allotted time and budget. Staff continues to strive to achieve the targeted goal of at least 18-20% of the fiscal year budget amount in the first quarter.

Expenditures in this First Quarter of Fiscal Year 2007 totaled approximately \$9.2 Million. This equates to 25% of the Fiscal Year 2007 expenditure budget and exceeds our targeted goal.

**FISCAL IMPACT:**



In the budget process staff sets a cash flow target level for the CIP projects. With the very large CIPs and the achievement of the construction schedules we are exceeding those targets and expect to accomplish nearly 100% of the budget over the next two years. With this level of achievement, greater than the historical levels, staff has re-evaluated the cash flow requirements and is recommending that the upcoming debt issuance be increased by \$14.5 million to \$42 million in order to accommodate the CIP construction needs. The expected impact on the projected rates is a shift from 3.9% to 5.1% in years 2010, 2011, and 2012. At this level, the District is expected to maintain all the reserve target levels in all years, remaining within the parameters of the Reserve Policy. The added debt will temporarily drop the debt ratio below the target level of 150%; however, the District always remains above the 120% covenant level even without using growth funds in the calculation. The District's financial strength allows the District to use this flexibility to meet changes in cash flow needs and still meet all its Reserve Policy targets by the end of the six-year rate model period.

**STRATEGIC GOAL:**

The CIP supports the mission of providing the best quality of water and wastewater service to the customers of the Otay Water District in a professional, effective, efficient, and sensitive manner, in all aspects of operation, so that public health, environment, and quality of life are enhanced.

**LEGAL IMPACT:**

\_\_\_\_\_

None.



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

HJ/RR/RP:jf

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## ATTACHMENT A

SUBJECT/PROJECT:	Informational Item - FY 2007 First Quarter CIP Report (Project P2210)
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### COMMITTEE ACTION:

The Engineering & Water Operations and the Finance & Administration Committee reviewed this item in detail at meetings held on November 15 and 20, 2006 respectively. The following comments were made:

- The approved CIP budget for FY07 consists of 90 projects that total \$36.6 million. Overall expenditures for the First Quarter of FY 2007 totaled \$9.2 million, which is 100% of the forecasted expenditures for the quarter. It was noted that construction change orders were at a -2%.
- The budget for the CIP is based on past experience and historically the District completes approximately 80% of the budgeted CIP by fiscal year end.
- The District completed 100% of the CIP last fiscal year. It is anticipated that it will again complete 100% of the budget this fiscal year and will continue to do so next year as well. It is expected that it will then drop back to its normal level of 80%.
- As the District is budgeted to complete only 80% of the CIP, it is causing a cash flow issue.
- Staff presented two options to respond to the cash flow issue:
  - Option 1: Draw down reserves to meet cash flow needs.
    - The draw back to drawing down reserves is that it would negatively impact the District's market rating which would affect the District's debt issuance.
    - This would also go against the District's Reserve Policy.

Option 2: Increase the planned debt issuance from \$14.5 million to \$42 million.

- Staff proposes to support the debt by increasing the last few years of the rate increase planned over a six year period, as per the rate model. The original plan was to have a 5.4% increase for three years and then dropping the increases in the last three years of the plan to 3.9%. Staff proposes that the last three years be increased to 5.1% which would avoid a spike in rates and would allow recovery of the debt.
  - The District's operating debt coverage ratio would drop below the target of 150%, but will never drop below the required 120%. It then climbs back to 152%. The legal debt coverage ratio would stay well above the target range of between 250% and 440%.
  - If the District had no growth (revenues through capacity fees), it would still meet the required debt coverage ratio of 120%.
  - With this option, all reserve targets will also be met.
- 
- Staff recommends Option 2 to meet cash flow needs. It was noted that the District is not spending additional monies on the CIP, it is just spending the monies sooner than anticipated. This is occurring as many of the projects within the CIP are large projects which are coming in on-time. Historically, the CIP consisted of many smaller projects.
  - It was requested that staff forward a copy of the CIP Quarterly Update Presentation, along with the staff report, for future meetings so members have time to review the information.

Upon completion of the discussion, the Committee supported staff's recommendation and forwarding on to the Board of Directors as an informational item.

# CAPITAL IMPROVEMENT PROGRAM



**Fiscal Year 2007**

**First Quarter**

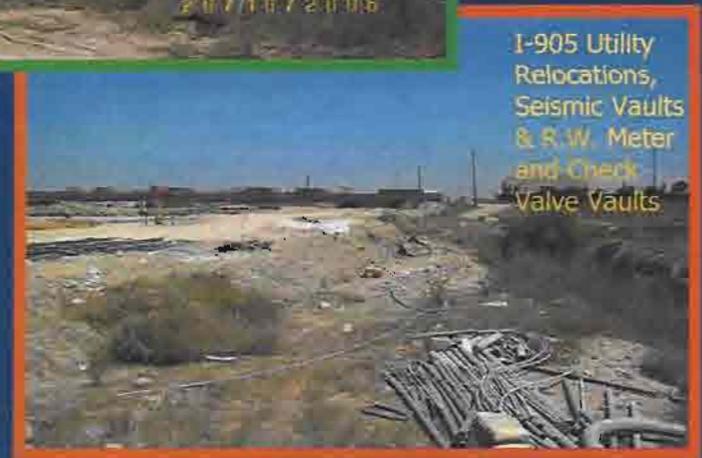
**(through September 30, 2006)**



30" Recycled Water  
Pipeline Project



450-1 Reservoir &  
680-1 Pump Station



1-905 Utility  
Relocations,  
Seismic Vaults  
& S.W. Meter  
and Check  
Valve Vaults

# Background

- To keep up with growth and to meet our customers' expectations, District Staff prepared a six-year rolling CIP Report. The CIP report contains information about budget, allocations of funds, project costs, locations, descriptions, justifications and schedules.
  
- The approved CIP budget for FY07 consists of 90 projects that total \$36.6 million. These projects are broken down into four categories:
  1. Capital Facilities: \$ 26.7 million
  2. Replacement/Renewal: \$ 4.6 million
  3. Capital Purchases: \$ 1.9 million
  4. Developer Reimbursement: \$ 3.4 million

(continued)

**Highlights**

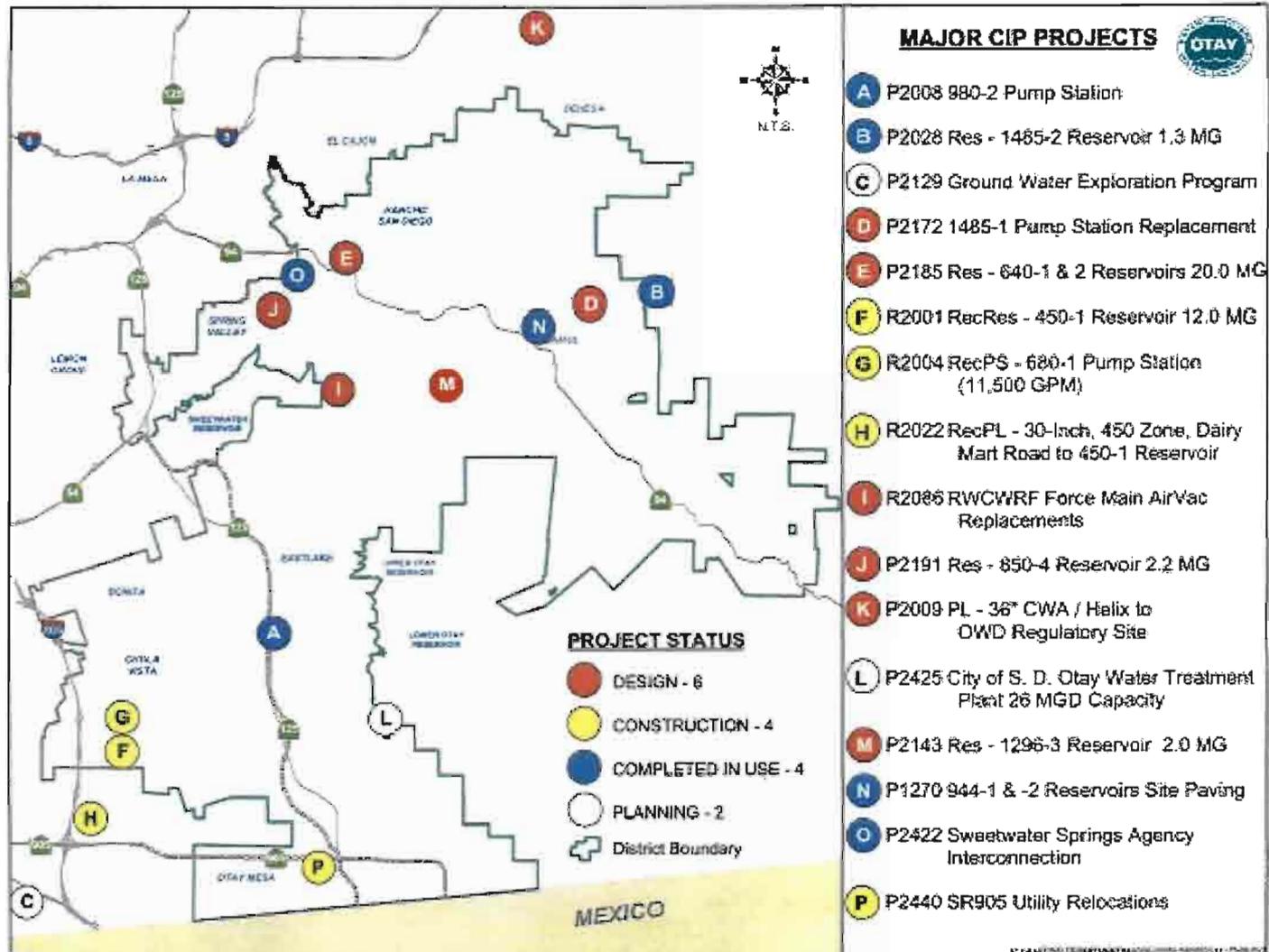
- Overall expenditures for the First Quarter of Fiscal Year 2007 totaled approximately \$9.2 million, which is 100% of our forecast expenditures for the quarter.
- Construction Change Orders are at -2%.

# FY07 First Quarter Report

(through September 30, 2006)

CIP Cat	Description	FY07 Budget	FY07 Expenditures	% FY07 Budget Spent	Total LTD Budget	Total LTD Expenditures	% Budget Spent
1	Capital Facilities	\$26,701,000	\$8,434,000	32%	\$195,706,000	\$66,915,000	34%
2	Replacement/Renewal	\$4,555,000	\$268,000	6%	\$16,536,000	\$3,734,000	23%
3	Capital Purchases	\$1,956,000	\$504,000	26%	\$16,142,000	\$11,544,000	72%
4	Developer Reimbursement	\$3,409,000	\$21,000	1%	\$19,882,000	\$3,656,000	18%
	<b>Total:</b>	<b>\$36,621,000</b>	<b>\$9,227,000</b>	<b>25%</b>	<b>\$248,266,000</b>	<b>\$85,849,000</b>	<b>35%</b>

# Major CIP Projects



# Flagship CIP Projects Completed



## Sweetwater Springs Agency Interconnection

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This project provides an emergency connection between the Otay and Helix water systems. Project was accepted on 9/21/06 and was completed ahead of schedule.



## 944 Paving-1 & 944-2 Reservoirs Site Paving

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This pavement rehabilitation project was accepted on 9/21/06.

# Flagship CIP Projects in Construction and Ahead of Schedule



## I-905 Utility Relocations, Seismic Vaults and R.W. Meter and Check Valve Vaults

Project started on 9/7/06 and is expected to be completed in May 2007.

This project includes the relocation of two pipelines crossing under SR-905 and the abandonment of one pipeline, reconditioning of two seismic valve vaults and the installation of a RW Meter Vault and Check Valve Vault.

## 450-1 Reservoir & 680-1 Pump Station

Reservoir and the Pump Station are under construction. Project is expected to be complete in the Spring of 2007.



## 30" Recycled Water Pipeline Project

Project was awarded to Ortiz for construction in May 2005. This pipeline will deliver recycled water from South Bay to the 450/680 Reservoir and Pump Station. Project is expected to be completed at the end of 2006.

# Progress on Major Projects

- 30" Recycled Water Pipeline Project:

- Key Component:** Approximately 6 miles of 30" pipeline for recycled water from City of San Diego's South Bay Water Reclamation Plant (SBWRP) to Otay's 450-1 Reservoir and 680-1 Pump Station.
- Schedule:** Full notice to proceed given on September 28, 2005. Contract completion date is November 21, 2006.
- Cost:** The construction project budget is 94% spent - \$13.9 million out of a total budget of \$14.7 million.
- Significant Issues:** Construction is on schedule and will be complete at the end of 2006.

(continued)

▪ 450-1 Recycled Reservoir and 680-1 Recycled Pump Station:

**Key Component:** 12,000 GPM (17.3 MGD) pump station delivering recycled water from 450-1 Reservoir to the 680 and 944 recycled water pressure zones.

**Schedule:** Construction started in late November 2005. Contract completion date is March 14, 2007.

**Cost:** The construction project budget is 74% spent - \$10.6 million out of a total budget of \$14.2 million.

**Significant Issues:** Construction is on schedule and will be complete in the Spring of 2007.

(continued)

▪ East County Regional Treated Water Improvement Program (ECRTWIP):

**Key Component:** Acquire an additional 4 MGD of local treatment capacity for a total of 12 MGD on peak capacity and 16 MGD off peak capacity from Helix Water District through the San Diego County Water Authority (CWA).

Otay's portion is the construction of a 36" pipeline.

**Schedule:** ECRTWIP Agreement fully executed on April 27, 2006.

FCF #14 to be completed by December 2007 (CWA).

The 36" pipeline is expected to be completed by January 2010 (OWD).

**Significant Issues:** Four Water Districts involved (Otay, Padre, Lakeside and Helix) with CWA.

Each Agency to pay for infrastructure.

CWA to contribute \$4.2 million toward construction the new 36" pipeline by Otay from FCF #14 to regulatory site.

OWD hired Infrastructure Engineering Corp for the pipeline design.

**Total budget: \$18.5 million**

## (continued)

### ▪ City of San Diego's Water Treatment Plant, Capacity:

**Key Component:** Acquire at least 30 MGD of local treatment capacity from City of San Diego (City).

**Schedule:** Staff continues discussions with City and SDCWA staff on SD17 POU.

**Cost:** Only staff time has been budgeted; project cost is dependent upon negotiations outcome.

**Significant Issues:** The City will supply "Surplus Water" from Otay WTP to Otay per the current 1999 agreement.

The City has an opportunity of a \$10,000,000 grant for Pump Station at the Alvarado WTP to pump into CWA Pipeline No. 4.

Draft Principles of Understanding (POU) with the City, CWA and Otay have been prepared related to the SD 17 Pump Station.

# Consultant Contract Status

(through September 30, 2006)

CIP NO.	PROJECT TITLE	OPENED DATE	ORIGINAL CONTRACT AMOUNT	TOTAL CHANGE ORDERS	REVISED CONTRACT AMOUNT	APPROVED PAYMENT TO DATE	% CHANGE ORDERS	% CONTRACT COMPLETE	EST. COMP. DATE
	<b>PLANNING</b>								
R2001/ R2004	450-1 Rec Reservoir / 680-1 Pump Station	11/1/2003	1,030,000	106,000	1,136,000	1,068,079	10%	94%	06/30/07
P1000	OWD SCADA Documentation	1/26/2005	420,000	0	420,000	354,816	0%	84%	11/30/06
P1210	Integrated Resources Plan	2/26/2006	225,000	0	225,000	119,246	0%	53%	03/30/07
P2185	640-1 and 2 Reservoirs	11/1/2005	722,000	120,000	842,000	738,960	17%	88%	09/01/08
<b>PLANNING TOTALS</b>			<b>\$2,397,000</b>	<b>\$226,000</b>	<b>\$2,623,000</b>	<b>\$2,281,101</b>	<b>9%</b>	<b>87%</b>	
	<b>DESIGN</b>								
P1043	Cathodic Protection	1/16/2002	133,460	44,110	177,570	177,569	33%	100%	Complete
P1043	Cathodic Protection	12/20/2005	162,418	2,500	164,918	63,308	2%	38%	06/30/07
P2028	1485-2 Reservoir	5/10/1999	132,700	158,215	290,915	246,890	119%	85%	06/30/07
P2028	1485-2 Reservoir - Landscape	8/29/2003	5,000	6,800	11,800	9,110	136%	77%	06/30/07
P2037	980-3 Reservoir	10/31/2005	49,700	0	49,700	33,713	0%	68%	04/01/07
P2037	980-3 Reservoir - Construction Review	2/16/2006	5,000	0	5,000	2,292	0%	46%	ON HOLD.
P2037	980-3 Reservoir - Electrical Services	3/13/2006	13,220	0	13,220	6,325	0%	48%	ON HOLD.
P2168	803-4 Reservoir - Landscape	4/14/2003	8,300	9,990	18,290	15,155	120%	83%	Complete

(continued)

CIP NO.	PROJECT TITLE	OPENED DATE	ORIGINAL CONTRACT AMOUNT	TOTAL CHANGE ORDERS	REVISED CONTRACT AMOUNT	APPROVED PAYMENT TO DATE	% CHANGE ORDERS	% CONTRACT COMPLETE	EST. COMP. DATE
	<b>DESIGN (cont.)</b>								
P2168	803-4 Reservoir - Electrical	4/29/2004	16,660	0	16,660	12,120	0%	73%	Complete
P2191	850-4 Reservoir	12/7/2005	15,695	0	15,695	4,185	0%	27%	12/30/06
P1291	850-4 Reservoir	6/9/2006	8,500	0	8,500	6,500	0%	76%	12/30/06
P2416	Sweetwater Authority, SR-125 Utility Relocation	2/23/2006	4,800	5,000	9,800	6,917	104%	71%	12/31/06
P2440	SR-905 Utility Relocations	7/9/2004	200,000	26,900	226,900	215,815	13%	95%	11/30/06
P2022	30" Recycled Water Pipeline	9/22/2003	1,585,000	245,136	1,830,136	1,769,316	15%	97%	12/30/06
P2053	RWCWRF - R.O. Building Remodel	1/4/2006	12,250	0	12,250	6,413	0%	52%	12/30/07
<b>DESIGN TOTALS</b>			<b>\$2,352,703</b>	<b>\$498,651</b>	<b>\$2,851,354</b>	<b>\$2,575,628</b>	<b>21%</b>	<b>90%</b>	
	<b>PUBLIC SERVICES</b>								
P2258	Recycled Water Irrigation Plancheck & Inspection (Ph. 1)	3/30/2003	250,000	30,000	280,000	259,474	12%	93%	12/31/06
P2258	Recycled Water Irrigation Plancheck & Inspection (Ph. 2)	12/20/2004	230,000	40,000	270,000	185,645	17%	69%	12/31/06
P2258	Recycled Water Irrigation Plancheck and Inspection, Ph. 1	10/11/2005	250,000	0	250,000	69,533	0%	28%	06/30/07
<b>PUBLIC SERVICES TOTALS</b>			<b>\$730,000</b>	<b>70,000</b>	<b>\$800,000</b>	<b>\$514,652</b>	<b>10%</b>	<b>64%</b>	

(continued)

CIP NO.	PROJECT TITLE	OPENED DATE	ORIGINAL CONTRACT AMOUNT	TOTAL CHANGE ORDERS	REVISED CONTRACT AMOUNT	PAYMENT TO DATE	% CHANGE ORDERS	% CONTRACT COMPLETE	EST. COMP. DATE
	<b>CONSTRUCTION / INSPECTION</b>								
Various	Inspection Services	10/29/2003	85,300	14,000	99,300	56,155	16%	57%	On-going
Various	On-Call CM and Inspection	8/1/2005	200,000	0	200,000	28,351	0%	14%	On-going
R2022	30" Recycled Pipeline CM Services	6/28/2005	1,244,201	0	1,244,201	541,477	0%	44%	01/16/07
R2001/ R2004	450-1 Rec Reservoir / 680-1 Pump Station	12/15/2005	825,000	0	825,000	164,101	0%	20%	04/01/07
<b>CONSTRUCTION / INSP. TOTALS</b>			<b>\$2,354,501</b>	<b>\$14,000</b>	<b>\$2,368,501</b>	<b>\$790,084</b>	<b>1%</b>	<b>33%</b>	
	<b>ENVIRONMENTAL</b>								
	On-Call Environmental Services		100,000	0	100,000	37,106	0%	37%	On-going
P1253	HMA & Associated Mitigation Projects	4/20/2006	566,444	0	566,444	5,022	0%	1%	03/01/08
P2143	1296-3 Reservoir	5/8/2006	125,000	0	125,000	6,672	0%	5%	09/30/07
<b>ENVIRONMENTAL TOTALS</b>			<b>\$791,444</b>	<b>\$0</b>	<b>\$791,444</b>	<b>\$48,800</b>	<b>0%</b>	<b>6%</b>	
	<b>GRAND TOTAL</b>		<b>\$8,625,648</b>	<b>\$808,651</b>	<b>\$9,434,299</b>	<b>\$6,210,265</b>	<b>9%</b>	<b>66%</b>	

## Construction Contract Status

(through September 30, 2006)

CIP NO.	PROJECT TITLE	CONSTRUCTION CONTRACTOR	ORIGINAL CONTRACT AMOUNT	TOTAL CHANGE ORDERS	REVISED CONTRACT AMOUNT	TOTAL EARNED TO DATE	% OF CHANGE ORDERS	% CONTRACT COMPLETE	ESTIMATED COMPLETION DATE
P2022	30" Recycled Water	Ortiz Corp.	\$14,747,600	(\$43,553)	\$14,704,047	\$13,904,333	-0.30%	95%	Nov 2006
P2358	Meter Shop Remodel	Blair Rasmussen	\$60,747	\$0	\$60,747	\$0	0.00%	0%	Dec 2006
P2422	Sweetwater Springs Interconnection	Arrieta Construction	\$129,884	\$0	\$129,884	\$129,884	0.00%	100%	Completed
R2001/ R2004	450-1 Recycled Reservoir / 680-1 Recycled Pump Station	TC Construction	\$14,740,000	(\$537,283)	\$14,202,717	\$10,549,577	-3.80%	74%	March 2007
<b>TOTALS:</b>			<b>\$29,678,231</b>	<b>(\$580,836)</b>	<b>\$29,097,395</b>	<b>\$24,583,794</b>	<b>-2.00%</b>	<b>85%</b>	

\* Change orders for projects this fiscal year continue to be below the industry average of 5-12%, which is an outstanding accomplishment.

# Expenditures

(through September 30, 2006)

(\$000)

Former CIP No.	Current CIP No.	Description	Project Manager	FY 07 Budget	Expenditures Through 09/30/06	Remaining FY 07 Budget	Total Project Budget	Total Project Expenses	Total Project Balance	Remaining Total Percent Budget Spent	Comments
CAPITAL FACILITY PROJECTS											
008	P2008	PS - 980-2 Pump Station (25,000 GPM)	Ripperger	5	12	-7	8,055	8,047	8	100%	Complete and Accepted. Warranty issues.
009	P2008	PL - 36-Inch, SDCWA Otay FCF No. 14 to Regulatory Site	Juybari	675	36	639	18,490	176	18,314	1%	Board approved a Professional Service Agreement with IEC on October 4, 2006. Staff held the Kick-off Meeting on October 11, 2006.
028	P2028	Res - 1485-2 Reservoir 1.6 MG	Ripperger	50	182	-132	3,250	3,183	67	98%	Complete and Accepted. Retention paid in FY07.
W033	P2033	PL - 16-Inch, 1296 Zone, Melody Rd. - Campo/Presilla	Padilla	6	0	6	1,826	4	1,822	0%	Project deferred to future years.
037	P2037	Res - 980-3 Reservoir 15.0 MG	Alex	50	5	45	13,204	540	12,664	4%	Project on hold due to other higher priorities.
038	P2038	PL - 12-Inch, 978 Zone, Jamacha and Hidden Mesa Road Upsize and Replace.	Riendeau	80	30	50	1,575	75	1,500	5%	30% plans in progress.
040	P2040	Res - 1655-1 Reservoir 0.5 MG	Alex	45	2	43	2,055	474	1,581	23%	Project on hold due to other higher priorities.
129	P2129	Groundwater Exploration Program	Peasley	25	0	25	2,530	551	1,979	22%	Otay River Demin. Feasibility Concept Project 50 - Grant Award.
143	P2143	Res - 1296-3 Reservoir 2.0 MG	Padilla	345	56	289	3,379	160	3,219	5%	30% design in progress.
168	P2168	Res - 803-4 Reservoir 6.0 MG	Ripperger	265	531	-266	4,465	4,121	344	92%	Complete and Accepted. Retention paid in FY07.
172	P2172	PS - 1485-1 Pump Station Replacement	Alex	237	27	210	1,997	150	1,847	8%	30% design in progress.
185	P2185	Res - 640-1 Reservoir 2.0 MG	Ripperger	1,000	19	981	27,000	1,716	25,284	6%	Advertised for Bid.
190	P2190	PL - 10-Inch, 1485 Zone, Jamul Highlands Road to Presilla Drive	Riendeau	2	0	2	120	3	117	2%	Developer driven. Currently on hold.
W191	P2191	Res - 850-4 Reservoir 2.2 MG	Padilla	1,258	60	1,198	2,988	534	2,454	18%	60% design completed. Additional environmental review and easement and mitigation license agreement acquisition.
W258	P2258	PS - Lower Otay Pump Station	Padilla	105	14	91	7,805	1,962	5,843	25%	Contract award for access road November 1, 2006, tentative.
295	P2295	624-1 Reservoir Disinfection Facility, Inlet/Outlet/Bypass and 613-1 Reservoir Demo.	Ripperger	500	3	497	4,500	3,914	586	87%	Complete and Accepted. Pending contractor claims and litigation.
W318	P2318	PL - 20-Inch, 657 Zone, Summit Cross-Tie and 36-Inch Main Connections	Padilla	75	0	75	600	56	544	9%	Commenced planning and environmental. Completed potholing. Other priorities.
W356	P2356	PL - 12-Inch, 803 Zone, Jamul Drive Permastran Pipeline Replacement	Riendeau	55	6	49	660	61	599	9%	30% plans in progress.
W357	P2357	PS - 657-1/850-1 Pump Station Demolition	Padilla	5	0	5	300	0	300	0%	Project on hold due to other higher priorities.
W370	P2370	Res - Dorchester Reservoir and Pump Station Demolition	Padilla	23	0	23	100	13	87	13%	Project is on hold due to other priorities.
W387	P2387	PL - 12-Inch, 832 Zone, Steele Canyon Road - Via Caliente/Campo	Riendeau	25	4	21	400	41	359	10%	30% plans in progress.
W399	P2399	PL - 30-Inch, 980 Zone, 980 Reservoirs to Hunte Parkway	Ripperger	1	0	1	2,740	2,736	4	100%	Complete and Accepted.
W422	P2422	Agency Interconnections	Ripperger	160	49	111	308	209	99	68%	Contractor ahead of schedule on construction.
W425	P2425	Otay WTP Capacity Purchase Agreement Negotiations	Peasley	20	4	16	100	43	57	43%	S.D. 17 P.S. Roving Water Treatment Supply POU drafted.

# (continued)

Former CIP No.	Current CIP No.	Description	Project Manager	FY 07 Budget	Expenditures Through 09/30/06	Remaining FY 07 Budget	Total Project Budget	Total Project Expenses	Total Project Balance	Remaining Total Percent Budget Spent	Comments
	P2441	NG/RAMAR Meter Replacements	Henderson	2,473	91	2,382	2,742	1,583	1,159	58%	Budget is understated in the District Budget book by \$1,222,900. This is an administrative error that will be corrected by Finance in mid-year. On track for completion in FY2007.
W447	P2447	Information Technology Meter Routing	Stevens	80	0	80	80	22	58	28%	Low density routing solution in test.
W449	P2449	Information Technology Business Continuity	Stevens	225	0	225	300	46	254	15%	Planning activities underway.
W450	P2450	Otay River Groundwater Well Demineralization/Development	Peasley	5	0	5	5,000	0	5,000	0%	Schedule to proceed is March 2007 for the Joint Feasibility Study effort with SWA.
W451	P2451	Rosarito Desalination Facility Conveyance System	Peasley	2	0	2	1,000	0	1,000	0%	Proposition 5- Grant for Feasibility Study effort was not awarded to Otay, hence no expenditures for this FY contemplated.
W453	P2453	SR-11 Utility Relocations	Riendeau	5	0	5	2,300	0	2,300	0%	Caltrans driven.
W454	P2454	Vaults and Meter, Alta Road and Use Area	Riendeau	253	6	247	465	6	459	1%	In construction.
W457	P2457	Groundwater Development Otay Mountain	Peasley	50	0	50	6,500	0	6,500	0%	Pending outcome of Otay Mountain Well exploration effort, per terms of an existing agreement, expenditures in FY2007 may not occur.
W441	P2458	AMR/Manual Meter Replacement	Henderson	361	0	361	7,513	0	7,513	0%	On schedule.
R001	R2001	RecRes - 450-1 Reservoir 12.0 MG	Ripperger	4,300	1,650	2,640	9,967	6,786	3,181	68%	On schedule.
R003	R2003	RecRes - 680-1 Reservoir 3.4 MG	Ripperger	250	1	249	4,350	4,073	277	94%	Project complete and accepted. Negotiating reimbursement.
R004	R2004	RecPS - 680-1 Pump Station (11,500 GPM)	Ripperger	4,300	1,726	2,574	8,333	5,959	2,374	72%	On schedule.
R022	R2022	RecPL - 30-Inch, 450 Zone, Otay Valley - Dairy Mart/450-1 Reservoir	Ripperger	7,500	3,797	3,703	23,600	19,323	4,277	82%	Project ahead of schedule.
R034	R2034	RecRes - 860-1 Reservoir 4.0 MG	Ripperger	120	0	120	3,800	1	3,799	0%	
R053	R2053	RWCWRF R.O. Building Remodel and Office Furniture	Juybari	289	16	273	422	88	334	21%	The project will be advertised during the 2nd Quarter FY07.
R077	R2077	RecPL - 24-Inch, 860 Zone, Alta Road - Alta Gate/Airway	Ripperger	50	0	50	3,000	21	2,979	1%	Delayed due to higher priorities.
R081	R2081	RecPL - 16-Inch, 944 Zone, Lane Avenue - Proctor Valley/Pond No. 1	Ripperger	150	20	130	350	20	330	6%	PDR completed.
R086	R2086	RWCWRF Force Main AirVac Replacements and Road Improvements	Padilla	793	40		874	138	736	16%	60% design completed. Delayed for Federal Environmental Compliance.
R087	R2087	RecPL - 16-Inch, 944 Zone, Wueste Road - Olympic Parkway/Otay Treatment Plant	Ripperger	100	11		3,598	11	3,587	0%	Delayed due to higher priorities.
R088	R2088	RecPL - 24-Inch, 860 Zone, County Property Roll Reservoir/860-1 Recycled Reservoir	Ripperger	50	0		1,500	0	1,500	0%	Delayed due to higher priorities.
	R2089	North District Recycled Water (Regulatory Compliance)	Peasley	100	0		415	0	415	0%	Project is scheduled to proceed April 2007.
S015	S2015	Calavo Lift Station Replacement	Alex	133	21		675	63	612	9%	60% design in progress.
W452	S2016	Pilot Study / Solar Panel Installation	Juybari	100	4		475	4	471	1%	Project on hold due to other higher priorities.
		<b>Total Capital Facilities Projects</b>	<b>Total:</b>	<b>26,701</b>	<b>8,434</b>	<b>17,068</b>	<b>195,706</b>	<b>66,915</b>	<b>128,791</b>	<b>34%</b>	

# (continued)

Former CIP No.	Current CIP No.	Description	Project Manager	FY 07 Budget	Expenditures Through 09/30/06	Remaining FY 07 Budget	Total Project Budget	Total Project Expenses	Total Project Balance	Remaining Total Percent Budget Spent	Comments
<b>RENEWAL &amp; REPLACEMENTS</b>											
W267	P2267	36-Inch Main Pumpouts and Air/Vacuum Ventilation Installations	Henderson	150	0	150	195	56	139	29%	On hold. Waiting for The Pointe shutdown to perform work.
W359	P2359	Operations EOC and Meter Shop Remodels and EOC Maps	Juybari	71	7	64	190	102	88	54%	Contractor started construction. Work will be completed during the 2nd quarter FY2007.
W366	P2366	APCD Engine Replacements and Retrofits	Pedroza	150	29	121	2,438	1,381	1,057	57%	Engines #1 and #43 retrofits complete, awaiting source test results
W382	P2382	Safety and Security Improvements	Burpeau	1,017	22	995	1,942	958	984	49%	Budget is understated in the District's Budget Book by \$625,000. This is an administrative error that will be corrected by Finance at mid-year.
W416	P2416	SR-125 Utility Relocations	Riendeau	210	29	181	700	487	213	70%	In construction.
W440	P2440	I-905 Utility Relocations	Riendeau	1,191	33	1,158	2,260	452	1,808	20%	In construction.
W456	P2456	District-Wide Air Vac Upgrades	Henderson	500	117	383	3,510	117	3,393	3.3%	On schedule.
S012	P2459	General Utility Relocation - Olive Vista Rd.	Riendeau	350	29	321	420	29	391	7%	60% plans in progress.
S012	S2012	SVSD Outfall and RSD Replacement and OM Reimbursement	Pedroza	916	0		4,881	151	4,730	3%	Delayed due to higher priorities.
		<b>Total Maintenance Projects</b>	<b>Total:</b>	<b>4,555</b>	<b>268</b>	<b>3,371</b>	<b>16,536</b>	<b>3,734</b>	<b>12,802</b>	<b>23%</b>	
<b>CAPITAL PURCHASE PROJECTS</b>											
W282	P2282	Vehicle Capital Purchases	Porras	497	0	497	2,403	1,140	1,263	47%	Budget is understated in the District's Budget Book by \$231,300. This is an administrative error that will be corrected by Finance at mid-year. Exploring fleet leasing options.
W286	P2286	Field Equipment Capital Purchases	Porras	59	28	31	1,170	551	619	47%	Partially complete. Awaiting quotes for field equipment.
W353	P2353	Information Technology System Enhancements and Replacements	Stevens	385	290	95	3,762	2,828	934	75%	Expenditures ahead of schedule.
W361	P2361	Information Technology GIS Enhancements	Stevens	315	65	250	1,795	1,237	558	69%	Project on track.
W363	P2363	Information Technology Utility Billing, Data Management, and Financial System	Stevens	300	53	247	6,300	5,585	715	89%	Enhancements received from vendor.
W443	P2443	Information Technology Mobile Services	Stevens	100	32	68	412	165	247	40%	Field laptops in testing.
W455	P2455	Data Cleansing Project	Stevens	300	36	264	300	36	264	12%	Expenses under review.
		<b>Total Capital Purchase Projects</b>	<b>Total:</b>	<b>1,956</b>	<b>504</b>	<b>1,452</b>	<b>16,142</b>	<b>11,544</b>	<b>4,598</b>	<b>72%</b>	

(continued)

Former CIP No.	Current CIP No.	Description	Project Manager	FY 07 Budget	Expenditures Through 09/30/06	Remaining FY 07 Budget	Total Project Budget	Total Project Expenses	Total Project Balance	Remaining Total Percent Budget Spent	Comments
<b>DEVELOPER REIMBURSEMENT PROJECTS</b>											
026	P2026	PL - 20-Inch, 850 Zone, Jamacha Boulevard Regulatory Site/Trace Road	Ripperger	50	21	29	1,100	1,044	56	95%	Project Accepted
W070	P2070	PL - 16-Inch, 980 Zone, Pacific Bay Homes Road-Proctor Valley/1296 Hydro PS	Ripperger	500	0	500	500	0	500	0%	This project is operationally complete but not yet accepted.
W081	P2081	PL - 36-Inch, 980 Zone, Proctor Valley Road - PB Road/PB Bndy	Ripperger	1	0	1	546	299	247	55%	Complete, accepted, and reimbursed.
W104	P2104	PL - 12-Inch, 711 Zone, La Media Road - Birch/Rock Mountain	Ripperger	110	0	110	833	0	833	0%	This project has not yet started.
W107	P2107	PL - 12-Inch, 711 Zone, Rock Mountain Road - La Media/SR 125	Ripperger	195	0	195	722	0	722	0%	This project has not yet started.
W121	P2121	PL - 16-Inch, 711 Zone, Hunte Parkway Olympic/EastLake	Ripperger	600	0	600	1,174	0	1,174	0%	Multiple projects within this CIP. One project accepted, one project 75% complete.
W133	P2133	PL - 16-Inch, 711 Zone, EastLake Parkway Olympic/Birch	Ripperger	190	0	190	750	0	750	0%	Multiple projects within this CIP. One project accepted, one project 75% complete.
W134	P2134	PL - 16-Inch, 711 Zone, Birch Road - SR 125/EastLake	Ripperger	65	0	65	412	0	412	0%	Multiple projects within this CIP. One project accepted, one project 75% complete.
W164	P2164	PL - 20-Inch, 980 Zone, EastLake Parkway Olympic/Birch	Ripperger	200	0	200	500	0	500	0%	Multiple projects within this CIP. One project accepted, one project 75% complete.
W205	P2205	PS - Rolling Hills Hydro Pump Station (1,400 GPM)	Ripperger	300	0	300	1,900	1,617	283	85%	Complete, accepted, and reimbursed.
W325	P2325	PL - 10" to 12" Oversize, 1296 Zone, PB Road Rolling Hills Hydro PS/PB Bndy	Ripperger	45	0	45	46	0	46	0%	This project is operationally complete but not yet accepted.
W367	P2367	PL 16-Inch, 980 Zone, Olympic Parkway East Palomar/EastLake	Ripperger	1	0	1	1,500	235	1,265	16%	Three projects within this CIP. All complete and accepted, waiting for reimbursement request.

## (continued)

Former CIP No.	Current CIP No.	Description	Project Manager	FY 07 Budget	Expenditures Through 09/30/06	Remaining FY 07 Budget	Total Project Budget	Total Project Expenses	Total Project Balance	Remaining Total Percent Budget Spent	Comments
W402	P2402	PL - 12-Inch, 624 Zone, La Media Road - Village 7/Otay Valley	Ripperqer	50	0	50	444	0	444	0%	This project has not yet started.
W414	P2414	PL - 12" to 16" Oversize, 803 Zone, Dehesa Road - Dehesa Meadow/OWD Bndy	Ripperqer	25	0	25	275	142	133	52%	Project accepted. Potential litigation of claims.
W101	P2435	PL - 16-Inch, 711 Zone, Birch Road - La Media/SR 125	Ripperqer	250	0	250	531	0	531	0%	Three projects within this CIP. All are 75% complete.
R031	R2031	RecPL 12-Inch, 944 Zone, EastLake Parkway - Olympic/Birch	Ripperqer	160	0	160	229	0	229	0%	Multiple projects within this CIP. One project accepted, one project 75% complete.
R033	R2033	RecPL - 12-Inch, 944 Zone, Birch Road La Media/EastLake	Ripperqer	230	0	230	788	0	788	0.0%	Multiple projects within this CIP. All are 75% complete.
R040	R2040	RecPL 12-Inch, 680 Zone, Hunte Parkway - Olympic/EastLake	Ripperqer	200	0	200	1,059	0	1,059	0%	Three projects within this CIP, two are complete and accepted, one is 75% complete.
R041	R2041	RecPL - 8-Inch, 944 Zone, EastLake Parkway - Birch/Rock Mountain	Ripperqer	130	0	130	282	0	282	0%	Project is 75% complete.
R042	R2042	RecPL - 8-Inch, 944 Zone, Rock Mountain Road SR 125/EastLake	Ripperqer	1	0	1	141	0	141	0%	This project has not yet started.
R043	R2043	RecPL - 8-Inch, 944 Zone, Rock Mountain Road - La Media/SR 125	Ripperqer	1	0	1	235	0	235	0%	Project is 75% complete.
R047	R2047	RecPL - 12-Inch, 680 Zone, La Media Road Birch/Rock Mountain	Ripperqer	100	0	100	435	0	435	0%	This project has not yet started.
R058	R2058	RecPL 16-Inch, 860 Zone, Airway Road Otay Mesa/Alta	Ripperqer	1	0	1	2,000	319	1,681	16%	Multiple projects within this CIP. Two of many are complete, accepted, and reimbursed.
R082	R2082	RecPL - 24-Inch, 680 Zone, Olympic Parkway - Village 2/Heritage	Ripperqer	1	0	1	1,747	0	1,747	0%	This project has not yet started.
R083	R2083	RecPL 20-Inch, 680 Zone, Heritage Road - Village 2/Olympic	Ripperqer	1	0	1	340	0	340	0%	This project has not yet started.
R084	R2084	RecPL - 20-Inch, 680 Zone, Village 2 - Heritage/La Media	Ripperqer	1	0	1	971	1	970	0%	This project has not yet started.
R085	R2085	RecPL - 20-Inch, 680 Zone, Village 2 - High School/Olympic	Ripperqer	1	0	1	422	0	422	0%	This project has not yet started.
		Total Developer Reimbursement Projects	Total:	3,409	21	3,388	19,882	3,656	16,226	18%	
<b>GRAND TOTAL</b>				<b>\$36,621</b>	<b>\$9,227</b>	<b>\$25,279</b>	<b>\$248,266</b>	<b>\$85,848</b>	<b>\$162,418</b>	<b>35%</b>	



# AGENDA ITEM 7b

## STAFF REPORT

TYPE MEETING: Regular Board

MEETING DATE: December 6, 2006

SUBMITTED BY: Ron Ripperger *[Signature]*

C.I.P./ G.F. NO: P2185 DIV. NO. 5

APPROVED BY: Rod Posada *[Signature]*  
(Chief) Chief, Engineering

APPROVED BY: Manny Magaña *[Signature]*  
(Asst. GM): Assistant General Manager, Engineering and Operations

SUBJECT: Award of a Construction Contract for the 640-1 and 640-2 Reservoirs Project

### GENERAL MANAGER'S RECOMMENDATION:

That the Board:

- 1) increase the project budget from \$27,000,000 to \$29,500,000, and
- 2) award a construction contract to Pacific Hydrotech Corporation, Inc. (Pacific Hyrdotech) in the amount of \$24,894,000 for the construction of the 640-1 and 640-2 Reservoirs Project (See Exhibits A and B for the project location).

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

Please see Attachment A.

### PURPOSE:

To obtain Board authorization to award a construction contract to Pacific Hydrotech for the construction of the 640-1 and 640-2 Reservoirs Project.

### ANALYSIS:

This construction project consists of four main elements of work. The first portion includes earthwork to prepare the site for the installation of two ten million gallon prestressed concrete, circular reservoirs. The second includes installing nearly 12,000 lineal feet of CML&C steel pipe ranging in diameter from 12-inch to 42-inch. The third element is the construction of the two reservoirs. Finally, the existing 520-1 Reservoir that was constructed in 1962 will be demolished due to its age and problems with its hydraulic compatibility within the Regulatory Site.

Infrastructure Engineering Corporation, the District's consultant, designed the reservoir project and developed the bid contract documents. Staff utilized the services of WRA & Associates and RBF Consulting to conduct a final construction risk assessment review prior to bid. This review resulted in an increase of \$1.1 Million in allowances to the project for a variety of critical items such as providing a cost loaded schedule, installing soundwall barriers, regulated material identification and removal, locating unknown or unidentified utilities, suspension of blasting operations and additional potholing. These bid allowances will be used only if required.

The project was advertised for bid on September 18, 2006; subsequently five addenda were sent out to all bidders and plan houses to address contractors' questions and clarifications to the contract documents during the bidding period. Bids were publicly opened on November 9, 2006, with the following results:

<b><u>ENGINEER'S ESTIMATE</u></b>	<b>\$25,810,000</b>
<u>CONTRACTOR</u>	<u>TOTAL BID AMOUNT</u>
1 Pacific Hydrotech Corp. (Perris, CA)	\$24,894,000
2 SEMA Construction, Inc. (Lake Forrest, CA)	\$26,765,000
3 Gateway Pacific Contractors, Inc. (Sacramento, CA)	\$27,479,960
4 T.C. Construction Company, Inc. (Santee, CA)	\$29,818,500
5 SSC Construction Inc. (Corona, CA)	\$30,705,000
6 CDM Constructors Inc. (Rancho Cucamonga, CA)	\$35,552,000

Staff estimated the total CIP project budget was \$27,000,000 during the budget preparation process for Fiscal Year 2007. At that time, the engineer's estimate without allowances was \$24,710,000. Staff felt it was too conservative and reduced the estimate to \$24,100,000 for budgeting purposes. However, this number did not include any contingencies for change orders or allowances for unknown issues encountered during construction. After adding a 3% change order contingency, \$1.1 Million in allowances, increased dollars for staff time during construction and additional funding for a greater effort for construction management, the budget needs to be increased by \$2,500,000 to \$29,500,000. Please see Attachment B for a comparison between the original budget and the revised budget.

The evaluation process included reviewing all bids submitted for conformance to the contract documents. The lowest bidder, Pacific Hydrotech, submitted a responsible bid and holds a Class A Contractor's License as required by the contract documents and has a Hazardous Substances Removal certification.

The District has no past experience with Pacific Hydrotech. References were checked and Pacific Hydrotech found to be a highly rated company. Staff also verified that it can comply with the bonding requirements for this project. Per the public competitive bidding process, staff is recommending the award of a construction contract to Pacific Hydrotech in the amount of \$24,894,000.

**FISCAL IMPACT:** 

The total budget for CIP P2185 is \$27,000,000, as approved in the 2007 budget process. The actual costs paid on this project as of November 7, 2006, are \$1,735,917. Total expenditures plus outstanding commitment and forecast to date, including this contract, are approximately \$29,500,000. Based on the cost analysis performed, staff has determined that a budget increase is necessary. Attachment C is a table listing commitments, expenditures, and projected final costs.

With the revisions to the planned cash flows and debt financing, as outlined in the "FY 2007 First Quarter Capital Improvement Program (CIP) Report", the funds will be available from the expansion and betterment funds.

**STRATEGIC GOAL:**

This project supports the District's Mission statement, "To provide the best quality of water and wastewater services to the customers of Otay Water District, in a professional, effective, efficient, and sensitive manner...". This project fulfills the District's Strategic Goals No. 1 - Community and Governance, and No. 5 - Potable Water, by maintaining proactive and productive relationships with the project stakeholders and by guaranteeing that the District will provide for current and future water needs.

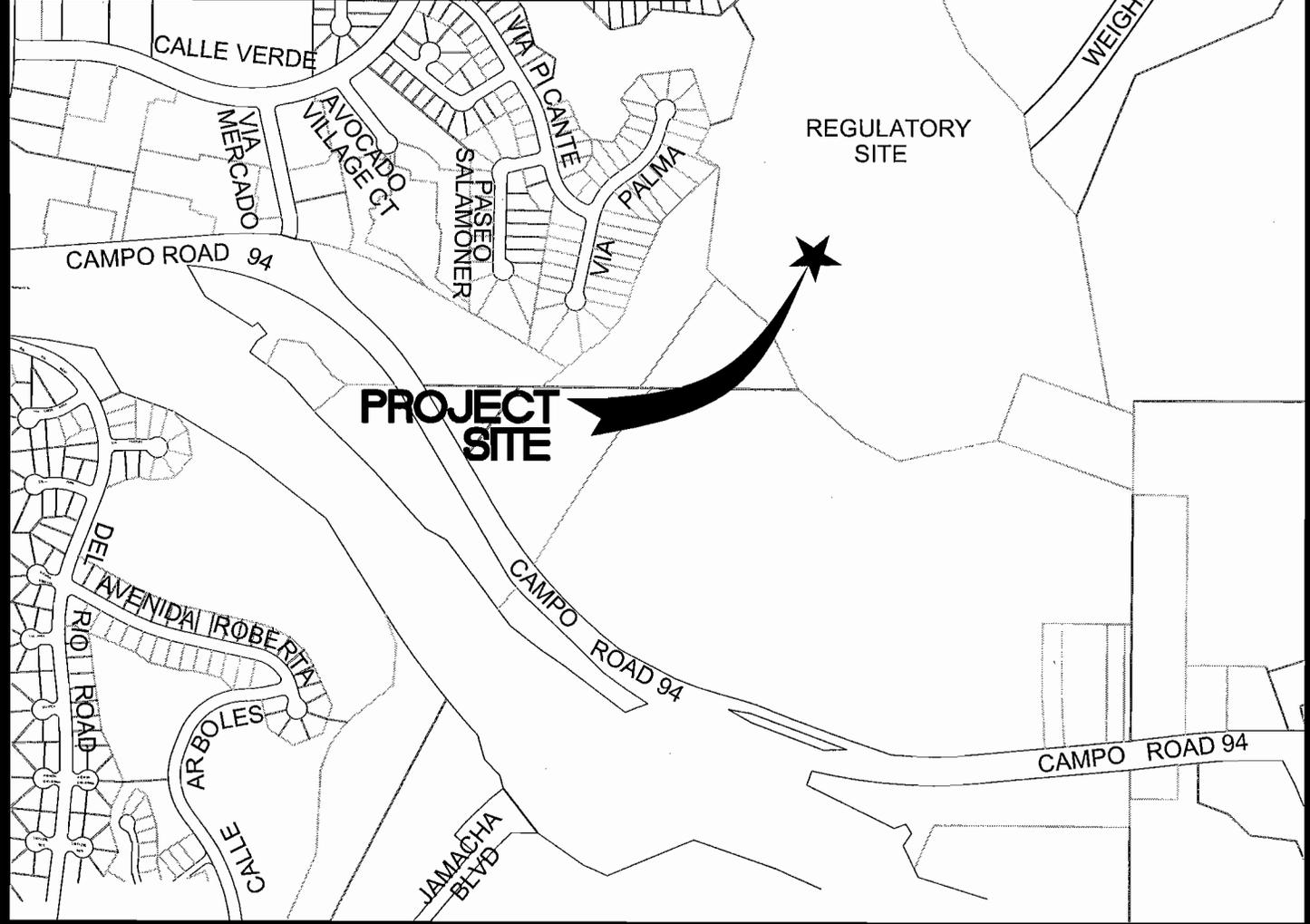
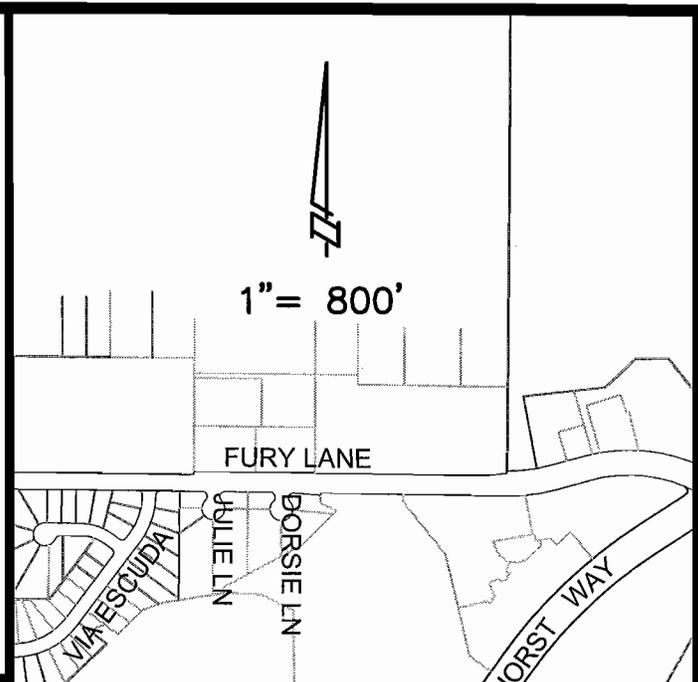
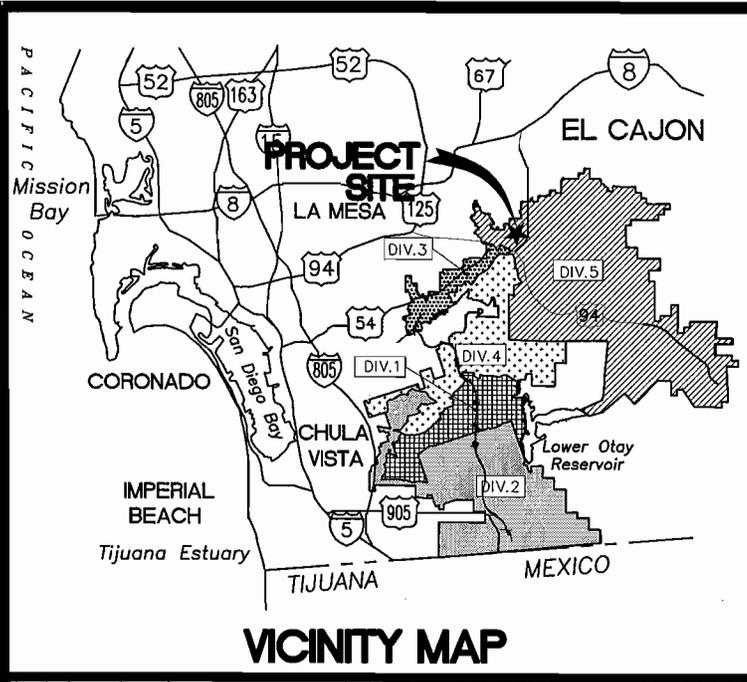
**LEGAL IMPACT:** \_\_\_\_\_

None

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

HJ/RR/MA:jf  
Attachments

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**OTAY WATER DISTRICT**  
 PROPOSED  
 640-1 AND 640-2 RESERVOIRS

W.O. 30018

LOCATION MAP

CIP 2185

**EXHIBIT A**

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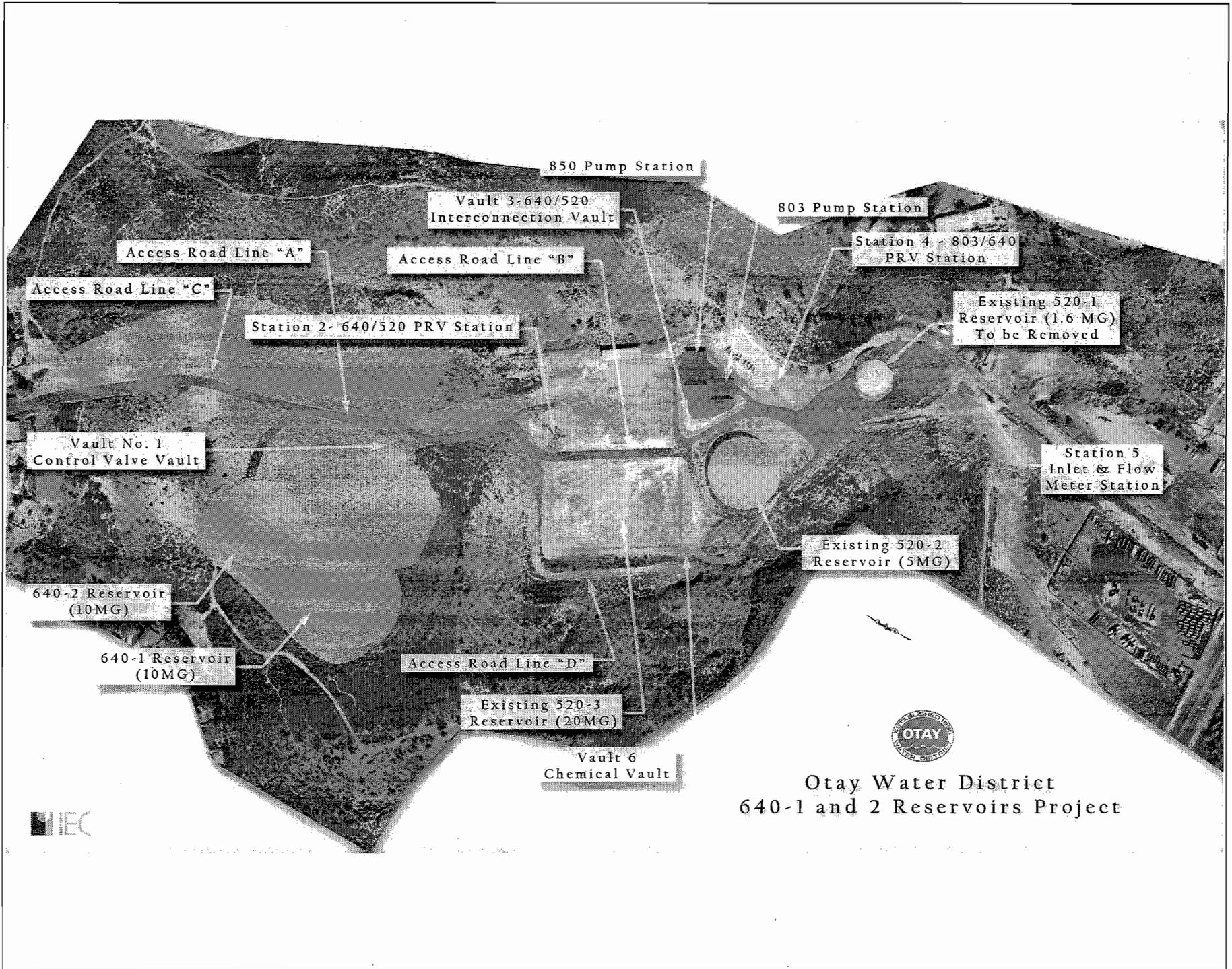


EXHIBIT B



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Award of a Construction Contract for the 640-1 and 640-2 Reservoirs Project (P2185)
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### COMMITTEE ACTION:

The Engineering & Water Operations and the Finance & Administration Committee reviewed this item in detail at meetings held on November 15 and 20, 2006 respectively. The following comments were made:

- Staff is requesting that the board increase the 640-1 and 640-2 Reservoir Project budget from \$27 million to \$29.5 million and award a construction contract to Pacific Hydrotech Corp., Inc. in the amount of \$24,894,000 for the construction of the 640 reservoirs.
- The district received six bids for the project which were publicly opened on November 9, 2006. Pacific Hydrotech Corp. was the apparent lowest responsive bidder.
- Staff had two consultants produce a risk assessment report to evaluate construction risks/unknown issues that may come up during construction and recommends an increase of \$1.1 million to the budget to accommodate such risks as:
  - Possibility of the need to install sound wall barriers;
  - Locating unknown or unidentified utilities;
  - Possibility of suspending blasting operations and the need to do additional potholing.
- The monies may not be utilized, but it was felt that it would be prudent to include monies to cover such risks.
- The budget also includes an increase for:
  - Staff costs of \$621,803.56;
  - Contingency of 3% for consultant contract needs of \$746,820.
- The contingency was built in as staff wished to make the board aware of the possible full cost of the project which is estimated at \$29.5 million.

- It was noted that this project was reviewed with the Valle de Oro Planning Group. By working with the planning group, the District will need to only complete a Negative Declaration, as opposed to a full Environmental Impact Report.
- It was discussed that a contractor had indicated that it was difficult to accurately cost the grading of the project site because of the unknowns and he felt that there was not enough information to accurately bid the project. Staff indicated that contractors must still interpret and make assumptions based on the findings of the geotechnical investigation. Staff will explore again with the construction manager and construction contractor as part of the value engineering review of the project.
- Should the board approve this item at the December 6, 2006 board meeting, the contractor would start immediately to process the required paperwork and order the materials needed for the project. It is anticipated that they would start grading and construction by mid-January or early February 2007 and construction is expected to take approximately 660 days.

Upon completion of the discussion, the Committee supported staff's recommendation and forwarding to the Board of Directors as an Action Item.



## ATTACHMENT B

<b>SUBJECT/PROJECT:</b>	Award of a Construction Contract for the 640-1 and 640-2 Reservoirs Project - Budget Comparison
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Otay Water District

Date Updated: November 7, 2006

P2185 - Res - 640-1 Reservoir 20.0 MG

<i>Phase</i>	<i>Original Budget</i>	<i>Revised Budeget</i>	<i>Variance</i>
<b>Planning</b>			
Studies	\$ 500,000.00	\$ 118,929.39	\$ (381,070.61)
Miscellaneous	\$ -	\$ 439,828.84	\$ 439,828.84
Environment	\$ 100,000.00	\$ -	\$ (100,000.00)
Preliminary Design	\$ 100,000.00	\$ -	\$ (100,000.00)
<b>Total Planning</b>	<b>\$ 700,000.00</b>	<b>\$ 558,758.23</b>	<b>\$ (141,241.77)</b>
<b>Design</b>			
Subcontract/Consultant	\$ 800,000.00	\$ 863,258.64	\$ 63,258.64
In House/Labor	\$ 200,000.00	\$ 284,757.61	\$ 84,757.61
<b>Total Design</b>	<b>\$ 1,000,000.00</b>	<b>\$ 1,148,016.25</b>	<b>\$ 148,016.25</b>
<b>Construction</b>			
In House/Labor	\$ 300,000.00	\$ 921,803.56	\$ 621,803.56
Miscellaneous		\$ 30,601.96	\$ 30,601.96
Construction Contracts	\$ 24,100,000.00	\$ 24,894,000.00	\$ 794,000.00
3% Contingency		\$ 746,820.00	\$ 746,820.00
Consultant Contract (CM)	\$ 900,000.00	\$ 1,200,000.00	\$ 300,000.00
<b>Total Construction</b>	<b>\$ 25,300,000.00</b>	<b>\$ 27,793,225.52</b>	<b>\$ 2,493,225.52</b>
<b>Grand Total</b>	<b>\$ 27,000,000.00</b>	<b>\$ 29,500,000.00</b>	<b>\$ 2,500,000.00</b>



## ATTACHMENT C

**SUBJECT/PROJECT:** Award of a Construction Contract for the 640-1 and 640-2 Reservoirs Project - Budget Detail

Otay Water District

P2185 - Res - 640-1 Reservoir 20.0 MG

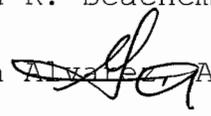
Date Updated: November 7, 2006

<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment &amp; Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor / Comments</i>
<b>\$27,000,000</b>					
<b>Planning</b>					
Studies	\$ 118,929.39	\$ 118,929.39		\$ 118,929.39	Boyle Engineering
In House/Labor		\$ 102,592.36		\$ 102,592.36	
Printing	\$ 223.58	\$ 223.58		\$ 223.58	Tiger Reprographics
Office Supplies	\$ 25.05	\$ 25.05		\$ 25.05	Petty Cash Custodian
Gas & Electric	\$ 750.00	\$ 750.00		\$ 750.00	San Diego Gas & Electric
Subcontract	\$ 175,783.84	\$ 175,783.84		\$ 175,783.84	FMS (No Detail)
	\$ 153,831.91	\$ 153,831.91		\$ 153,831.91	FMS (No Detail)
Miscellaneous	\$ 362.25	\$ 362.25		\$ 362.25	Bob Turner's Crane Services Inc.
Chemical Feed Systems	\$ 6,169.48	\$ 6,169.48		\$ 6,169.48	Core-rosion Products
Postage	\$ 26.57	\$ 26.57		\$ 26.57	Fed-Ex
Service Contracts	\$ 63.80	\$ 63.80		\$ 63.80	Sedona Staffing
Land/Easement Acquisition				\$ -	
<b>Total Planning</b>	<b>\$ 456,165.87</b>	<b>\$ 558,758.23</b>	<b>\$ -</b>	<b>\$ 558,758.23</b>	
<b>Design</b>					
Subcontract	\$ 8,499.72	\$ 8,499.72		\$ 8,499.72	E & J Weed Abatement Co.
Consultant Contracts	\$ 822,000.00	\$ 740,215.00	\$ 81,785.00	\$ 822,000.00	Infrastrucrture Engineering Corp
	\$ 682.01	\$ 682.01		\$ 682.01	Environmine
	\$ 7,800.00	\$ 7,800.00		\$ 7,800.00	Fire Prevention Services Inc.
	\$ 600.00	\$ 600.00		\$ 600.00	Pacific Sourhwest Biological
	\$ 4,720.00		\$ 4,720.00	\$ 4,720.00	WRA & Associates
	\$ 9,711.41	\$ 9,711.41		\$ 9,711.41	John Powell & Associates
Regulatory Agency Fee	\$ 1,250.00	\$ 1,250.00		\$ 1,250.00	State of California
In House/Labor		\$ 284,757.61		\$ 284,757.61	
Materials	\$ 537.10	\$ 537.10		\$ 537.10	Traffic Control Services Inc
	\$ 152.00	\$ 152.00		\$ 152.00	Allied Trench Shoring Services
Advertise and Award	\$ 7,306.40	\$ 26.94	\$ 7,279.46	\$ 7,306.40	OCB Reprographics
<b>Total Design</b>	<b>\$ 863,258.64</b>	<b>\$ 1,054,231.79</b>	<b>\$ 93,784.46</b>	<b>\$ 1,148,016.25</b>	
<b>Construction</b>					
In House/Labor		\$ 92,324.55	\$ 809,479.01	\$ 901,803.56	
Materials	\$ 122.40	\$ 122.40		\$ 122.40	Office Depot
	\$ 5,466.34	\$ 5,466.34		\$ 5,466.34	National Waterworks Inc.
Temporary Labor		\$ 382.80		\$ 382.80	Sedona Staffing
Shipping	\$ 20.62	\$ 20.62		\$ 20.62	Fed-Ex
Construction Contracts	\$ 23,377.00	\$ 23,377.00		\$ 23,377.00	San Diego Gas & Electric
	\$ 24,894,000.00		\$ 24,894,000.00	\$ 24,894,000.00	Pacific Hydrotech Corp
	\$ 746,820.00		\$ 746,820.00	\$ 746,820.00	Contingency @ 3%
Consultant Contract (CM)	\$ 1,200,000.00		\$ 1,200,000.00	\$ 1,200,000.00	Construction Manager
Professional & Legal Fees	\$ 96.00	\$ 96.00		\$ 96.00	Burke Williams & Sorensen LLP
	\$ 487.20	\$ 487.20		\$ 487.20	Garcia, Calderon & Ruiz
Service Contracts	\$ 649.60	\$ 649.60		\$ 649.60	San Diego Daily Scripts
Acpt/close-out			\$ 20,000.00	\$ 20,000.00	In House Staff
<b>Total Construction</b>	<b>\$ 26,871,039.16</b>	<b>\$ 122,926.51</b>	<b>\$ 27,670,299.01</b>	<b>\$ 27,793,225.52</b>	
<b>Grand Total</b>	<b>\$ 28,190,463.67</b>	<b>\$ 1,735,916.53</b>	<b>\$ 27,764,083.47</b>	<b>\$ 29,500,000.00</b>	



# AGENDA ITEM 8a

## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	December 6, 2006
SUBMITTED BY:	Sean Prendergast,  Payroll/AP Supervisor	W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)	Joseph R. Beachem,  Chief Financial Officer		
APPROVED BY: (Asst. GM):	German Alvarez,  Assistant General Manager		
SUBJECT:	Director's Expenses for the 1st Quarter of Fiscal Year 2007		

**GENERAL MANAGER'S RECOMMENDATION:**

This is an informational item only.

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

Please see Attachment A.

**PURPOSE:**

To inform the Board of the Director's expenses for the 1st quarter of Fiscal Year 2007.

**ANALYSIS:**

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

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

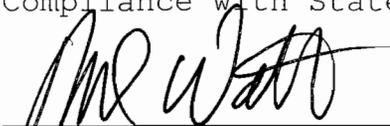
None.

**STRATEGIC GOAL:**

Prudently manage District funds.

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

Compliance with State law.

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

Attachments:

- A) Committee Action Form
- B) Director's Expenses and per Diems
- C-H) Director's Expenses Detail



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Director's Expenses for the 1st Quarter of Fiscal Year 2007
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### COMMITTEE ACTION:

This item was presented to the Finance and Administration Committee on November 20, 2006 and the committee supported staff's recommendation to present this to the Board.

Attachment B

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

**FINANCE AND ADMINISTRATION MEETING  
NOVEMBER 20, 2006**

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

- Fiscal Year 2007, 1st Quarter
- The expenses are shown in detail by Board member, month and expense type.
- This presentation is in alphabetical order.
- This information was presented to the Finance and Administration Committee on November 20, 2006

Board of Directors' Expenses and Per-Diems  
Fiscal Year 2007 Quarter 1 (Jul 06- Sep 06)

• Director Bonilla	0.00
• Director Breitfelder	\$1,339.66
• Director Croucher	\$800.00
• Director Lopez	\$1,035.10
• Director Robak	<u>\$2,028.95</u>
• Total	\$5,203.71

# Director Bonilla

## Fiscal Year 2007 Quarter 1

	<u>Jul_06</u>	<u>Aug_06</u>	<u>Sep_06</u>	<u>Qtr1</u>
• Mileage Business				
• Mileage Commute				
• Conference				
• Travel				
• Director's Fees	_____	_____	_____	
•				
• Monthly Totals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
• Meetings Attended	Director Bonilla does not request			
• Meetings Paid	Per-Diem reimbursements.			
• Quarterly Total				
• Fiscal Year-to-Date 2007 (Jul06-Sep06)				

# Director Brietfelder

## Fiscal Year 2007 Quarter 1

	<u>Jul_06</u>	<u>Aug_06</u>	<u>Sep_06</u>	Qtr1
• Mileage Business	55.18	13.35	37.38	
• Mileage Commute	26.70	13.35	26.70	
• Business Meetings	60.00	32.00	20.00	
• Seminars & Travel			55.00	
• Director's Fees	<u>400.00</u>	<u>200.00</u>	<u>400.00</u>	
• Monthly Totals	<u>541.88</u>	<u>258.70</u>	<u>539.08</u>	
• Meetings Attended	11	12	12	
• Meetings Paid	4	2	4	
• Quarterly Total				1,339.66
• Fiscal Year-to-Date 2007 (Jul06-Sep06)				1,339.66

# Director Croucher

## Fiscal Year 2007 Quarter 1

	<u>Jul_06</u>	<u>Aug_06</u>	<u>Sep_06</u>	Qtr1
• Mileage Business				
• Mileage Commute				
• Director's Fees	100.00	300.00	400.00	
• Seminars				
• Business Meeting				
• Monthly Totals	<u>100.00</u>	<u>300.00</u>	<u>400.00</u>	
•				
• Meetings Attended	1	3	4	
• Meetings Paid	1	3	4	
• Quarterly Total				800.00
• Fiscal Year-to-Date 2007 (Jul06-Sep06)				800.00

# Director Lopez

## Fiscal Year 2007 Quarter 1

	<u>Jul_06</u>	<u>Aug_06</u>	<u>Sep_06</u>	Qtr1
• Mileage Business				
• Mileage Commute	13.35	26.70	40.05	
• Travel				
• Director's Fees	200.00	300.00	400.00	
• Conference	<u>          </u>	<u>          </u>	<u>55.00</u>	
• Monthly Totals	<u>213.35</u>	<u>326.70</u>	<u>495.05</u>	
• Meetings Attended	2	3	4	
• Meetings Paid	2	3	4	
• Quarterly Total				1,035.10
• Fiscal Year-to-Date 2007 (Jul06-Sep06)				1,035.10

# Director Robak

## Fiscal Year 2007 Quarter 1

	<u>Jul_06</u>	<u>Aug_06</u>	<u>Sep_06</u>	Qtr1
• Mileage Business	46.28	44.06	31.15	
• Mileage Commute	1.78	5.34	5.34	
• Business Meetings	40.00			
• Director's Fees	600.00	700.00	500.00	
• Conference			55.00	
• Monthly Totals	<u>688.06</u>	<u>749.40</u>	<u>591.49</u>	
• Meetings Attended	10	9	8	
• Meetings Paid	6	7	5	
Quarterly Total				2,028.95
• Fiscal Year-to-Date 2007 (Jul06-Sep06)				2,028.95

Board of Directors' Expenses and Per Diems  
Fiscal Year 2007 to Date (Jul 06- Sep 06)

• Director Bonilla	0.00
• Director Breitfelder	\$1,339.66
• Director Croucher	\$800.00
• Director Lopez	\$1,035.10
• Director Robak	<u>\$2,028.95</u>
• Total	\$5,203.71

Board of Directors' Expenses and Per Diems  
Fiscal Year 2007 to Date (Jul 06- Jun 07) **Projected**

• Director Bonilla	0.00
• Director Breifelder	\$5,358.00
• Director Croucher	\$3,200.00
• Director Lopez	\$4,140.00
• Director Robak	<u>\$8,112.00</u>
• Total	\$20,810.00

OTAY WATER DISTRICT  
ADMINISTRATIVE EXPENSES - BOARD  
July 1, 2006 - September 30, 2006

	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Total
<b>JAIME BONILLA (DETAILED IN SECTION D):</b>													
5211 Mileage - Commuting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5211 Mileage - Business	-	-	-	-	-	-	-	-	-	-	-	-	-
5212 Travel	-	-	-	-	-	-	-	-	-	-	-	-	-
5214 Business meetings	-	-	-	-	-	-	-	-	-	-	-	-	-
5114 Director's fees	-	-	-	-	-	-	-	-	-	-	-	-	-
5241 Telephone	-	-	-	-	-	-	-	-	-	-	-	-	-
5213 Seminars and conferences	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>LARRY BREITFELDER (DETAILED IN SECTION E):</b>													
5211 Mileage - Commuting	\$ 26.70	\$ 13.35	\$ 26.70	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66.75
5211 Mileage - Business	55.18	13.35	37.38	-	-	-	-	-	-	-	-	-	105.91
5212 Travel	-	-	-	-	-	-	-	-	-	-	-	-	-
5214 Business meetings	60.00	32.00	20.00	-	-	-	-	-	-	-	-	-	112.00
5114 Director's fees	400.00	200.00	400.00	-	-	-	-	-	-	-	-	-	1,000.00
5241 Telephone	-	-	-	-	-	-	-	-	-	-	-	-	-
5213 Seminars and conferences	-	-	55.00	-	-	-	-	-	-	-	-	-	55.00
Total	\$ 541.88	\$ 258.70	\$ 539.08	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,339.66
<b>GARY D. CROUCHER (DETAILED IN SECTION F):</b>													
5211 Mileage - Commuting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5211 Mileage - Business	-	-	-	-	-	-	-	-	-	-	-	-	-
5212 Travel	-	-	-	-	-	-	-	-	-	-	-	-	-
5214 Business meetings	-	-	-	-	-	-	-	-	-	-	-	-	-
5114 Director's fees	100.00	300.00	400.00	-	-	-	-	-	-	-	-	-	800.00
5241 Telephone	-	-	-	-	-	-	-	-	-	-	-	-	-
5213 Seminars and conferences	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 100.00	\$ 300.00	\$ 400.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800.00
<b>JOSE LOPEZ (DETAILED IN SECTION G):</b>													
5211 Mileage - Commuting	\$ 13.35	\$ 26.70	\$ 40.05	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80.10
5211 Mileage - Business	-	-	-	-	-	-	-	-	-	-	-	-	-
5212 Travel	-	-	-	-	-	-	-	-	-	-	-	-	-
5214 Business meetings	-	-	-	-	-	-	-	-	-	-	-	-	-
5281 Director's fees	200.00	300.00	400.00	-	-	-	-	-	-	-	-	-	900.00
5241 Telephone	-	-	-	-	-	-	-	-	-	-	-	-	-
5213 Seminars and conferences	-	-	55.00	-	-	-	-	-	-	-	-	-	55.00
Total	\$ 213.35	\$ 326.70	\$ 495.05	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,035.10
<b>MARK ROBAK (DETAILED IN SECTION H):</b>													
5211 Mileage - Commuting	\$ 1.78	\$ 5.34	\$ 5.34	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12.46
5211 Mileage - Business	46.28	44.06	31.15	-	-	-	-	-	-	-	-	-	121.49
5212 Travel	-	-	-	-	-	-	-	-	-	-	-	-	-
5214 Business meetings	40.00	-	-	-	-	-	-	-	-	-	-	-	40.00
5114 Director's fees	600.00	700.00	500.00	-	-	-	-	-	-	-	-	-	1,800.00
5241 Telephone	-	-	-	-	-	-	-	-	-	-	-	-	-
5213 Seminars and conferences	-	-	55.00	-	-	-	-	-	-	-	-	-	55.00
Total	\$ 688.06	\$ 749.40	\$ 591.49	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,028.95
<b>TOTALS:</b>													
5211 Mileage - Commuting	\$ 41.83	\$ 45.39	\$ 72.09	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 159.31
5211 Mileage - Business	101.46	57.41	68.53	-	-	-	-	-	-	-	-	-	227.40
5212 Travel	-	-	-	-	-	-	-	-	-	-	-	-	-
5214 Business meetings	100.00	32.00	20.00	-	-	-	-	-	-	-	-	-	152.00
5114 Director's fees	1,300.00	1,500.00	1,700.00	-	-	-	-	-	-	-	-	-	4,500.00
5241 Telephone	-	-	-	-	-	-	-	-	-	-	-	-	-
5213 Seminars and conferences	-	-	165.00	-	-	-	-	-	-	-	-	-	165.00
Total	\$ 1,543.29	\$ 1,634.80	\$ 2,025.62	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,203.71

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2006 THROUGH SEPTEMBER 30, 2006**

**ATTACHMENT D  
SECTION D**

**NAME OF DIRECTOR:           JAIME BONILA**

<b>ACCOUNT NAME</b>	<b>DATE</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
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<b>Total</b>			
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**Grand Total**

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2006 THROUGH SEPTEMBER 30, 2006**

**ATTACHMENT E  
SECTION E**

NAME OF DIRECTOR: BREITFELDER, LARRY

ACCOUNT NAME	DATE	DESCRIPTIONS	AMOUNT
<b>5211 Mileage</b>			
	<u>7/31/2006</u>	MEETING - JULY 18 & 25, 2006	\$ 55.18
		MEETING - JULY 5 & 21, 2006	26.70
	<u>8/30/2006</u>	MEETING - AUGUST 17, 2006	13.35
		MEETING - AUGUST 2, 2006	13.35
	<u>9/30/2006</u>	MEETING - SEPTEMBER 19, 2006	37.38
		MEETING - SEPTEMBER 6 & 25, 2006	26.70
<b>5211 Mileage Total</b>			<b>172.66</b>
<b>5213 Conferences and Seminars</b>			
	<u>9/29/2006</u>	2007 WATER CONSERVATION SUMMIT	55.00
<b>5213 Conferences and Seminars Total</b>			<b>55.00</b>
<b>5214 Business Meetings</b>			
	<u>7/18/2006</u>	COUNCIL OF WATER UTILITIES BREAKFAST MEETING	20.00
	<u>7/20/2006</u>	WATER AGENCIES ASSOCIATION OF SD QTRLY MEETING	40.00
	<u>8/17/2006</u>	CSDA QUARTERLY DINNER MEETING	32.00
	<u>9/19/2006</u>	COUNCIL OF WATER UTILITIES BREAKFAST MEETING	20.00
<b>5214 Business Meetings Total</b>			<b>112.00</b>
<b>5281 Director's Fees</b>			
	<u>7/5/2006</u>	REGULAR BOARD MEETING	100.00
	<u>7/18/2006</u>	COUNCIL OF WATER UTILITIES	100.00
	<u>7/21/2006</u>	FINANCE & ADMINISTRATION COMMITTEE MEETING	100.00
	<u>7/25/2006</u>	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	<u>8/2/2006</u>	REGULAR BOARD MEETING	100.00
	<u>8/7/2006</u>	CSDA QUARTERLY MEETING	100.00
	<u>9/6/2006</u>	REGULAR BOARD MEETING	100.00
	<u>9/19/2006</u>	COUNCIL OF WATER UTILITIES	100.00
	<u>9/25/2006</u>	OWD WORKSHOP	100.00
	<u>9/29/2006</u>	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
<b>5281 Director's Fees Total</b>			<b>1,000.00</b>
<b>Grand Total</b>			<b>\$ 1,339.66</b>

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2006 THROUGH SEPTEMBER 30, 2006**

**ATTACHMENT F  
SECTION F**

**NAME OF DIRECTOR: CROUCHER, GARY**

<b>ACCOUNT NAME</b>	<b>DATE</b>	<b>DESCRIPTIONS</b>	<b>AMOUNT</b>
<b>5281 Director's Fees</b>	<b>7/5/2006</b>	<b>REGULAR BOARD MEETING</b>	<b>\$ 100.00</b>
	<b>8/2/2006</b>	<b>REGULAR BOARD MEETING</b>	<b>100.00</b>
	<b>8/7/2006</b>	<b>SPECIAL BOARD MEETING</b>	<b>100.00</b>
	<b>8/23/2006</b>	<b>ENGINEERING &amp; OPERATIONS COMMITTEE MEETING</b>	<b>100.00</b>
	<b>9/6/2006</b>	<b>REGULAR BOARD MEETING</b>	<b>100.00</b>
	<b>9/22/2006</b>	<b>ENGINEERING &amp; OPERATIONS COMMITTEE MEETING</b>	<b>100.00</b>
	<b>9/25/2006</b>	<b>ANNUAL BOARD RETREAT</b>	<b>100.00</b>
	<b>9/26/2006</b>	<b>AD HOC COMMITTEE - REVIEW POLICY 8</b>	<b>100.00</b>
<b>5281 Director's Fees Total</b>			<b>800.00</b>
<b>Grand Total</b>			<b>\$ 800.00</b>

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1, 2006 THROUGH SEPTEMBER 30, 2006**

**ATTACHMENT G  
SECTION G**

NAME OF DIRECTOR: LOPEZ, JOSE

ACCOUNT NAME	DATE	DESCRIPTIONS	AMOUNT
<b>5211 Mileage</b>	<u>7/31/2006</u>	MEETING - JULY 5 & 31, 2006	\$ 13.35
	<u>8/31/2006</u>	MEETING - AUGUST 2, 7 & 21, 2006	26.70
	<u>9/30/2006</u>	MEETING - SEPTEMBER 6, 20, 22 & 25, 2006	40.05
<b>5211 Mileage Total</b>			<b>80.10</b>
<b>5213 Conferences and Seminars</b>	<u>9/29/2006</u>	2008 WATER CONSERVATION SUMMIT	55.00
<b>5213 Conferences and Seminars Total</b>			<b>55.00</b>
<b>5281 Director's Fees</b>	<u>7/5/2006</u>	REGULAR BOARD MEETING	100.00
	<u>7/31/2006</u>	JOINT AGENCY MEETING	100.00
	<u>8/2/2006</u>	REGULAR BOARD MEETING	100.00
	<u>8/7/2006</u>	SPECIAL BOARD MEETING	100.00
	<u>8/21/2006</u>	FINANCE & ADMINISTRATION COMMITTEE MEETING	100.00
	<u>9/6/2006</u>	REGULAR BOARD MEETING	100.00
	<u>9/20/2006</u>	FINANCE & ADMINISTRATION COMMITTEE MEETING	100.00
	<u>9/22/2006</u>	OPERATIONS & ENGINEERING COMMITTEE MEETING	100.00
	<u>9/25/2006</u>	OWD WORKSHOP	100.00
<b>5281 Director's Fees Total</b>			<b>900.00</b>
<b>Grand Total</b>			<b>\$ 1,035.10</b>

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1 , 2006 THROUGH SEPTEMBER 30, 2006**

**ATTACHMENT H  
SECTION H**

NAME OF DIRECTOR: ROBAK, MARK

<b>ACCOUNT NAME</b>	<b>DATE</b>	<b>DESCRIPTIONS</b>	<b>AMOUNT</b>
<b>5211 Mileage</b>	<u>7/31/2006</u>	MEETING - JULY 5, 2006	\$ 1.78
		MEETING - JULY 5, 6, 12, 17, 19, 21, & 28, 2006	46.28
	<u>8/31/2006</u>	MEETING - AUGUST 2, 7 & 21, 2006	5.34
	<u>9/30/2006</u>	MEETING - AUGUST 2, 3, 7, 8, 9,16, 21 & 31, 2006	44.06
		MEETING - SEPTEMBER 6, 20 & 29 2006	5.34
		MEETING - SEPTEMBER 6, 13, 20, 25 & 29, 2006	31.15
<b>5211 Mileage Total</b>			<b>133.95</b>
<b>5213 Conferences and Seminars</b>	<u>9/29/2006</u>	2006 WATER CONSERVATION SUMMIT	55.00
<b>5213 Conferences and Seminars Total</b>			<b>55.00</b>
<b>5214 Business Meetings</b>	<u>7/20/2006</u>	WATER AGENCIES ASSOCIATION OF SD QTRLY MEETING	40.00
<b>5214 Business Meetings Total</b>			<b>40.00</b>
<b>5281 Director's Fees</b>	<u>7/5/2006</u>	REGULAR BOARD MEETING	100.00
	<u>7/6/2006</u>	METRO COMMISSION	100.00
	<u>7/12/2006</u>	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	<u>7/17/2006</u>	CUYAMACA COLLEGE WATER-WISE AA DEGREE PROGRAM	100.00
	<u>7/19/2006</u>	SWEETWATER AUTHORITY OPERATIONS COMMITTEE	100.00
	<u>7/21/2006</u>	FINANCE & ADMINISTRATION COMMITTEE MEETING	100.00
	<u>8/2/2006</u>	REGULAR BOARD MEETING	100.00
	<u>8/3/2006</u>	METRO COMMISSION	100.00
	<u>8/7/2006</u>	INTEGRATED RESOURCES PLANNING WORKSHOP	100.00
	<u>8/8/2006</u>	COMMUNICATIONS COMMITTEE MEETING	100.00
	<u>8/9/2006</u>	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
	<u>8/21/2006</u>	FINANCE & ADMINISTRATION COMMITTEE MEETING	100.00
	<u>8/31/2006</u>	METRO COMMISSION	100.00

**OTAY WATER DISTRICT  
SUMMARY - BOARD OF DIRECTORS EXPENSES  
FOR THE PERIOD JULY 1 , 2006 THROUGH SEPTEMBER 30, 2006**

NAME OF DIRECTOR: ROBAK, MARK

<b>ACCOUNT NAME</b>	<b>DATE</b>	<b>DESCRIPTIONS</b>	<b>AMOUNT</b>
	<u>9/6/2006</u>	REGULAR BOARD MEETING	100.00
	<u>9/20/2006</u>	FINANCE & ADMINISTRATION COMMITTEE MEETING	100.00
	<u>9/25/2006</u>	ANNUAL BOARD RETREAT	100.00
	<u>9/29/2006</u>	AD HOC COMMITTEE - REVIEW POLICY 8	100.00
	<u>9/13/2006</u>	WATER CONSERVATION GARDEN COMMITTEE MEETING	100.00
<b>5281 Director's Fees Total</b>			<b>1,800.00</b>
<b>Grand Total</b>			<b>\$ 2,028.95</b>



EXHIBIT

OTAY WATER DISTRICT  
BOARD OF DIRECTORS  
PER-DIEM AND MILEAGE CLAIM FORM

Pay to: Larry Breitfelder

Period Covered:  
From 7-1 to 7-31-06

Employee Number: \_\_\_\_\_

Date	Meeting Name	Purpose / Issues Discussed	Mileage	
			Home to OWD OWD to Home	Other Location
7-5	BoD	OWD Board of Dirs Mtg	30	
7-7	First Friday			
11	Madrone BoD			
13	Common Cause			
17	FACE			
18	Council of Water Utils		84	84
20	Water Agency Assoc.			
21	<sup>owd</sup> France Comm.		30	
22	Nature Center Front inc. Sw. Auth Exhibit			
25	Conserv. Action Comm.		40	40
26	CWA Mentorship Prog.			

TOTAL MEETING PER DIEM: \$ 400.00  
(\$145 per meeting)

TOTAL MILEAGE CLAIMED: 184 miles

\* Clearly covered under policy #8

Larry Breitfelder  
(Director's Signature)

Susan,  
Could you double check the Council of Water Utilities.  
I'm pretty sure that's the one that dealt with retired employee health  
benefits, but I'm not sure. Did I miss that one?  
President Approval Date: \_\_\_\_\_

Wats 8/1/06

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT = \$ \_\_\_\_\_

ok  
pres

6 AUG 15 2006 11:56 AM



AB 000-1B1000-2101-528101 200.00  
AB 000-1B1000-2101-521102 13.35  
OTAY WATER DISTRICT

EXHIBIT

BOARD OF DIRECTORS  
PER-DIEM AND MILEAGE CLAIM FORM

Pay to: Larry Breitfelder

Period Covered:  
From 8-1 to 8-30-06

Employee Number: 7013

Date	Meeting Name	Purpose / Issues Discussed	Mileage	
			Home to OWD OWD to Home	Other Locations
8-2	OWD B.O.D		30	
4	Free Friday			
5	Employee Picnic			
7	Board Workshop			
7	FAC			
8	OWD Comm. Com. M.			
9	Lunch w/ City Managerial Staff			
12	Common Cause			
15	Mtg. w/ OWD Employee Assoc. Pres.			
16	Water Res. Assoc.			
17	CSDA			30
21	FAC			

TOTAL MEETING PER DIEM: \$ 200.00  
(\$145 per meeting)

TOTAL MILEAGE CLAIMED: 60 miles

2 Breitfelder  
(Director's Signature)

Clearly Covered under Policy # 8.

Approval Date: [Signature] 10/19/06 (New in Dirn w/in 45 A.)

OFFICE USE: TOTAL MILEAGE REIMBURSEMENT = \$ \_\_\_\_\_

0.\*

100.00x

2.\*

200.\*

0.\*

30.\*

0.4450=

13.35\*

*Per James*

*mileage*

INSTRUCTIONS ON REVERSE



INSTRUCTIONS FOR PREPARATION OF  
BOARD OF DIRECTORS PER DIEM CLAIM FORM

1. Record the date, and name or purpose/issues discussed of meeting attended on behalf of the District.

Note: The District will pay Director's per-diem for one meeting/function per day and the maximum of 10 meetings/functions per month. If a Director attends more than 10 meetings/functions (10 days), the District will reimburse for the mileage and any reimbursable out-of-pocket expenses incurred for these additional meetings.

2. Record number of miles (round trip) driven to attend meeting/function.

The use of personal vehicles in the conduct of official District business shall be reimbursed at the current Internal Revenue Service rate. The Director's expense claim should indicate the nature of the trip. If the trip begins at home, the District will reimburse the mileage from home to destination and return mileage. District insurance does not cover personal vehicles while they are being driven on District business. The reimbursement rate is inclusive of an allowance for insurance costs. The District will reimburse Directors for the deductible under their personal insurance policy should they be involved in an accident while on District business. To be eligible for reimbursement, each Director shall maintain current California driver's license and at least the minimum vehicle liability insurance required by State law or shall arrange for a driver to meet said standards.

The District will not reimburse the cost of travel of a personal nature taken in conjunction with travel on official business.

Claim forms should be submitted within 30 calendar days after the meeting date. Expense claims requiring reimbursement to the District which are not reconciled within 30 calendar days, shall be deducted from the next month's reimbursement.

Information on the Per Diem Claim Form may be designated as confidential in nature. All expenses must be fully disclosed on the form.

22 Mas. All.

29 CV Chamber EDC Comm.

30 CV Ch. Public Policy Comm.

AB 000-1B1000-2101-528101  
AB 000-1B1000-2101-521102

EXHIBIT



OTAY WATER DISTRICT  
BOARD OF DIRECTORS  
PER-DIEM AND MILEAGE CLAIM FORM

Pay to: Larry Breitfelder

Period Covered:  
From 9-1 to 9-30-06

Employee Number: 7013

Date	Meeting Name	Purpose / Issues Discussed	Mileage	
			Home to OWD OWD to Home	Other Locations
9-1	First Friday			
✓ 6	OWD Bd. Comm.		30	
10	SBFAC A			
12	CV State of the City Address			
13	Common Cause			
18	FACE			
✓ 19	Council of Water Utilities			
✓ 25	OWD Workshop		30	
26	CV Chamber	Public Policy Comm.		
27	Fl. Chamber			
28	FAC			
✓ 29	Conserv. Summit / Conserv. Comm.			

TOTAL MEETING PER DIEM: \$ 400.00  
(\$145 per meeting)

TOTAL MILEAGE CLAIMED: 184 miles

Clearly covered under policy # 8

Larry Breitfelder  
(Director's Sign)

AM Receipt  
AM Approval Date: Watts 10/19/06

perkins 0.\*  
100.\*x  
4.\*=  
400.\*  
0.\*  
30.\*+  
30.\*+  
60.\*  
60.\*x  
0.4450=  
26.7\*

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT = \$ \_\_\_\_\_

AB000-1B1000-2101-528101  
AB000-1B1000-2101-521102

EXHIBIT



OTAY WATER DISTRICT  
BOARD OF DIRECTORS  
PER-DIEM AND MILEAGE CLAIM FORM

Pay to: Larry Breitfelder

Period Covered:  
From 9-1 to 9-30-06

Employee Number: 7013

Date	Meeting Name	Purpose / Issues Discussed	Mileage	
			Home to OWD OWD to Home	Other Locations
9-1	First Friday			
✓ 6	OWD Bd. Comm.		30	
10	SBFACA			
12	CV State of the City Address			
13	Common Cause			
18	FACE			
✓ 19	Council of Water Utilities			
✓ 25	OWD Workshop		30	
26	CV Chamber Public Policy Comm.			
27	Fil. Chamber			
28	FAC			
✓ 29	Conserv. Summit / Conserv. Comm.			

TOTAL MEETING PER DIEM: \$ 400.00  
(\$145 per meeting)

TOTAL MILEAGE CLAIMED: 184 miles

Clearly covered under policy # 8

Larry Breitfelder  
(Director's Sign)

AM Receipt  
AM Approval Date: 10/19/06

*perkins* 0.\*

100.\*x

4.\*=

400.\*x

0.\*

*mileage* 30.\*+

30.\*+

60.\*x

60.\*x

0.4450=

26.7\*

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT = \$ \_\_\_\_\_









EXHIBIT B

OTAY WATER DISTRICT  
BOARD OF DIRECTORS  
PER-DIEM AND MILEAGE CLAIM FORM

Pay to: Jose Lopez

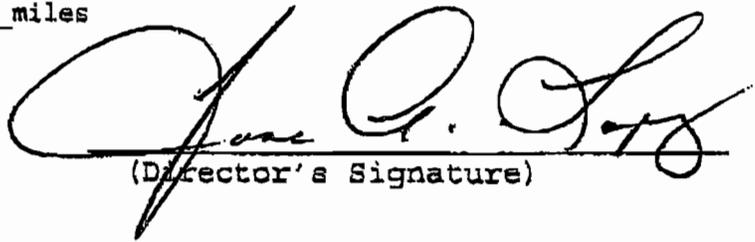
Period Covered:  
From 07-01 to 07-31-06

Employee Number: 7010

Date	Meeting Name	Purpose / Issues Discussed	Mileage	
			Home to OWD OWD to Home	Other Locations
7-5	OWD	Board Meeting	20	
7/31	CV TASK FORCE	Interagency mtg	10	

TOTAL MEETING PER DIEM: \$ 200.-  
(\$145 per meeting)

TOTAL MILEAGE CLAIMED: 30 miles

  
(Director's Signature)

GM Approval Date: Watts 8/16/06

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT = \$ \_\_\_\_\_

5 AUG 16 AM 11:56







**OTAY WATER DISTRICT  
BOARD OF DIRECTORS  
PER-DIEM AND MILEAGE CLAIM FORM**

Pay To: Mark Robak

Period Covered:

Employee Number: 70140606

From: 7-1-06 To: 7-31-06

3217 Fair Oaks Lane, Spring Valley, CA 91978

ITEM	DATE	MEETING	PURPOSE / ISSUES DISCUSSED	MILEAGE HOME to OWD OWD to HOME	MILEAGE OTHER LOCATIONS
1	7-5	Monthly Otay Board Meeting	General District Business	4	7
2	7-6	Metro Commission	Monthly Meeting /General Business (See Exhibit A - Agenda)	0	22
3	7-12	Water Conservation Garden	Monthly Meeting / General Business (See Exhibit B - Agenda)	0	9
4	7-13	Friends of Garden Party	Social for past donors and prospective donors – <b>NO CHARGE</b>	0	0
5	7-17	Cuyamaca College Water-Wise AA Degree program	Meeting with CWA staff, Garden, College & GM Watton to discuss process	0	23
6	7-19	Sweetwater Authority Operations Committee	Meeting with committee to answer questions on Garden Membership	0	28
7	7-20	Otay Employee Luncheon	Annual on-site luncheon – <b>NO CHARGE</b>	0	0
8	7-20	Water Agencies Association Quarterly Dinner	To hear and meet MWD GM Jeff Kightlinger – <b>NO CHARGE</b>	0	0
9	7-21	Finance & Administration Committee	Monthly meeting involving finance & administration issues	0	13
10	7-26	Sweetwater Authority Board Meeting	Meeting with full Board to answer questions on Garden Membership	0	28
		Adjustment from prior month	Item #6 should have been 9 miles		(26)
				4	104

Total Meeting Per Diem: \$ 600.00  
(\$100 per meeting)

Total Mileage Claimed: 108 miles

*Mark Robak*

(Director's Signature)

GM Approval: *[Signature]*

Date: 8/29/06

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$ \_\_\_\_\_

*12 per Pres  
100 miles*  
*2 per  
Pres 100 miles*



OTAY WATER DISTRICT  
BOARD OF DIRECTORS  
PER-DIEM AND MILEAGE CLAIM FORM

Pay To: Mark Robak

Period Covered:

Employee Number: 70140606

From: 8-1-06 To: 8-31-06

3217 Fair Oaks Lane, Spring Valley, CA 91978

ITEM	DATE	MEETING	PURPOSE / ISSUES DISCUSSED	MILEAGE HOME to OWD OWD to HOME	MILEAGE OTHER LOCATIONS
✓ 1	8-2	Monthly Otay Board Meeting	General District Business	4	7
✓ 2	8-3	Metro Commission	Monthly Meeting /General Business (See Exhibit A - Agenda)	0	22
3	8-5	Annual Otay Picnic	Social Event - No Charge	0	0
✓ 4	8-7	Integrated Resources Planning Workshop	Review and planning for future projects	4	7
✓ 5	8-8	Communications Committee	Monthly meeting involving communications issues	0	13
✓ 6	8-9	Water Conservation Garden	Monthly Meeting / General Business (See Exhibit B - Agenda)	0	9
✓ 7	8-16	Water ReUse Association meeting at Santee Lakes	Discuss local projects and hear speakers (See Exhibit C - Agenda)	0	12
✓ 8	8-21	Finance & Administration Committee	Monthly meeting involving finance & administration issues	4	7
✓ 9	8-31	Metro Commission (September meeting change)	Monthly Meeting /General Business (See Exhibit D - Agenda)	0	22
				12	99

Total Meeting Per Diem: \$800  
(\$100 per meeting)

Total Mileage Claimed: 111 miles

(Director's Signature)

GM Approval:

Date: 9/14/06

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$ \_\_\_\_\_



OTAY WATER DISTRICT  
BOARD OF DIRECTORS  
PER-DIEM AND MILEAGE CLAIM FORM

Pay To: Mark Robak

Period Covered:

Employee Number: 70140606

From: 9-1-06 To: 9-30-06

3217 Fair Oaks Lane, Spring Valley, CA 91978

ITEM	DATE	MEETING	PURPOSE / ISSUES DISCUSSED	MILEAGE HOME to OWD OWD to HOME	MILEAGE OTHER LOCATIONS
✓ 1	9-6	Monthly Otay Board Meeting	General District Business	4	7
2	9-7	Breakfast meeting with GM Watton & Yuri Calderon	Discuss pending District issues - <b>No Charge</b>	0	0
✓ 3	9-13	Water Conservation Garden	Monthly Meeting / General Business (See Exhibit A - Agenda)	0	9
✓ 4	9-20	Finance & Administration Committee	Monthly meeting involving finance & administration issues	4	7
✓ 5	9-25	Annual Board Retreat	Discuss variety of issues	0	13
6	9-27	Tour of the 450-1 and 680-1 reservoirs under construction	To see progress on projects and ask questions - <b>No Charge</b>	0	0
✓ 7	9-29	Ad Hoc Committee Policy 8 meeting	Meeting with Director Croucher and GM Watton & Counsel to revise Policy 8	4	7
8	9-29	Water Conservation Summit at USD - Joan Kroc Institute	Inaugural forum to discuss and brainstorm conservation measures - <b>No Charge</b>	0	27
				12	70

Total Meeting Per Diem: \$500 ✓  
(\$100 per meeting)

Total Mileage Claimed: 82 miles

*Mark Robak*

(Director's Signature)

Receipt  
GM Approval: *Watton*

Date: 10/31/06

FOR OFFICE USE: TOTAL MILEAGE REIMBURSEMENT: \$ \_\_\_\_\_



# AGENDA ITEM 8b

## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	December 6, 2006
SUBMITTED BY:	Joseph R. Beachem  Chief Financial Officer	W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)			
APPROVED BY: (Asst. GM):	German Alvarez  , Assistant General Manager		
SUBJECT:	Informational Item on the Bond Process		

**GENERAL MANAGER'S RECOMMENDATION:**

This is an informational item only, to inform the Board of the Bond Process including the parties involved, their functions, and the selection process.

**COMMITTEE ACTION:**

Please see Attachment A.

**PURPOSE:**

To inform the Board of the Bond Process including the parties involved, their functions, and the hiring process.

**ANALYSIS:**

Please see Attachment B for the Bond Process presentation.

**FISCAL IMPACT:** 

None.

**STRATEGIC GOAL:**

The District ensures its continued financial health through long-term financial planning and debt planning.

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

None.

---

**General Manager**

Attachments:

- A) Committee Action
- B) Bond Process Presentation



## ATTACHMENT A

<b>SUBJECT/PROJECT:</b>	Informational Item on the Bond Process
-------------------------	--

### COMMITTEE ACTION:

This item was presented to the Finance and Administration Committee on November 20, 2006 and the committee supported staff's recommendation to present this to the Board.

# OTAY WATER DISTRICT

## *2007 Certificates of Participation*

## *Financing Process*

November 2006

---

# Today's Recommendations

- Recommend Approval of Contracts with Bond Counsel, Disclosure Counsel, and Trustee for Board Consideration On December 6**
  - Recommend Approval of Resolution Providing for Reimbursement of certain Expenditures Incurred prior to the Financing for Board Consideration on December 6**
-

# Prior Actions

- **Formed the Otay Service Corporation**
    - Necessary to have separate legal entity to “acquire” facilities from under a long-term contract; a conduit financing
  - **Approved Contract with Financial Advisor (October 4, 2006)**
  - **Distributed RFP for Bond Counsel, Disclosure Counsel and Trustee (October 20, 2006)**
-

# Current Actions

## – Approve Contracts with Bond Counsel, Disclosure Counsel and Trustee

Co-Bond Counsel	Garcia, Calderon & Ruiz/ Sidley Austin
Disclosure Counsel	Stradling, Yocca, Carlson & Rauth
Trustee	Union Bank of California

---

# Current Actions

- **Approve Reimbursement Resolution**

- Allows CIP expenditures between October 6, 2006 and COP Issuance to be allocated to the COP proceeds
  - Administrative advantages
-

# Future Board Actions

**January 3      Public Hearing Re: Rate Increase;  
Accept and File Financing Plan  
and Debt Policy Update**

**February 7      Approval of Financing  
Documents**

---

# Financing Participants

- Otay Water District*
  - Otay Service Corporation*
  - Bond Counsel*
  - Disclosure Counsel*
  - Financial Advisor*
  - Trustee*
  - Bond Insurer*
  - Rating Agencies*
  - Underwriter*
-

# Bond Counsel

- **Prepares Legal Documents**
    - **Terms of Repayment**
    - **Pledge of Revenues**
    - **Provisions for Additional Debt**
  - **Prepares Closing Certificates**
  - **Directions for Transfer of Funds at Closing**
  - **Prepares Tax Certificate Relating to Provisions of the Tax Code that Apply to the District's Financing**
-

# Disclosure Counsel

- **Reviews Official Statement for Conformance with Legal Documents**
  - **Provides Opinion to the District and Underwriter relating to the Adequacy of the Official Statement Disclosure**
  - **Prepares Continuing Disclosure Agreement for Ongoing District Financial Disclosure**
-

# Financial Advisor

- **Structures Repayment Terms**
  - **Prepares Official Statement**
  - **Prepares Rating Presentation**
  - **Conducts Competitive Sale of COPs on District's Behalf**
-

# Trustee

- **Administers Payment of Debt Service**
    - Collects Payments from District
    - Distributes Payments to Bondholders
  - **Acts as Dissemination Agent for Continuing Disclosure Annual Report**
-

# Bond Insurer

- **Provides Additional Credit Enhancement for the COPs (AAA)**
  - **Insurance Premium based on Total Debt Service over the Term of the COPS**
  - **Selected based on Lowest Premium Quote**
-

# Underwriter

- **Selected based on Lowest Bid at Competitive Sale**
  - **Purchases COPs from the District**
  - **Sells COPs to Its Customers**
  - **Fiduciary Responsibility to Investors, not the District**
-

# Competitive Sale

## *Negotiated vs. Competitive Sale (Debt Policy)*

- ▶ Competitive Sale is Preferred Method of Sale
  - ▶ Negotiated is used in times of volatile interest rates
  - ▶ Competitive Sale is Recommended for 2007 COPs
  - ▶ Electronic Distribution of Official Statement
  - ▶ Conduct Sale with Internet Bidding Platform
-

# Financing Documents

## **Legal Documents:**

- Trust Agreement
  - Installment Purchase Agreement
  - Assignment Agreement
  - Continuing Disclosure Agreement
  - Reimbursement Resolution
- 

## **Sale Documents:**

- Official Statement
- Official Notice of Sale
- Summary Notice of Sale

# Legal Documents

## – *Trust Agreement*

- ▶ Between District, Corporation, and Trustee
- ▶ Contract with Bondholders
- ▶ Repayment terms

## – *Installment Purchase Agreement*

- ▶ Between District and Otay Service Corporation
  - ▶ Financing mechanism to secure payment of COPs from Net Revenues
  - ▶ Rate Covenant
-

# Legal Documents

- *Assignment Agreement*

- ▶ Between Trustee and Otay Service Corporation
- ▶ Corporation assigns payments due under the Installment Purchase Agreement to Trustee to pay debt service

- *Continuing Disclosure Agreement*

- ▶ District covenant to provide on-going financial information

- *Reimbursement Resolution*

---

# Sale Documents

## – *Official Statement*

- ▶ Describes security and pledge to repay debt
- ▶ Risk factors
- ▶ Responsibility of Board Members

## – *Official Notice of Sale*

- ▶ Sets out competitive bid parameters

## – *Summary Notice of Sale*

- ▶ Published in financial newspaper to alert bidders of sale date
-

# February 7 Board Action

## *District Resolution*

- ▶ Authorizes GM/CFO to contract for bond insurance with low bidder
  - ▶ Approves the form of Trust Agreement, Installment Purchase Agreement, and Preliminary Official Statement
    - Does not include Final Interest Rates and Maturity Schedule
  - ▶ Authorizes GM/CFO/Financial Advisor to distribute the Preliminary Official Statement and Official Notice of Sale
  - ▶ Authorizes sale of COPs in an amount not-to-exceed \$42M, interest rate not-to-exceed 6% and underwriter discount not-to-exceed 1.5%
  - ▶ Authorizes officials to execute all documents to finalize sale
-

# February 7 Corporation Action

## *Corporation Resolution*

- ▶ Special Meeting of Corporation to be called for February 7
  - ▶ Approves the form of the documents
  - ▶ Authorizes officials to execute all documents to finalize sale
-

# Other Key Dates

**Week of January 22**

**Rating Agency  
Presentations**

**By February 9**

**Receive Bond Insurance  
Bids**

**February 21**

**Competitive Sale  
of COPs**

**March 7**

**COP Closing/  
Funds Available**

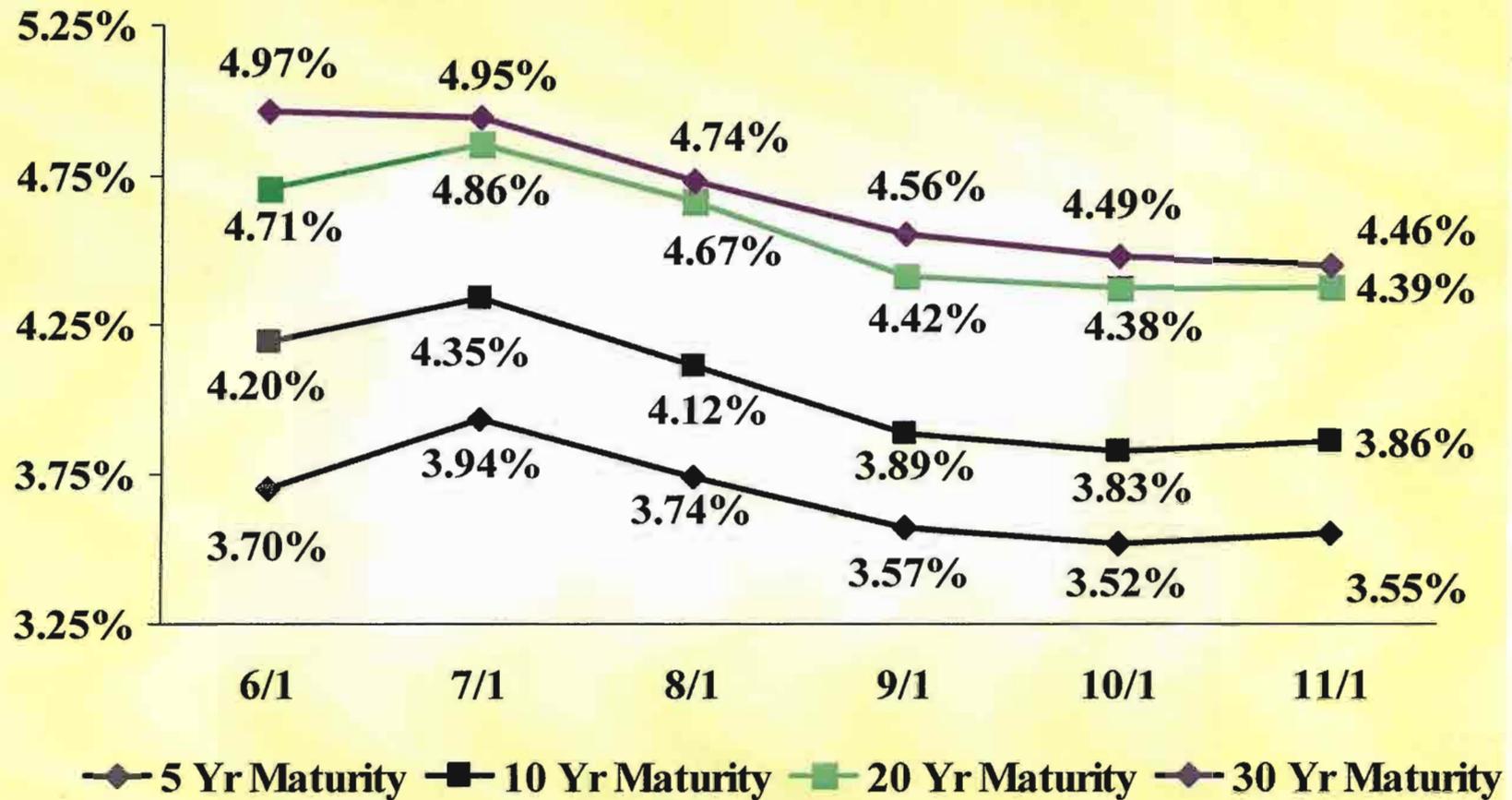
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# Estimated Costs of Issuance

	<b>2007 COPs</b> <b><u>(\$42.0M)</u></b>	<b>2004 COPs</b> <b><u>(\$12.3M)</u></b>
<b>Costs of Issuance</b>	<b>\$215,000 (0.5%)</b>	<b>\$155,000 (1.3%)</b>
<b>Bond Insurance</b>	<b>\$266,000</b>	<b>\$ 76,000</b>
<b>Underwriting</b>	<b><u>\$462,000</u></b>	<b><u>\$135,000</u></b>
<b>Total</b>	<b>\$943,000 (2.2%)</b>	<b>\$366,000 (3.0%)</b>

---

# Interest Rates





# AGENDA ITEM 8c

## STAFF REPORT

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	December 6, 2006
SUBMITTED BY:	Joseph R. Beachem, 	W.O./G.F. NO:	DIV. NO. All
	Chief Financial Officer		
APPROVED BY: (Chief)			
APPROVED BY: (Asst. GM):	 German Alvarez, Assistant General Manager		
SUBJECT:	Adopt Resolution No. 4091 allowing for Reimbursement of Certain Expenditures from the Proceeds of the Certificates of Participation (COPs)		

### GENERAL MANAGER'S RECOMMENDATION:

That the Board adopt Resolution No. 4091 allowing for the reimbursement of certain expenditures from the proceeds of the Certificates of Participation (COPs).

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

Please see Attachment A.

### PURPOSE:

To present for the Board's consideration the adoption of Resolution No. 4091 allowing for the reimbursement of certain expenditures from the proceeds of the Certificates of Participation (COPs).

### ANALYSIS:

The District anticipates the issuance of COPs in early 2007 to finance approximately \$42 million of capital improvement projects. Between October 2006 and February 2007 (prior to the issuance of the COPs), the District will spend approximately \$13 million on capital improvements that would qualify for expenditure of the COPs proceeds. The U.S. Tax Code allows the District to reimburse itself from the COPs proceeds for any qualifying expenditures made within the 60 days prior to the adoption of a resolution stating the Board's intention to reimburse the expenditures, and continuing through the date of the issuance of the COPs.

The ability to reimburse such expenditures will allow the District to replenish its capital reserves; to the extent it was necessary during this fiscal year, to draw from the reserves to fund construction contract payments prior to the issuance of the COPs.

In the event that the bond proceeds, held by the District prior to their use on CIP projects, earn interest greater than the interest payments to borrow the funds, the IRS requires that this spread be rebated to the IRS. This spread between interest paid and interest earned is called arbitrage. The COPs can be exempted from the rebate rule if the District meets a specific spending schedule of 25% each six months. This reimbursement agreement will aid the District in meeting this spending requirement and therefore exempt the COPs from the rebate requirement.

**FISCAL IMPACT:**



The potential reimbursement of \$13 million in CIP expenditures will assist the District in maintaining its operating and capital reserve levels in accordance with the Board's Reserve Policy. This will also assist in meeting the spending requirements and avoid any rebates to the IRS for arbitrage.

**STRATEGIC GOAL:**

The District ensures its continued financial health through long-term financial planning and debt planning.

**LEGAL IMPACT:**

\_\_\_\_\_

None.



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

Attachments:

- A) Committee Action Form
- B) Resolution No. 4091



## ATTACHMENT A

**SUBJECT/PROJECT:**

Adopt Resolution No. 4091 for Reimbursement of Certain Expenditures from the Proceeds of the Certificates of Participation (COPs)

**COMMITTEE ACTION:**

The Finance & Administration Committee reviewed this item in detail at the meeting held on November 20, 2006. The following comments were made:

- Staff is requesting the Board's approval of Resolution No. 4091 which will allow the District to reimburse itself from the bond funds for qualifying expenditures made within 60 days prior to the resolution's adoption and up to the date of the bond sale;
- There are two significant benefits of spending the bond funds within 24 months from the date of the bond sale. First, the District will not be required to rebate any arbitrage interest and second, the District will not need to evaluate arbitrage interest every five years for the life of the bond;
- It was noted that the adoption of such a resolution is standard practice.

Upon completion of the discussion, the Committee supported staff's recommendation and forwarding to the Board of Directors on as an informational item.

**RESOLUTION NO. 4091**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE OTAY WATER DISTRICT,  
CALIFORNIA DECLARING ITS INTENTION TO REIMBURSE CERTAIN  
EXPENDITURES FROM PROPOSED TAX EXEMPT FINANCING AS REQUIRED BY  
UNITED STATES DEPARTMENT OF TREASURY REGULATIONS SECTION 1.150-2**

*WHEREAS*, the Otay Water District (the "District") desires to finance the construction and acquisition of the public facilities described below (collectively the "Project"); and

*WHEREAS*, the District reasonably expects, as of the date hereof, to finance expenditures relating to the Project by authorizing the sale and delivery of one or more series of Obligations (as defined below); and

*WHEREAS*, United States Income Tax Regulations section 1.150-2 provides generally that proceeds of tax-exempt debt used to reimburse expenditures paid prior to the date of issuance of such debt are treated as expended only if certain procedures are followed, one of which is a requirement that (with certain exceptions), prior to the payment of any such expenditures, the issuer declares an intention to reimburse such expenditure; and

*WHEREAS*, the District reasonably expects to expend some funds in connection with the Project prior to the issuance of debt for such purpose; and

*WHEREAS*, the District reasonably expects, as of the date hereof, to reimburse such expenditures by allocating a portion of the proceeds of the Obligations to the reimbursement of such expenditures; and

*WHEREAS*, it is in the public interest and for the public benefit that the District declares its official intent to reimburse the expenditures referenced herein.

NOW, THEREFORE, BE IT RESOLVED by the BOARD OF DIRECTORS of the OTAY WATER DISTRICT as follows:

Section 1. The District intends to issue one or more series of obligations (the "Obligations") the proceeds of which will be used for the acquisition, construction, repair, improvement, delivery, design, installation, furnishing and equipping of certain capital facilities of the District (the "Project").

Section 2. The District hereby declares that it reasonably expects to (i) pay certain costs of the Project prior to the date of issuance of the Obligations; and (ii) use a portion of the proceeds of the Obligations for reimbursement of expenditures for the Project that are paid prior to the issuance of the Obligations.

Section 3. The aggregate maximum principal amount of the Obligations to be issued is expected not to exceed \$42,000,000.

Section 4. In addition to reimbursing the District, the proceeds from the Obligations are anticipated to be used for costs and expenses related to the Project, funding a reserve fund and paying certain costs of issuance related thereto.

Section 5. The reimbursement allocation to be made with respect to an expenditure will occur not later than eighteen (18) months after the later of (i) the date on which the expenditure is paid, or (ii) the date on which the Project is placed in service, but in no event more than 3 years after the expenditure is paid.

Section 6. This Resolution expresses the District's expectations as of this date with respect to the financing of the construction and acquisition of the Project. Future events or extraordinary circumstances beyond the control of the District may result in the Project being financed in a manner other than as described in this Resolution, and nothing contained herein constitutes an irrevocable commitment by the District to issue the Obligations.

Section 7. All actions heretofore taken by the officers, or their respective designees, employees and agents of the Board of Directors of the District in connection with the financing of the Project are hereby ratified and confirmed.

Section 8. This Resolution shall take effect immediately upon its adoption.

Section 9. The District Secretary shall certify to the adoption of this Resolution.

APPROVED AND ADOPTED this 6th day of December, 2006

Ayes:

Noes:

Abstain:

Absent:

---

President

ATTEST:

---

District Secretary

I HEREBY CERTIFY that the foregoing Resolution No. 4091 was duly adopted by the BOARD OF DIRECTORS of the OTAY WATER DISTRICT at a regular meeting thereof held on the 6th day of December, 2006 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

---

District Secretary



# AGENDA ITEM 9

## STAFF REPORT

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	December 6, 2006
SUBMITTED BY:	Mark Watton, General Manager	W.O./G.F. NO:	DIV. NO.
SUBJECT:	Board of Directors 2007 Calendar of Meetings		

**GENERAL MANAGER'S RECOMMENDATION:**

At the request of the Board, the attached Board of Director's meeting calendar for 2007 is being presented for discussion.

**PURPOSE:**

This staff report is being presented to provide the Board the opportunity to review the 2007 Board of Director's meeting calendars and amend the schedules 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.

A handwritten signature in black ink, appearing to read "Paul White", written over a horizontal line.

**General Manager**

Attachments: Calendar of Meetings for 2007

G:\UserData\DistSec\WINWORD\STAFRPTS\Board Meeting Calendar 12-6-06.doc

**Board of Directors, Workshops  
and Committee Meetings  
2007**

**Regular Board Meetings:**

January 3, 2007  
February 7, 2007  
March 7, 2007  
April 4, 2007  
May 2, 2007  
June 6, 2007  
July 4, 2007 (4<sup>th</sup> of July Holiday)  
August 1, 2007  
September 5, 2007  
October 3, 2007  
November 7, 2007  
December 5, 2007

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

January 17, 2007  
February 21, 2007  
March 21, 2007  
April 18, 2007  
May 16, 2007  
June 20, 2007  
July 18, 2007  
August 15, 2007  
September 19, 2007  
October 17, 2007  
November 21, 2007  
December 19, 2007

**Board Workshops:**

Budget Workshop, TBD  
Board Retreat Workshop, TBD

**Committee Meetings:**

*CWA/Water Resources and Security Committee (Tuesday before the CWA board meeting):*

Water Resource and Security Committee Chair  
Gary Croucher  
Mark Watton, CWA Board Representative

January 23, 2007  
February 20, 2007  
March 20, 2007  
April 24, 2007  
May 22, 2007  
June 26, 2007  
July 24, 2007  
August 21, 2007  
September 25, 2007  
October 23, 2007  
November – No Meeting  
December 4, 2007

# AGENDA ITEM 10



## STAFF REPORT

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	December 6, 2006	
SUBMITTED BY:	Mark Watton, General Manager	W.O./G.F. NO:	N/A	DIV. NO. N/A
SUBJECT:	General Manager's Report			

### **GENERAL MANAGER:**

- Update on the 30-inch Recycled Water Pipeline, 450-1 Reservoir, and 680-1 Pump Station Projects:
  - Ortiz Construction has completed the installation of the pipeline. Testing/installation of appurtenances and final paving is also complete. Walk-throughs are underway.
  - The reservoir interior coating is underway.
  - Installation of the pump station's electrical and signal components is underway.

### **ADMINISTRATIVE SERVICES AND FINANCE:**

#### ***Administrative Services:***

- Three new hires started employment in the month of November: Environmental Compliance Specialist, Temporary Buyer, and Facilities Maintenance Technician.
- The compensation consultant provided a preliminary draft of the compensation study results. The Senior Management Team and Human Resources have conducted a review of the findings and provided a list of questions and follow-up to the consultants. Once all questions have been answered and all follow-up has been completed, the results will be presented to the Ad Hoc Negotiations Committee and sent to the Association for input.
- Open Enrollment for the health, dental and flexible benefits plan is currently in progress. We are pleased that the health insurance increased by a minimum amount

of 1.7% and the dental increased by 5.2%. The minimal increase in the health insurance is attributed to the change to the Blue Cross Prudent Buyer Preferred Provider Organization (PPO). The District held its annual health fair on November 2nd and employee information meetings on November 14th. In addition, the District will be hosting an informational meeting on the CalPERS Pension Plan for newly hired employees on December 13th.

- The District has completed the FEMA courses as recommended for emergency responders in the event of a disaster. Affected employees have completed IS 100, IS 200, IS 700 and IS 800 courses. In addition, the Safety & Risk Administrator recently conducted a presentation for all employees regarding the need to prepare their families and themselves on a personal basis for a major disaster.
- The Safety & Risk Administrator met again with San Miguel Fire District, on November 20<sup>th</sup>, regarding plans to develop a state-of-the-art joint training facility at the regulatory site. The facility will be able to provide hands-on training for many required training needs, as well as a Joint Emergency Operations Facility. This is an exciting project that will go far to provide a high-level of training for both organizations.
- Operations department personnel involved in trenching operations recently took advantage of a joint training opportunity coordinated with the San Diego County Water Authority in the area of "Trenching & Shoring".
- Water "Smart" Controller Distribution: On November 4<sup>th</sup>, the District partnered with the Sweetwater Authority to hold two distribution events at the District's offices. 30 water "smart" controllers were distributed to Otay customers and an additional training class is planned for February 2007.
- Artificial Turf: Valhalla High School, in Rancho San Diego, has submitted an aggressive plan to complete its artificial turf project by next spring. The District applied for and received an extension from the US Bureau of Reclamation for its \$50,000 matching funds grant. The groundbreaking for this project is planned for January 2007.
- School Program Activity: staff conducted four school tours at the Water Conservation Garden this month,

involving 162 students and 25 adults from Olypmic View, Jamul Primary, Vista Grande and Avocado Elementary Schools. In addition, Rohr and Eastlake Elementary Schools requested funding for a Splash Lab; the District has funded five Splash Labs to date.

- The Annual Water Conservation Best Management Practice reports were submitted for review to the Water Resources Committee for fiscal years 2005 and 2006 ahead of the California Urban Water Conservation Council's (CUWCC) December 1<sup>st</sup> deadline. The District submits reports on its water conservation activity every two years to the CUWCC.
- In the month of November there were 109 purchase orders issued for a total of \$277,507.66.

***Information Technology and Strategic Planning:***

- The build-out of the District's computer data center project is complete. Both the air conditioning and UPS (uninterruptible power supply) have been installed. Data migration of the existing applications, to the new servers, will be completed in early December.
- Phase 2 of the IVR system - which will allow customers to pay via credit card, is scheduled to go into production in January.
- The deployment of the field mobile computers is progressing according to plan. Staff is training field operations staff on how to use the new devices. We have deployed 6 units. Current dispersal of units is temporarily on-hold while a screen brightness issue is resolved. We anticipate an additional 20 units will be distributed over the next month.

***FINANCE:***

- Bond Sale - Staff presented the recommended selection of the following three parties to the November Finance and Administration Committee. These parties complete the bond sale financing team.
  1. Bond Counsel -Staff is recommending that Garcia, Calderon, and Ruiz (GCR) and the firm of Sidley Austin act as the District's co-bond counsel for the upcoming Bond sale.

2. Disclosure Counsel - Staff is recommending that Stradling, Yocca, Carlson & Rauth be retained as Disclosure Counsel.
  3. Trustee - Staff is recommending that Union Bank be selected to act as Trustee for the upcoming bond sale.
- Additional Debt - Staff estimates that as a result of additional debt needed to fund 100% of the CIP, for this year and next, the estimated rate increases over the next few years would be 5.4%, 5.4%, 5.4%, 5.1%, 5.1%, and 5.1% for Jan. 1, 2007 through 2012, respectively. This is a moderate increase over the prior estimation of 5.4%, 5.4%, 5.4%, 3.9%, 3.9%, and 3.9%. This does not include any rate changes resulting from negotiations or salary survey.
  - Budget Policy - Staff is currently reviewing numerous budget policies and looking to incorporate those "Best Practices" that best fit the District's preferred form of operations. Staff is looking to present this to the Finance and Administration Committee in December. This will require numerous meetings with staff and management to review the new procedures and policy.
  - Debt Policy - The debt policy has been revised and submitted to GFOA for "Certification". This will then be brought to the December Finance and Administration Committee for review after obtaining word from GFOA that the proposed changes will meet the certification requirements. The changes add many of the existing practices to the Policy making it more robust and adding transparency to the District financial matters.
  - Reporting - Staff has developed detail reports to meet many of the staff's need. Demonstrations of the reporting capabilities have been given to every department. Follow-up meetings are planned for anyone that was not able to attend.

**The financial reporting for October 2006 is as follows:**

- For the four months ended October 31, 2006, there are total revenues of \$21,961,842 and total expenses of \$20,749,805. The revenues exceeded expenses by \$1,212,037.

The financial reporting for investments for October 31, 2006 is as follows:

- The market value of the Portfolio Master Summary and the Investment Portfolio Details as of October 31, 2006 total \$72,846,744.27 with an average yield to maturity of 4.810%. The total earnings year-to-date are \$1,103,019.36. The effective duration is .321 of a year.

**ENGINEERING AND WATER OPERATIONS:**

***Engineering:***

- Staff received 14 new improvement plans from developers for potable/recycled plan checks.
- Staff completed contract documents for Ralph W. Chapman and Wastewater Treatment Reverse Osmosis Building remodel. The project consists of the demolition of the existing Reverse Osmosis (R.O.) Building and the design and construction of a new 3000 square foot office building. The project was advertised on November 20, 2006. The Pre-bid Meeting is scheduled for December 5, 2006 and the Bid Opening is scheduled for December 19, 2006. Staff expects to bring to the Committee at the January Committee Meeting and to make a recommendation to the Board at the February Board Meeting.
- The required disbursement documentation for the second progress payment related to the State Water Resources Control Board (SWRCB) \$4.0 million Proposition 50 grant was sent to the SWRCB. The second disbursement check has been received in the amount of \$466,949.00. The total received to date is \$2,929,425.00. Upon completion of the three recycled water projects that link the South Bay Water Reclamation Plant supply to the Otay Water District recycled water system, a final disbursement request for the total of \$4.0 million grant can be made. The final grant request will be submitted after March 2007.
- Twenty-four (24) meters were sold as of November 17, 2006, generating \$619,592 in revenue. Total meters sold for FY06-07 were 341 to date, which generated \$4,679,897 for the District.

- On November 6, 2006, the General Manager signed an executed Deferral Agreement with South Bay Expressway, LLP for the purchase of one 4" potable water meter in the amount of \$191,825, together with interest at the monthly rate in accordance with Otay Policy (5% over the Federal Discount Rate adjusted quarterly). South Bay Expressway, LLP signed a promissory note to pay all fees on December 27, 2006.
- On November 16, 2006 the District entered into a sales agreement with Wildlands Corporation for the purchase of 0.26 acres of freshwater wetlands/riparian habitat credits in the amount of \$39,000 for the 640 Reservoir Project.
- The Construction Division received two new projects to be constructed by developers and performed five pre-construction meetings. In addition, twenty projects were completed and one project was released from warranty.
- Approximately 1,199 linear feet of both CIP and developer project pipelines were installed totaling 23,300 feet since July 2006. The Construction Division performed quality assurance for these pipelines.
- 230 underground facilities were located, 18 hydrostatic pressure tests, 9 wet taps and tie-ins, 40 meter set inspections, and 14 project walk-throughs were performed during the month.
- The following table summarizes purchase and change orders issued during the period of October 13 - November 27, 2006, that are within staff signatory authority:

Date	Action	Amount	Contractor/ Consultant	Project
10/23/06	C.O. #4	\$34,868.00	Jacobs	450-1 Reservoir/ 680-1 Pump Station
11/17/06	C.O. #1	\$1,827.00	Blair Rasmussen Construction	Meter Shop Remodel

**Water Operations:**

- Water purchased for the month of October was 3,901.3 acre-feet. Beginning FY 06/07 to date, July 1, 2006 to October 31, 2006 there has been 17,665.80 acre-feet of water purchased. This is a 1.6 percent increase from

the same period last year, July 1, 2005 to October 31, 2005.

- The AMR change-out program is progressing. The District's contractor, Underground Utility, Inc. (UUI), has replaced 4,132 RAMAR/Badger units as of September 30, 2006, leaving 2,679 RAMAR units still in use.
- There were 69 new Automated Meter Reading (AMR) meters installed, 427 meters were replaced with new AMR meters and 254 meters were retrofitted to AMR meters for the month of October.

Total number of potable water accounts is 47,337.

- Recycled water consumption for the month of October is as follows:

Total flow was 434.9 acre-feet or 141,464,752 gallons and the average daily flow was 4,569,250 gallons per day.

Total number of recycled water accounts is 551.

- Wastewater flows for the month of October were as follows:

Total basin flow, gallons per day: 2,087,000.  
Total Otay flow, gallons per day: 1,394,000.  
Flow Processed at the Ralph W. Chapman Water Recycling Facility, gallons per day: 1,267,000.  
Flow to Metro from Otay Water District, gallons per day: 127,000.

Total number of sewer connections is 6,052.

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

**OTAY WATER DISTRICT  
INVESTMENT PORTFOLIO REVIEW  
OCTOBER 31, 2006**

**INVESTMENT OVERVIEW & MARKET STATUS:**

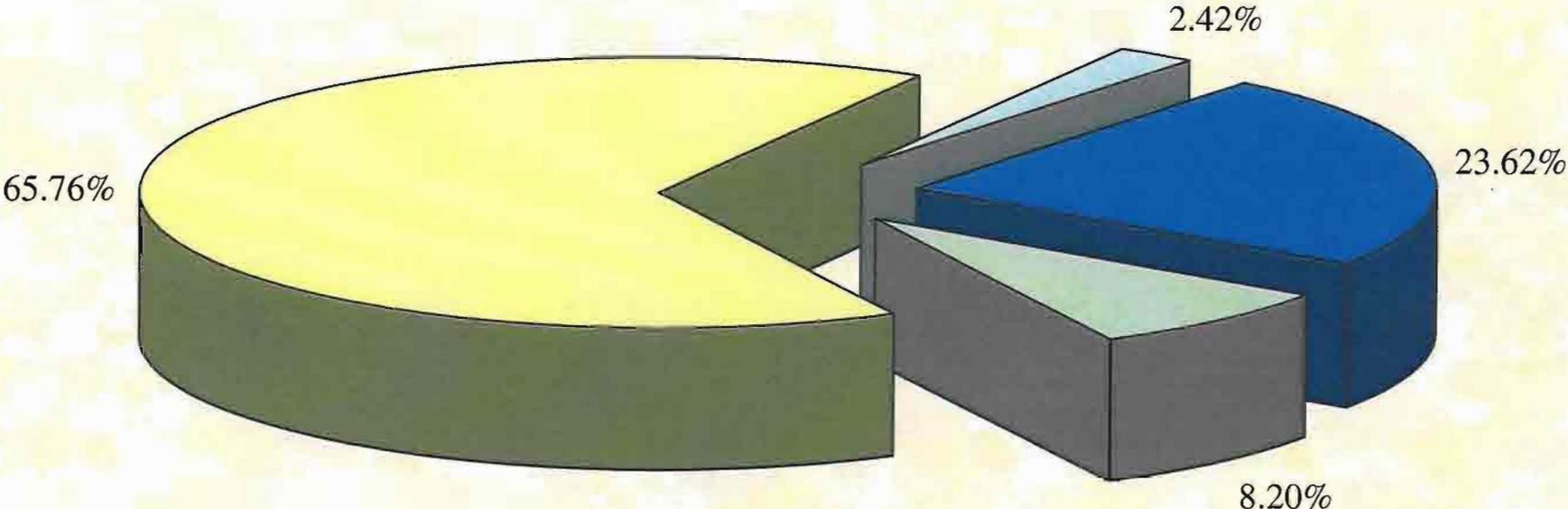
The Federal Reserve Board's federal funds rate remains unchanged since its Jun-06 rise to 5.25% and investment analysts continue to predict the Fed's will maintain this level through year-end, with rates potentially dropping to 5.0% the first quarter of 2007. Because of this stability, bond yields have edged down slightly from levels seen during the summer. However, this forecast is uncertain enough that long-term interest rates remain very close to short-term rates, with very little reward for investing in securities beyond 12 – 18 months. Based on this assessment, we plan to maintain our current strategy of investing in short-term Federal Agency securities in an attempt to avoid having prevailing interest rates overtake those of our current investment holdings for any extended period of time.

The District's overall return on investment continues to increase, but currently at a slower rate than LAIF. This is due to the rapid turnover of the LAIF portfolio (197 days) as opposed to the District's average term of 363 days. If the federal funds rate remains unchanged, the LAIF yield will stabilize while the District's yield will continue to rise due to the upcoming maturity over the next 4 months of investments which are locked in at rates between 3.0% - 4.5%. 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: October 31, 2006**

	<u>Investment</u>	<u>State Limit</u>	<u>Otay Limit</u>	<u>Otay Actual</u>
8.01:	Treasury Securities	100%	100%	8.22%
8.02:	Local Agency Investment Fund (LAIF)	\$40 Million	\$40 Million	\$17.1 Million
8.03:	Federal Agency Issues	100%	100%	65.77%
8.04:	Certificates of Deposit	30%	15%	0.11%
8.05:	Short-Term Commercial Notes	25%	15%	0
8.06:	Medium-Term Commercial Debt	30%	15%	0
8.07:	Money Market Mutual Funds	20%	15%	0
8.08:	San Diego County Pool	100%	100%	0.14%
12.0:	Maximum Single Financial Institution	100%	50%	2.31%

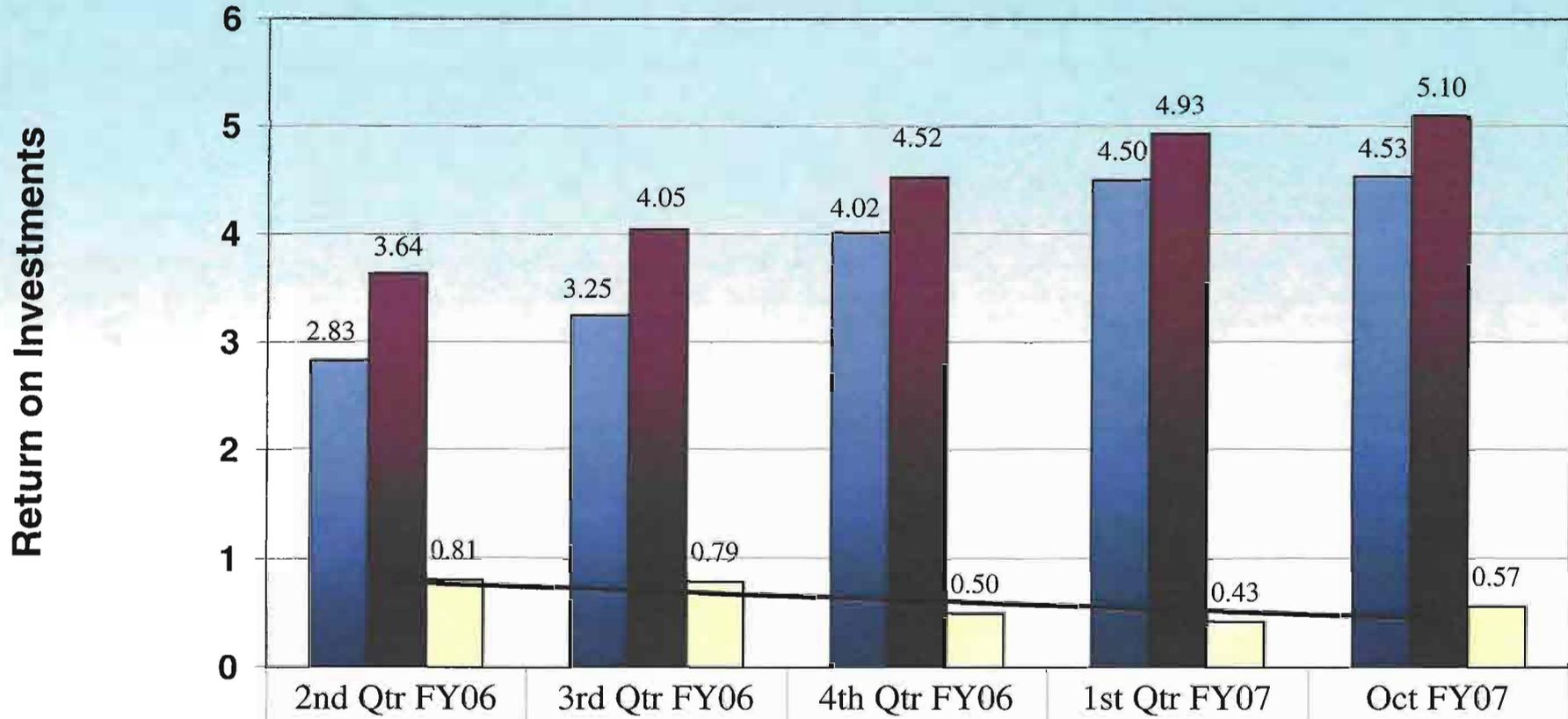
# Otay Water District Investment Portfolio



□ Banks (Passbook/Checking/CD) ■ Pools (LAIF & County) □ Treasuries □ Agencies

# Performance Measure F-12 Return on Investment

Target: Meet or Exceed 100% of LAIF



■ Otay	2.83	3.25	4.02	4.50	4.53
■ LAIF	3.64	4.05	4.52	4.93	5.10
□ Difference	0.81	0.79	0.50	0.43	0.57

Month

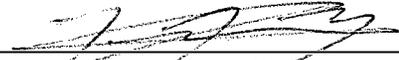
■ Otay ■ LAIF □ Difference — Linear (Difference)

**OTAY  
Portfolio Management  
Portfolio Summary  
October 31, 2006**

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Federal Agency Issues- Callable	48,000,000.00	47,903,290.56	47,962,184.29	67.32	488	221	4.785	4.851
Treasury Securities - Coupon	6,000,000.00	5,969,062.50	5,981,721.48	8.40	400	121	4.404	4.465
Certificates of Deposit - Bank	79,108.00	79,108.00	79,108.00	0.11	730	447	3.880	3.934
Local Agency Investment Fund (LAIF)	17,120,270.84	17,108,892.74	17,120,270.84	24.03	1	1	5.028	5.098
San Diego County Pool	102,174.10	102,007.26	102,174.10	0.14	1	1	4.752	4.818
	<b>71,301,552.94</b>	<b>71,162,361.06</b>	<b>71,245,458.71</b>	<b>100.00%</b>	<b>363</b>	<b>160</b>	<b>4.810</b>	<b>4.877</b>
<b>Investments</b>								
<b>Cash</b>								
Passbook/Checking (not included in yield calculations)	1,684,383.21	1,684,383.21	1,684,383.21		1	1	0.320	0.324
<b>Total Cash and Investments</b>	<b>72,985,936.15</b>	<b>72,846,744.27</b>	<b>72,929,841.92</b>		<b>363</b>	<b>160</b>	<b>4.810</b>	<b>4.877</b>

<b>Total Earnings</b>	<b>October 31 Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year	285,299.76	1,103,019.36
<b>Average Daily Balance</b>	<b>74,112,348.96</b>	<b>72,432,874.13</b>
<b>Effective Rate of Return</b>	<b>4.53%</b>	<b>4.52%</b>

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 January 19, 2000. 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.


11-27-06  
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 Joseph Beachem, Chief Financial Officer

**OTAY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**October 31, 2006**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity	Maturity Date
<b>Federal Agency Issues- Callable</b>												
3133X8KE1	1988	Federal Home Loan Bank		09/29/2004	3,000,000.00	2,988,750.00	3,000,000.00	3.025		2.982	58	12/29/2006
3133XASF5	1991	Federal Home Loan Bank		03/08/2005	3,000,000.00	2,994,375.00	3,000,000.00	3.500		3.450	37	12/08/2006
3133XARK5	1992	Federal Home Loan Bank		03/08/2005	3,000,000.00	2,994,375.00	3,000,000.00	3.510		3.460	37	12/08/2006
3133XEMS5	1998	Federal Home Loan Bank		02/28/2006	3,000,000.00	2,992,500.00	3,000,000.00	5.000		4.943	392	11/28/2007
3133XEP45	1999	Federal Home Loan Bank		03/02/2006	3,000,000.00	2,994,375.00	3,000,000.00	5.000		4.932	121	03/02/2007
3133XETX7	2001	Federal Home Loan Bank		03/14/2006	3,000,000.00	2,995,312.50	3,000,000.00	5.125		5.055	317	09/14/2007
3133XF2C9	2002	Federal Home Loan Bank		04/25/2006	3,000,000.00	3,001,875.00	3,000,000.00	5.250		5.175	336	10/03/2007
3133XFBX3	2003	Federal Home Loan Bank		05/04/2006	3,000,000.00	2,999,062.50	3,000,000.00	5.250		5.178	184	05/04/2007
3133XFS72	2007	Federal Home Loan Bank		06/28/2006	3,000,000.00	2,999,062.50	3,000,000.00	5.350		5.277	422	12/28/2007
3133XGCU6	2008	Federal Home Loan Bank		07/28/2006	3,000,000.00	3,000,000.00	3,000,000.00	5.450		5.375	89	01/29/2007
3133XHDA	2009	Federal Home Loan Bank		10/20/2006	3,000,000.00	2,997,187.50	3,000,000.00	5.150		5.076	160	04/10/2007
3128X4K67	2000	Federal Home Loan Mortgage		03/07/2006	3,000,000.00	2,993,090.97	3,000,000.00	5.250		5.178	492	03/07/2008
3128X4DY4	2004	Federal Home Loan Mortgage		05/18/2006	3,000,000.00	2,974,752.05	2,975,744.24	4.000		5.129	254	07/13/2007
3128X4CE9	2005	Federal Home Loan Mortgage		05/18/2006	3,000,000.00	2,984,928.13	2,986,440.05	3.625		5.161	106	02/15/2007
3128X5CC0	2006	Federal Home Loan Mortgage		06/01/2006	3,000,000.00	3,000,206.91	3,000,000.00	5.340		5.263	238	06/27/2007
31359MG31	1997	Federal National Mortgage Assoc		02/24/2006	3,000,000.00	2,993,437.50	3,000,000.00	5.000		4.932	296	08/24/2007
<b>Subtotal and Average</b>			<b>46,120,294.38</b>		<b>48,000,000.00</b>	<b>47,903,290.56</b>	<b>47,962,184.29</b>			<b>4.785</b>	<b>221</b>	
<b>Treasury Securities - Coupon</b>												
912828DJ6	1993	US TREASURY		01/26/2006	3,000,000.00	2,985,937.50	2,990,408.11	3.125		4.376	91	01/31/2007
912828DQ0	1994	US TREASURY		01/26/2006	3,000,000.00	2,983,125.00	2,991,313.37	3.750		4.431	150	03/31/2007
<b>Subtotal and Average</b>			<b>7,334,547.53</b>		<b>6,000,000.00</b>	<b>5,969,062.50</b>	<b>5,981,721.48</b>			<b>4.404</b>	<b>121</b>	
<b>Certificates of Deposit - Bank</b>												
2050003183R	1996	California Bank & Trust		01/22/2006	79,108.00	79,108.00	79,108.00	3.880		3.880	447	01/22/2008
<b>Subtotal and Average</b>			<b>79,108.00</b>		<b>79,108.00</b>	<b>79,108.00</b>	<b>79,108.00</b>			<b>3.880</b>	<b>447</b>	
<b>Local Agency Investment Fund (LAIF)</b>												
LAIF	9001	STATE OF CALIFORNIA		07/01/2004	17,120,270.84	17,108,892.74	17,120,270.84	5.098		5.028	1	
<b>Subtotal and Average</b>			<b>15,510,950.56</b>		<b>17,120,270.84</b>	<b>17,108,892.74</b>	<b>17,120,270.84</b>			<b>5.028</b>	<b>1</b>	
<b>San Diego County Pool</b>												
SD COUNTY POOL	9007	STATE OF CALIFORNIA		07/01/2004	102,174.10	102,007.26	102,174.10	4.818		4.752	1	
<b>Subtotal and Average</b>			<b>102,174.10</b>		<b>102,174.10</b>	<b>102,007.26</b>	<b>102,174.10</b>			<b>4.752</b>	<b>1</b>	

Portfolio OTAY

AP

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**OTAY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**October 31, 2006**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity
Total and Average			74,112,348.96		71,301,552.94	71,162,361.06	71,245,458.71			4.810	160

**OTAY**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**October 31, 2006**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity
<b>Union Bank</b>											
UNION BANK	9002	STATE OF CALIFORNIA		07/01/2004	209,274.85	209,274.85	209,274.85	1.400		1.381	1
PETTY CASH	9003	STATE OF CALIFORNIA		07/01/2004	2,800.00	2,800.00	2,800.00			0.000	1
CALIF BANK & TR	9004	STATE OF CALIFORNIA		07/01/2004	1,362,508.64	1,362,508.64	1,362,508.64			0.000	1
PAYROLL	9005	STATE OF CALIFORNIA		07/01/2004	53,672.67	53,672.67	53,672.67			0.000	1
UNION IOC	9008	STATE OF CALIFORNIA		05/01/2006	56,127.05	56,127.05	56,127.05	4.510		4.448	1
		<b>Average Balance</b>	<b>0.00</b>								<b>1</b>
<b>Total Cash and Investmentss</b>			<b>74,112,348.96</b>		<b>72,985,936.15</b>	<b>72,846,744.27</b>	<b>72,929,841.92</b>			<b>4.810</b>	<b>160</b>

**OTAY**  
**Activity Report**  
**Sorted By Issuer**  
**July 1, 2006 - October 31, 2006**

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
<b>Issuer: STATE OF CALIFORNIA</b>									
<b>Union Bank</b>									
UNION BANK	9002	STATE OF CALIFORNIA			1.400		20,413,121.03	20,258,864.46	
CALIF BANK & TR	9004	STATE OF CALIFORNIA					3,102,211.18	2,635,786.11	
PAYROLL	9005	STATE OF CALIFORNIA					4,773.74	0.00	
UNION IOC	9008	STATE OF CALIFORNIA			4.510		9,175,683.46	9,150,249.38	
<b>Subtotal and Balance</b>				<b>1,033,493.75</b>			<b>32,695,789.41</b>	<b>32,044,899.95</b>	<b>1,684,383.21</b>
<b>Local Agency Investment Fund (LAIF)</b>									
LAIF	9001	STATE OF CALIFORNIA			5.098		14,952,750.49	10,400,000.00	
<b>Subtotal and Balance</b>				<b>12,567,520.35</b>			<b>14,952,750.49</b>	<b>10,400,000.00</b>	<b>17,120,270.84</b>
<b>San Diego County Pool</b>									
SD COUNTY POOL	9007	STATE OF CALIFORNIA			4.818		3,082.37	0.00	
<b>Subtotal and Balance</b>				<b>99,091.73</b>			<b>3,082.37</b>	<b>0.00</b>	<b>102,174.10</b>
<b>Issuer Subtotal</b>				<b>25.905%</b>			<b>47,651,622.27</b>	<b>42,444,899.95</b>	<b>18,906,828.15</b>
<b>Issuer: California Bank &amp; Trust</b>									
<b>Certificates of Deposit - Bank</b>									
<b>Subtotal and Balance</b>				<b>79,108.00</b>					<b>79,108.00</b>
<b>Issuer Subtotal</b>				<b>0.108%</b>			<b>0.00</b>	<b>0.00</b>	<b>79,108.00</b>
<b>Issuer: Federal Home Loan Bank</b>									
<b>Federal Agency Issues- Callable</b>									
3133X5ZG6	1977	Federal Home Loan Bank			2.510	07/28/2006	0.00	3,000,000.00	
3133X6LN4	1980	Federal Home Loan Bank			2.650	08/10/2006	0.00	3,000,000.00	
3133X8KC5	1989	Federal Home Loan Bank			3.000	09/28/2006	0.00	3,000,000.00	
3133XARM1	1990	Federal Home Loan Bank			3.470	09/08/2006	0.00	3,000,000.00	
3133XGCU6	2008	Federal Home Loan Bank			5.450	07/28/2006	3,000,000.00	0.00	

OTAY  
Activity Report  
July 1, 2006 - October 31, 2006

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Current Rate	Transaction Date	Par Value		Ending Balance
				Beginning Balance				Purchases or Deposits	Redemptions or Withdrawals	
<b>Issuer: Federal Home Loan Bank</b>										
<b>Federal Agency Issues- Callable</b>										
3133XHDA	2009	Federal Home Loan Bank				5.150	10/20/2006	3,000,000.00	0.00	
		<b>Subtotal and Balance</b>		<b>39,000,000.00</b>				<b>6,000,000.00</b>	<b>12,000,000.00</b>	<b>33,000,000.00</b>
		<b>Issuer Subtotal</b>	<b>45.214%</b>	<b>39,000,000.00</b>				<b>6,000,000.00</b>	<b>12,000,000.00</b>	<b>33,000,000.00</b>
<b>Issuer: Federal Home Loan Mortgage</b>										
<b>Federal Agency Issues- Callable</b>										
		<b>Subtotal and Balance</b>		<b>12,000,000.00</b>						<b>12,000,000.00</b>
		<b>Issuer Subtotal</b>	<b>16.442%</b>	<b>12,000,000.00</b>				<b>0.00</b>	<b>0.00</b>	<b>12,000,000.00</b>
<b>Issuer: Federal National Mortgage Assoc</b>										
<b>Federal Agency Issues- Callable</b>										
		<b>Subtotal and Balance</b>		<b>3,000,000.00</b>						<b>3,000,000.00</b>
		<b>Issuer Subtotal</b>	<b>4.110%</b>	<b>3,000,000.00</b>				<b>0.00</b>	<b>0.00</b>	<b>3,000,000.00</b>
<b>Issuer: US TREASURY</b>										
<b>Treasury Securities - Coupon</b>										
912827Z62	1995	US TREASURY				6.500	10/15/2006	0.00	3,000,000.00	
		<b>Subtotal and Balance</b>		<b>9,000,000.00</b>				<b>0.00</b>	<b>3,000,000.00</b>	<b>6,000,000.00</b>
		<b>Issuer Subtotal</b>	<b>8.221%</b>	<b>9,000,000.00</b>				<b>0.00</b>	<b>3,000,000.00</b>	<b>6,000,000.00</b>
		<b>Total</b>	<b>100.000%</b>	<b>76,779,213.83</b>				<b>53,651,622.27</b>	<b>57,444,899.95</b>	<b>72,985,936.15</b>

**OTAY**  
**Duration Report**  
**Sorted by Investment Type - Investment Type**  
**Through 10/31/2006**

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 365	Current Yield	Maturity/ Call Date	Effective Duration
3133XF2C9	2002	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,001,875.00	5.250	5.247	5.184	10/03/2007	0.886
3133XHDA	2009	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	2,997,187.50	5.150	5.146	5.343	04/10/2007	0.438
3133XEP45	1999	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	2,994,375.00	5.000	5.000	5.385	03/02/2007	0.331
3133XEMS5	1998	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	2,992,500.00	5.000	5.012	5.514 c	11/28/2006	0.000
3133XETX7	2001	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	2,995,312.50	5.125	5.125	5.319	09/14/2007	0.834
3133X8KE1	1988	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	2,988,750.00	3.025	3.024	3.789	12/29/2006	0.158
3128X4CE9	2005	99	Federal Home Loan Mortgage	Fair	2,986,440.05	3,000,000.00	2,984,928.13	3.625	5.232	4.653	02/15/2007	0.290
3133XFBX3	2003	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	2,999,062.50	5.250	5.250	5.314 c	11/04/2006	0.008
3133XFS72	2007	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	2,999,062.50	5.350	5.350	5.414 c	12/28/2006	0.156
3128X4DY4	2004	99	Federal Home Loan Mortgage	Fair	2,975,744.24	3,000,000.00	2,974,752.05	4.000	5.200	5.731 c	01/13/2007	0.200
3128X5CC0	2006	99	Federal Home Loan Mortgage	Fair	3,000,000.00	3,000,000.00	3,000,206.91	5.340	5.336	5.326 c	12/01/2006	0.082
3133XGCU6	2008	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,000,000.00	5.450	5.450	5.488	01/29/2007	0.237
3128X4K67	2000	99	Federal Home Loan Mortgage	Fair	3,000,000.00	3,000,000.00	2,993,090.97	5.250	5.250	5.435	03/07/2008	1.276
31359MG31	1997	99	Federal National Mortgage Assoc	Fair	3,000,000.00	3,000,000.00	2,993,437.50	5.000	5.000	5.449 c	11/24/2006	0.000
3133XASF5	1991	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	2,994,375.00	3.500	3.498	3.882	12/08/2006	0.101
3133XARK5	1992	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	2,994,375.00	3.510	3.508	3.892	12/08/2006	0.101
912828DQ0	1994	99	US TREASURY	Fair	2,991,313.37	3,000,000.00	2,983,125.00	3.750	4.492	4.903	03/31/2007	0.410
912828DJ6	1993	99	US TREASURY	Fair	2,990,408.11	3,000,000.00	2,985,937.50	3.125	4.437	4.082	01/31/2007	0.249
2050003183R	1996	99	California Bank & Trust	Amort	79,108.00	79,108.00	79,108.00	3.880	3.934	3.880	01/22/2008	1.191 †
<b>Report Total</b>					<b>54,023,013.77</b>	<b>54,079,108.00</b>	<b>53,951,461.06</b>			<b>5.004</b>		<b>0.321 †</b>

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

Portfolio OTAY  
AP

OTAY WATER DISTRICT  
**COMPARATIVE BUDGET SUMMARY**  
 FOR FOUR MONTHS ENDED OCTOBER 31, 2006

	Annual Budget	YTD Actual	YTD Budget	YTD Variance	Var %
<b>REVENUE:</b>					
Water Sales	\$ 29,866,000	\$ 12,275,419	\$ 12,232,588	\$ 42,831	0.4%
Energy Charges	1,853,000	795,487	784,800	10,687	1.4%
System Charges	8,529,300	2,731,181	2,729,800	1,381	0.1%
Penalties	704,500	254,330	246,600	7,730	3.1%
MWD & CWA Fixed Charges	2,178,000	638,625	638,000	625	0.1%
Total Water Sales	<u>43,130,800</u>	<u>16,695,041</u>	<u>16,631,788</u>	<u>63,253</u>	<u>0.4%</u>
Reclamation Sales	4,485,400	1,813,631	1,804,500	9,131	0.5%
Sewer Charges	2,568,100	822,617	836,800	(14,183)	(1.7%)
Meter Fees	278,500	104,311	92,800	11,511	12.4%
Capacity Fee Revenues	1,000,200	513,056	333,600	179,456	53.8%
Annexation Fees	1,216,900	798,019	401,600	396,419	98.7%
Non-Operating Revenues	1,674,100	521,049	519,200	1,849	0.4%
Tax Revenues	3,427,400	170,455	152,500	17,955	11.8%
Interest	1,005,600	429,163	335,200	93,963	28.0%
General Fund Draw Down	283,600	94,500	94,500	-	0.0%
Total Revenue	<u>\$ 59,070,600</u>	<u>\$ 21,961,842</u>	<u>\$ 21,202,488</u>	<u>\$ 759,354</u>	<u>3.6%</u>
<b>EXPENSES:</b>					
Water Purchases	\$ 22,954,900	\$ 9,533,115	\$ 9,505,000	\$ (28,115)	(0.3%)
CWA-Infrastructure Access Charge	1,003,900	325,584	325,600	16	0.0%
CWA-Customer Service Charge	846,800	270,920	270,800	(120)	(0.0%)
CWA-Emergency Storage Charge	1,230,600	394,128	394,000	(128)	(0.0%)
MWD-Capacity Res Charge	514,800	171,728	171,600	(128)	(0.1%)
MWD-Readiness to Serve Charge	512,200	170,736	170,600	(136)	(0.1%)
Subtotal Water Purchases	<u>27,063,200</u>	<u>10,866,211</u>	<u>10,837,600</u>	<u>(28,611)</u>	<u>(0.3%)</u>
Power Charges	2,677,800	920,654	910,500	(10,154)	(1.1%)
Payroll & Related Costs	14,606,300	4,621,053	4,455,536	(165,517)	(3.7%)
Material & Maintenance	4,623,700	1,362,975	1,541,236	178,261	11.6%
Administrative Expenses	4,888,600	1,330,466	1,646,300	315,834	19.2%
Legal Fees	671,000	135,146	223,667	88,521	39.6%
Replacement Reserve	4,540,000	1,513,300	1,513,300	-	0.0%
Total Expenses	<u>\$ 59,070,600</u>	<u>\$ 20,749,805</u>	<u>\$ 21,128,139</u>	<u>\$ 378,333</u>	<u>1.8%</u>
<b>Excess Revenue (Expense)</b>	<u>\$ -</u>	<u>\$ 1,212,037</u>	<u>\$ 74,349</u>	<u>\$ 1,137,687</u>	



# AGENDA ITEM 10

## STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	December 6, 2006
SUBMITTED BY:	Sean Prendergast, Principal Accountant	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:**

<b>SUMMARY</b>	<b>NET DEMANDS</b>
CHECKS (2003293-2003759)	\$4,416,650.23
WIRE TO:	
CITY OF CHULA VISTA - BI-MONTHLY SEWER CHARGES	\$2,268,014.21
J P MORGAN SECURITIES - REMARKETING FEE	\$2,949.53
LANDESBANK - CERTIFICATES OF PARTICIPATION	\$36,388.08
PLAN HANDLERS - MEDICAL CLAIMS	\$138,228.43
SAN DIEGO COUNTY WATER AUTHORITY - WTR DEL/SEP	\$2,563,953.90
UNION BANK - PAYROLL TAXES	\$254,578.33
<b>TOTAL CASH DISBURSEMENTS</b>	<b>\$9,680,762.71</b>

**RECOMMENDED ACTION:**

That the Board receive the attached list of demands.

jb

Attachment

OTAY WATER DISTRICT  
CHECK REGISTER  
FOR CHECKS 2003293 THROUGH 2003759  
RUN DATES 11/1/2006 TO 11/29/2006

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2003293	11/01/06	04469	A COPY WORLD	00013718	10/09/06	CAFR TABS	191.53	247.56
				00013712	10/09/06	ACETATE COVER FOR CAFR	56.03	
2003584	11/21/06	02164	AAA RADIATOR WAREHOUSE	01110914	10/31/06	AIR COOLER	727.31	727.31
2003294	11/01/06	01910	ABCANA INDUSTRIES	782258	10/09/06	SODIUM HYPOCHLORITE	1,092.04	2,041.26
				782240	10/09/06	SODIUM HYPOCHLORITE	949.22	
2003385	11/08/06	01910	ABCANA INDUSTRIES	782792	10/19/06	SODIUM HYPOCHLORITE	1,354.28	3,036.39
				782556	10/16/06	SODIUM HYPOCHLORITE	898.74	
				782793	10/19/06	SODIUM HYPOCHLORITE	534.32	
				782794	10/19/06	SODIUM HYPOCHLORITE	277.01	
				CM053106	05/31/06	CREDIT MEMO	(27.96)	
2003491	11/15/06	01910	ABCANA INDUSTRIES	782954	10/23/06	SODIUM HYPOCHLORITE	1,165.91	2,270.42
				782955	10/23/06	SODIUM HYPOCHLORITE	773.17	
				782580	10/16/06	SODIUM HYPOCHLORITE	221.23	
				782579	10/16/06	SODIUM HYPOCHLORITE	110.11	
2003585	11/21/06	01910	ABCANA INDUSTRIES	783175	10/30/06	SODIUM HYPOCHLORITE	1,108.04	3,636.85
				782589	10/16/06	SODIUM HYPOCHLORITE	1,092.04	
				783178	10/30/06	SODIUM HYPOCHLORITE	759.63	
				783176	10/30/06	SODIUM HYPOCHLORITE	677.14	
2003676	11/29/06	01910	ABCANA INDUSTRIES	783602	11/06/06	SODIUM HYPOCHLORITE	935.68	2,123.75
				783507	11/02/06	SODIUM HYPOCHLORITE	717.76	
				783603	11/06/06	SODIUM HYPOCHLORITE	470.31	
2003386	11/08/06	00421	ADVANCED DIESEL INJECTION INC	28361	10/17/06	PT PUMP REPAIR	573.19	573.19
2003587	11/21/06	00132	AIRGAS WEST	103220614	10/31/06	BREATHING AIR	21.08	21.08
2003586	11/21/06	06300	AIR-TRAK INC	56508	09/29/06	GIS EQUIPMENT	914.02	914.02
2003492	11/15/06	01128	ALCEM FENCE COMPANY INC	18875	10/23/06	GATE INSTALLATION	755.00	755.00
2003387	11/08/06	02901	ALL AMERICAN SEWER TOOLS	61347	10/19/06	TOOLS	154.00	270.26
				61345	10/19/06	WARTHOG REPAIR KIT	116.26	
2003388	11/08/06	01463	ALLIED ELECTRONICS INC	23280C00	10/18/06	IDEC TIMERS	247.92	247.92
2003295	11/01/06	03787	ALLIED TRENCH SHORING SERVICE	723447	10/03/06	STEEL PLATE RENTALS	390.00	390.00
2003677	11/29/06	03787	ALLIED TRENCH SHORING SERVICE	731829	11/06/06	STEEL PLATE RENTALS	313.50	313.50
2003493	11/15/06	02362	ALLIED WASTE SERVICES	0509002551971	10/25/06	TRASH REMOVAL SERVICES	599.28	

OTAY WATER DISTRICT  
CHECK REGISTER  
FOR CHECKS 2003293 THROUGH 2003759  
RUN DATES 11/1/2006 TO 11/29/2006

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
				0509002553548	10/25/06	ASBESTOS DISPOSAL CONTAINER RENTAL	173.26	
				0509002554695	10/25/06	TRASH REMOVAL SERVICES	64.13	836.67
2003296	11/01/06	06166	AMERICAN MESSAGING	L1109570GK	11/01/06	PAGER SERVICES	525.42	525.42
2003494	11/15/06	06166	AMERICAN MESSAGING	L1034315GK	11/01/06	PAGER SERVICE	14.68	14.68
2003588	11/21/06	06152	AMERICAN PEST CONTROL	185784	10/31/06	PEST CONTROL SERVICE	235.00	235.00
2003297	11/01/06	00107	AMERICAN WATER WORKS	1000330079A	10/16/06	SHIPPING CHARGE	37.80	37.80
2003389	11/08/06	00107	AMERICAN WATER WORKS	1000330079	10/16/06	REFERENCE BOOKS	540.00	540.00
2003678	11/29/06	00002	ANSWER INC	015475	11/01/06	ANSWERING SERVICES	2,646.30	2,646.30
2003495	11/15/06	02829	APPLIED TECHNOLOGY GROUP INC	176914	10/16/06	REPAIR 9810 RADIO	295.10	295.10
2003298	11/01/06	06505	APT US&C	015399	10/20/06	DEBT POLICY CERT PROGRAM FEE	200.00	200.00
2003299	11/01/06	05753	ARRIETA CONSTRUCTION INC	4	08/31/06	SWEETWATER SPRINGS INTERCONNECTION	12,988.40	12,988.40
2003390	11/08/06	03582	ASI STERLING SECURITY	99672	10/13/06	AFTER HOURS SECURITY SVCS	768.50	768.50
2003496	11/15/06	05514	ASSOCIATED TOWING	366607	08/16/06	TOWING SERVICES	200.00	200.00
2003497	11/15/06	05758	AT&T	015385	10/07/06	PHONE SERVICE	33.33	33.33
2003589	11/21/06	05758	AT&T	015459	11/07/06	PHONE SERVICE	33.33	33.33
2003590	11/21/06	06272	AT&T/MCI	T5735360	10/16/06	PHONE SERVICE	941.16	941.16
2003679	11/29/06	06272	AT&T/MCI	T5739555	10/17/06	PHONE SERVICE	5,994.34	5,994.34
2003680	11/29/06	03285	AZTEC FIRE & SAFETY	40164	11/06/06	SERVICE INSPECTION	280.18	280.18
2003498	11/15/06	01583	AZTEC IMAGING	9DV32A	10/26/06	TONER	374.97	374.97
2003300	11/01/06	00145	BARRETT ENGINEERED PUMPS	052519	10/12/06	FLOAT SWITCHES	245.67	245.67
2003391	11/08/06	00145	BARRETT ENGINEERED PUMPS	052589	10/17/06	ANALYZER SAMPLE PUMP	204.73	
				052583	10/17/06	PUMP	109.69	314.42
2003499	11/15/06	00145	BARRETT ENGINEERED PUMPS	052704	10/24/06	WASH RACK PUMP REPAIR	490.19	
				052714	10/24/06	PUMP HOUSING FOR OUTLET ANALYZER	258.60	748.79
2003301	11/01/06	06285	BARTEL ASSOCIATES, LLC	06389	10/09/06	PROFESSIONAL ACTUARY SERVICES	3,975.00	3,975.00

OTAY WATER DISTRICT  
CHECK REGISTER  
FOR CHECKS 2003293 THROUGH 2003759  
RUN DATES 11/1/2006 TO 11/29/2006

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2003302	11/01/06	06498	BEHAVIOR RESEARCH	25985	10/12/06	TRAINING FEE	1,000.00	1,000.00
2003500	11/15/06	06520	BENSKIN, RONALD	396689651	11/13/06	SAFETY BOOTS REIMBURSEMENT	87.26	87.26
2003303	11/01/06	01940	BERRYMAN & HENIGAR INC WEST	59754A	03/24/05	RECYCLED WATER PLAN CHECK & INSPECTION	615.00	615.00
2003591	11/21/06	01940	BERRYMAN & HENIGAR INC WEST	59754B	03/24/05	PLANCHECK & INSPECTION SERVICES	6,895.66	6,895.66
2003392	11/08/06	02570	BEST LIFE & HEALTH INSURANCE	015433	11/01/06	VOLUNTARY LIFE INSURANCE	215.65	215.65
2003393	11/08/06	02787	BEST RENTALS INC	R30890	10/13/06	CONCRETE	188.56	188.56
2003681	11/29/06	02787	BEST RENTALS INC	R31017	11/02/06	CONCRETE	75.43	75.43
2003304	11/01/06	04806	BJ'S RENTALS	77544	10/11/06	CONCRETE	110.98	110.98
2003682	11/29/06	04806	BJ'S RENTALS	81197 82171	11/02/06 11/08/06	CONCRETE CONCRETE	143.31 94.82	238.13
2003683	11/29/06	03404	BLAIR RASMUSSEN CONSTRUCTION	3	11/03/06	METER SHOP REMODEL	18,747.00	18,747.00
2003394	11/08/06	02197	BLUE CROSS OF CALIFORNIA	40472	11/01/06	EMPLOYEE ASSISTANCE PROGRAM SERVICES	582.45	582.45
2003592	11/21/06	02342	BOOT WORLD INC	1031785IN	10/31/06	SAFETY BOOTS	174.52	174.52
2003501	11/15/06	00559	BOYLE ENGINEERING CORPORATION	037362	10/23/06	PLAN CHECK INSPECT SVCS	8,235.10	8,235.10
2003684	11/29/06	00559	BOYLE ENGINEERING CORPORATION	037698	11/03/06	PLAN CHECK & INSPECT SVCS	5,205.17	5,205.17
2003593	11/21/06	03679	BRG CONSULTING INC	06100721	10/31/06	1296-3 RESERVOIR PROJECT	6,802.54	6,802.54
2003305	11/01/06	01232	BRODING'S BATTERY WAREHOUSE	41900	10/12/06	AUTOMOTIVE BATTERIES	65.67	65.67
2003502	11/15/06	01232	BRODING'S BATTERY WAREHOUSE	42433 42254	10/26/06 10/23/06	AUTOMOTIVE BATTERIES AUTO PARTS	64.60 16.30	80.90
2003594	11/21/06	01232	BRODING'S BATTERY WAREHOUSE	42440	10/27/06	AUTO PARTS	36.55	36.55
2003685	11/29/06	01232	BRODING'S BATTERY WAREHOUSE	42699	11/03/06	REBUILD ALTERNATOR	86.76	86.76
2003395	11/08/06	05115	BROOKFIELD SHEA OTAY LLC	015410	10/31/06	METER REFUND	37,734.00	37,734.00
2003396	11/08/06	03721	BULLET LOGISTICS INC	10150603350	10/15/06	COURIER SERVICES	227.70	227.70
2003306	11/01/06	00223	C W MCGRATH INC	22205	10/10/06	CRUSHED ROCK	310.49	

OTAY WATER DISTRICT  
CHECK REGISTER  
FOR CHECKS 2003293 THROUGH 2003759  
RUN DATES 11/1/2006 TO 11/29/2006

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
				22247	10/12/06	CRUSHED ROCK	196.88	
				22228	10/11/06	CRUSHED ROCK	105.08	
				22190	10/09/06	CRUSHED ROCK	81.37	693.82
2003397	11/08/06	00223	C W MCGRATH INC	22310	10/18/06	CRUSHED ROCK	391.95	
				22285	10/16/06	CRUSHED ROCK	71.37	463.32
2003503	11/15/06	00223	C W MCGRATH INC	22370	10/24/06	CRUSHED ROCK	348.68	
				21263	08/03/06	CRUSHED ROCK	198.18	
				21242	08/02/06	CRUSHED ROCK	177.14	
				21220	08/01/06	CRUSHED ROCK	161.11	
				22411	10/26/06	CRUSHED ROCK	149.69	
				22264	10/13/06	CRUSHED ROCK	118.36	1,153.16
2003595	11/21/06	00223	C W MCGRATH INC	22489	11/01/06	CRUSHED ROCK	195.85	195.85
2003686	11/29/06	00223	C W MCGRATH INC	22507	11/02/06	CRUSHED ROCK	218.61	
				22587	11/08/06	CRUSHED ROCK	145.16	
				22611	11/09/06	CRUSHED ROCK	103.96	467.73
2003307	11/01/06	02401	CAJON VALLEY UNION SCHOOL DIST	7300	10/19/06	BUS FUNDING FOR FIELD TRIP	71.00	71.00
2003596	11/21/06	02401	CAJON VALLEY UNION SCHOOL DIST	7308	11/07/06	BUS FUNDING FOR FIELD TRIP	142.00	142.00
2003687	11/29/06	02401	CAJON VALLEY UNION SCHOOL DIST	7354	11/17/06	BUS FUNDING FOR FIELD TRIP	71.00	71.00
2003398	11/08/06	06420	CALIF DEP'T OF FISH & GAME	015415	11/02/06	WETLANDS PERMIT	500.00	500.00
2003308	11/01/06	02920	CALIFORNIA COMMERCIAL	61937	10/10/06	ASPHALT	2,261.14	2,261.14
2003504	11/15/06	02920	CALIFORNIA COMMERCIAL	62579	10/26/06	ASPHALT	129.69	129.69
2003505	11/15/06	00693	CALIFORNIA SPECIAL DIST ASSOC	015446	11/13/06	MEETING RESERVATIONS	96.00	96.00
2003688	11/29/06	00245	CALIFORNIA STAMP CO	701271	11/02/06	BANK STAMP	57.98	57.98
2003689	11/29/06	00192	CALIFORNIA WATER ENVIRONMENT	015483	11/29/06	CERTIFICATION RENEWAL FEE	66.00	66.00
2003506	11/15/06	02972	CALIFORNIA WATER ENVIRONMENTAL	015437	11/08/06	MEMBERSHIP RENEWALS	330.00	
				015436	11/07/06	MEMBERSHIP RENEWAL	110.00	440.00
2003597	11/21/06	02972	CALIFORNIA WATER ENVIRONMENTAL	015458	11/05/06	MEMBERSHIP RENEWAL	100.00	100.00
2003399	11/08/06	01243	CALIFORNIA-NEVADA SECTION	0025020IN	10/16/06	WORKSHOPS	105.00	105.00
2003309	11/01/06	01004	CALOLYMPIC SAFETY	007689	10/11/06	REPLACEMENT SENSOR/GAS MONITOR	190.45	190.45

OTAY WATER DISTRICT  
CHECK REGISTER  
FOR CHECKS 2003293 THROUGH 2003759  
RUN DATES 11/1/2006 TO 11/29/2006

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2003598	11/21/06	04215	CAMP DRESSER & MCKEE INC	802417436	10/30/06	IRP PROJECT	26,704.89	26,704.89
2003310	11/01/06	03684	CANON BUSINESS SOLUTIONS-WEST	3583107 3582653	10/07/06 10/06/06	COPIER SERVICE COPIER SERVICE	506.02 433.09	939.11
2003599	11/21/06	03684	CANON BUSINESS SOLUTIONS-WEST	3601937	11/01/06	COPIER MAINTENANCE	1,206.88	1,206.88
2003690	11/29/06	03684	CANON BUSINESS SOLUTIONS-WEST	3604850 3604850a 1438870	11/06/06 11/06/06 11/06/06	COPIER SERVICE COPIER SERVICE OFFICE SUPPLIES	529.06 208.57 53.88	791.51
2003600	11/21/06	04071	CAPITOL WEBWORKS LLC	17972	10/31/06	LOBBYING DISCLOSURE FILING FEE	45.00	45.00
2003311	11/01/06	03572	CARLTON, DISANTE &	42977 42978	10/16/06 10/16/06	LEGAL SERVICES SEP 2006 LEGAL SERVICES SEP 2006	3,630.00 660.00	4,290.00
2003601	11/21/06	02758	CARMEL BUSINESS SYSTEMS INC	6368	11/01/06	STORAGE & DESTRUCTION OF DOCUMENTS	827.21	827.21
2003400	11/08/06	04204	CASA DEL MAR	20445	10/17/06	UNIFORM APPAREL	217.61	217.61
2003401	11/08/06	04349	CHAMBERS, JONATHAN	015434	11/06/06	TUITION REIMBURSEMENT	212.50	212.50
2003602	11/21/06	06418	CHULA VISTA ELECTRIC CO	200943	10/31/06	PUMP REPAIRS	2,042.00	2,042.00
2003691	11/29/06	02026	CHULA VISTA ELEMENTARY SCHOOL	30254	11/21/06	FIELD TRIP FUNDING	490.00	490.00
2003507	11/15/06	06519	CHULA VISTA POLICE DEPT	015438 015439	11/08/06 11/08/06	TRAFFIC COLLISION REPORT TRAFFIC COLLISION REPORT	10.00 10.00	20.00
2003603	11/21/06	06519	CHULA VISTA POLICE DEPT	0624809	11/16/06	TRAFFIC COLLISION REPORT	10.00	10.00
2003692	11/29/06	06519	CHULA VISTA POLICE DEPT	0610259	11/22/06	TRAFFIC COLLISION REPORT	10.00	10.00
2003508	11/15/06	05008	CINGULAR WIRELESS	015409	10/29/06	WIRELESS PHONE SERVICE	11.17	11.17
2003604	11/21/06	00944	CITY OF SAN DIEGO	00944	10/31/06	BI-MONTHLY SEWER CHARGES	68,223.34	68,223.34
2003605	11/21/06	00234	CITY TREASURER	451750	10/16/06	METRO SEWERAGE SYSTEM	153,037.00	153,037.00
2003312	11/01/06	06495	CLARK, JENNIFER J	Ref002368676	10/18/06	UB Refund Cst #0000033287	18.72	18.72
2003693	11/29/06	04119	CLARKSON LAB & SUPPLY INC	31824 31591 31724	10/31/06 10/31/06 10/31/06	BACTERIOLOGICAL ANALYSIS BACTERIOLOGICAL ANALYSIS BACTERIOLOGICAL ANALYSIS	308.00 190.00 190.00	688.00

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2003313	11/01/06	04398	CONSTRUCTION MANAGEMENT	015392	10/23/06	MEETING REGISTRATION	55.00	55.00
2003694	11/29/06	04398	CONSTRUCTION MANAGEMENT	015481	11/28/06	REGISTRATION FEE	55.00	55.00
2003314	11/01/06	03774	CONSTRUCTION RESIDUE RECYCLING	974179	10/11/06	DUMPING SERVICES	500.00	500.00
2003695	11/29/06	03774	CONSTRUCTION RESIDUE RECYCLING	974258	10/31/06	DUMPING SERVICES	80.00	80.00
2003402	11/08/06	03706	CONSUMERS PIPE & SUPPLY CO	S1006653001	10/16/06	CLAVAL PARTS	278.53	278.53
2003509	11/15/06	03706	CONSUMERS PIPE & SUPPLY CO	S1001318003 S1001318002	09/21/06 09/21/06	PVC PIPE PVC PIPE	40.51 34.05	74.56
2003606	11/21/06	03706	CONSUMERS PIPE & SUPPLY CO	S1008622001	10/30/06	INDUSTRIAL SUPPLIES	322.24	322.24
2003510	11/15/06	06518	CORKY MCMILLIN CONSTRUCTION	015430 015431	11/06/06 11/06/06	W/O REFUND D0032-XX6435 W/O REFUND D0032-XX6394	1,167.78 712.62	1,880.40
2003607	11/21/06	02612	COUNCIL OF WATER UTILITIES	015462	11/16/06	MEETING RESERVATIONS	40.00	40.00
2003315	11/01/06	00184	COUNTY OF SAN DIEGO	DEH070010D11 DEH070012D11	10/13/06 10/13/06	RECLAIMED WATER SHUTDOWN TEST RECLAIMED WATER SHUTDOWN TEST	690.00 632.50	1,322.50
2003403	11/08/06	00433	COUNTY OF SAN DIEGO	97092327	10/23/06	ENGINEERING PERMITS	3,614.00	3,614.00
2003404	11/08/06	00433	COUNTY OF SAN DIEGO	97092322	10/23/06	ENGINEERING PERMITS	2,813.00	2,813.00
2003405	11/08/06	00433	COUNTY OF SAN DIEGO	97092335	10/23/06	ENGINEERING PERMITS	2,437.00	2,437.00
2003406	11/08/06	00433	COUNTY OF SAN DIEGO	97092330	10/23/06	ENGINEERING PERMITS	2,170.00	2,170.00
2003407	11/08/06	00433	COUNTY OF SAN DIEGO	97092329	10/23/06	ENGINEERING PERMITS	2,170.00	2,170.00
2003408	11/08/06	00433	COUNTY OF SAN DIEGO	97092334	10/23/06	ENGINEERING PERMITS	2,170.00	2,170.00
2003409	11/08/06	00433	COUNTY OF SAN DIEGO	97092105	10/23/06	ENGINEERING PERMITS	1,120.00	1,120.00
2003410	11/08/06	00433	COUNTY OF SAN DIEGO	97092143	10/23/06	ENGINEERING PERMITS	720.00	720.00
2003411	11/08/06	00433	COUNTY OF SAN DIEGO	97092338	10/23/06	ENGINEERING PERMITS	526.00	526.00
2003412	11/08/06	00433	COUNTY OF SAN DIEGO	97092389	10/23/06	ENGINEERING PERMITS	460.00	460.00
2003413	11/08/06	00433	COUNTY OF SAN DIEGO	97092340	10/23/06	ENGINEERING PERMITS	403.00	403.00
2003414	11/08/06	00433	COUNTY OF SAN DIEGO	97092332	10/23/06	ENGINEERING PERMITS	403.00	403.00

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2003415	11/08/06	00433	COUNTY OF SAN DIEGO	97092331	10/23/06	ENGINEERING PERMITS	403.00	403.00
2003416	11/08/06	00433	COUNTY OF SAN DIEGO	97092328	10/23/06	ENGINEERING PERMITS	403.00	403.00
2003417	11/08/06	00433	COUNTY OF SAN DIEGO	97092210	10/23/06	ENGINEERING PERMITS	403.00	403.00
2003418	11/08/06	00433	COUNTY OF SAN DIEGO	97092323	10/23/06	ENGINEERING PERMITS	403.00	403.00
2003419	11/08/06	00433	COUNTY OF SAN DIEGO	97092325	10/23/06	ENGINEERING PERMITS	403.00	403.00
2003420	11/08/06	00433	COUNTY OF SAN DIEGO	97092333	10/23/06	ENGINEERING PERMITS	403.00	403.00
2003421	11/08/06	00433	COUNTY OF SAN DIEGO	97092326	10/23/06	ENGINEERING PERMITS	278.00	278.00
2003316	11/01/06	05125	CUDLIP, JAMES	015398	10/25/06	TUITION REIMBURSEMENT	121.00	121.00
2003696	11/29/06	05125	CUDLIP, JAMES	015479	11/28/06	EXAM & CERTIFICATION REIMBURSEMENT	145.00	145.00
2003422	11/08/06	00422	D & D TOOL & SUPPLY	S1541347001	10/16/06	SHELL CUTTER	72.00	72.00
2003317	11/01/06	01822	DANIEL BOYLE ENGINEERING INC	11526	10/12/06	1485-2 RESERVOIR PROJECT	2,075.00	2,075.00
2003318	11/01/06	03354	DATAPROSE INC	37466	10/09/06	POSTAGE SERVICE	14,621.26	14,621.26
2003697	11/29/06	03354	DATAPROSE INC	38004	11/09/06	OCTOBER POSTAGE	14,628.32	
				38003	11/09/06	BILLING PRINT SERVICES	9,133.42	23,761.74
2003423	11/08/06	04550	DATATREE	900340106	10/31/06	MAP PURCHASING SERVICE	99.00	99.00
2003608	11/21/06	06533	DAVID EDGAR	015470	11/21/06	REFUND ON AV PARCEL #498-310-64-00	13.08	13.08
2003511	11/15/06	00852	DEC CONSULTANTS INC	U102023	10/31/06	2005-2007 CP PROGRAM	6,120.80	6,120.80
2003512	11/15/06	03428	DEL MAR OFFICE PRODUCTS	9324590	10/24/06	2007 CALENDARS & APPOINTMENT BOOKS	436.62	
				9324640	10/24/06	2007 CALENDARS	355.68	
				9328190	10/25/06	2007 CALENDARS & APPOINTMENT BOOKS	43.47	
				9324641	10/26/06	2007 CALENDARS	34.67	
				9300310	10/12/06	OFFICE SUPPLIES	20.28	
				9329290	10/26/06	2007 CALENDARS	16.04	
				C9324640	10/27/06	CREDIT MEMO	(15.07)	
				C9324590	10/27/06	CREDIT MEMO	(43.47)	848.22
2003609	11/21/06	03428	DEL MAR OFFICE PRODUCTS	9338000	10/31/06	CALENDARS	791.61	
				9372490	11/15/06	OFFICE SUPPLIES	143.87	935.48

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2003698	11/29/06	03428	DEL MAR OFFICE PRODUCTS	9341570	11/07/06	2007 THOMAS BROTHERS GUIDES	1,438.68	
				9345160	11/02/06	2007 CALENDARS	266.69	
				9324610	10/24/06	OFFICE SUPPLIES	229.57	
				9345180	11/02/06	2007 CALENDARS	56.27	
							1,991.21	
2003319	11/01/06	02603	DELL MARKETING LP	R22163825	10/06/06	COMPUTER MEMORY	150.19	150.19
2003610	11/21/06	02603	DELL MARKETING LP	R44537582	10/19/06	WIRELESS 5700 MOBILE BROADBAND	174.56	174.56
2003699	11/29/06	02603	DELL MARKETING LP	R66753369	11/02/06	DELL PRECISION DESKTOP	2,583.32	
				R65462719	11/02/06	POWERCONNECT PORT GBE	1,578.88	
				R69357979	11/03/06	MODULE OPTIPLEX	208.47	
				R10509071	09/29/06	DELL ULTRASHARP 1907FPV FLAT PANEL	2,773.75	
				R66053758	11/02/06	AC ADAPTER	169.61	
							7,314.03	
2003700	11/29/06	06500	DELL SERVICE SALES	PTG492582	10/25/06	SERVICE FOR POWER EDGE 2600	683.00	683.00
2003513	11/15/06	04944	DELL USA LP	015440	11/08/06	COMPUTER LOAN PROGRAM	2,502.87	2,502.87
2003320	11/01/06	03744	DEPARTMENT OF JUSTICE	593941	10/10/06	FINGERPRINT ANALYSIS SERVICES	128.00	128.00
2003701	11/29/06	03589	DEPT OF HEALTH SERVICES	015484	11/29/06	CERTIFICATION APPLICATION FEE	80.00	80.00
2003321	11/01/06	06496	DICE.COM	341697	10/10/06	JOB POSTING	429.00	429.00
2003424	11/08/06	03417	DIRECTV	441999312	10/19/06	SATELLITE TV SERVICE	4.99	4.99
2003702	11/29/06	03417	DIRECTV	451545517	11/05/06	SATELLITE TV SERVICE	46.96	
				459670984	11/19/06	SATELLITE TV SERVICE	4.99	
							51.95	
2003703	11/29/06	00028	DIXIELINE LUMBER COMPANY	1571154	11/06/06	PANELING & HARDWARE SUPPLIES	310.91	
				0470013	11/03/06	PANELING & HARDWARE SUPPLIES	87.62	
							398.53	
2003514	11/15/06	06523	DURAN, PATRICIA	015445	11/07/06	REIMBURSE EMPLOYEE EVENT EXP	28.00	28.00
2003515	11/15/06	01926	EAST COUNTY URGENT CARE	494201	11/09/06	FLU SHOTS	400.00	400.00
2003611	11/21/06	02292	EASTLAKE ELEMENTARY SCHOOL	015460	11/15/06	SCIENCE MOBILE LAB FUNDING	255.00	255.00
2003425	11/08/06	02447	EDCO DISPOSAL CORPORATION	015416	09/26/06	RECYCLING SERVICES	49.86	49.86
2003426	11/08/06	00230	EDP PRODUCTS INC	804712	10/31/06	CARTRIDGE STORAGE/RETRIEVAL	198.00	198.00
2003516	11/15/06	01314	EMED CO., INC	64285300	10/23/06	SIGNAGE FOR TREATMENT PLANT	411.66	411.66
2003322	11/01/06	03765	ENGINEERING PARTNERS INC	026269	10/09/06	ELECTRICAL ENGINEERING 803-4 RESERVOIR	4,540.00	4,540.00

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2003427	11/08/06	02259	ENVIRONMENTAL RESOURCE ASSOC	466710	10/13/06	YEARLY REGULATORY ANALYSES	714.09	714.09
2003428	11/08/06	03725	ESRI INC	91341614	06/21/06	SOFTWARE MAINTENANCE	1,622.30	1,622.30
2003517	11/15/06	02039	EXUM, SIMMIE E	015452	11/06/06	COMPUTER LOAN PROGRAM	1,921.90	1,921.90
2003323	11/01/06	03683	F & L INDUSTRIAL SOLUTIONS INC	4175	10/12/06	CLAVAL SOLENIOD	429.02	429.02
2003518	11/15/06	03757	FANDEL ENTERPRISES	1215	10/03/06	TELECOMMUNICATIONS CONSULTING SVCS	2,190.00	2,190.00
2003704	11/29/06	03757	FANDEL ENTERPRISES	1219	11/03/06	TELECOMMUNICATIONS MAINTENANCE SVCS	2,850.00	2,850.00
2003429	11/08/06	00645	FEDEX	846533015	10/13/06	OVERNIGHT PICK-UP & DELIVERY MAIL SVCS	17.75	17.75
2003612	11/21/06	00645	FEDEX	851709864	11/10/06	OVERNIGHT PICK-UP & DELIVERY MAIL SVCS	21.49	21.49
2003705	11/29/06	00645	FEDEX	850411000	11/03/06	OVERNIGHT PICK-UP & DELIVERY MAIL SVCS	22.99	22.99
2003324	11/01/06	03546	FERGUSON WATERWORKS	0176194	10/02/06	INVENTORY	10,766.69	
				0177906	10/12/06	INVENTORY	6,794.72	
				0177903	10/12/06	INVENTORY	1,277.02	
				0178193	10/12/06	WAREHOUSE SUPPLIES	833.99	
				0177918	10/12/06	INVENTORY	154.08	19,826.50
2003430	11/08/06	03546	FERGUSON WATERWORKS	0178389	10/19/06	HYDRANT CAPS	4,711.58	
				01761991	10/13/06	INVENTORY	3,238.42	
				0177917	10/13/06	INVENTORY	1,098.96	
				01779031	10/19/06	INVENTORY	325.76	9,374.72
2003613	11/21/06	03546	FERGUSON WATERWORKS	0180720	10/27/06	INVENTORY	7,344.05	
				0177910	10/31/06	INVENTORY	5,419.37	
				01807221	10/31/06	INVENTORY	5,040.91	
				0180799	11/01/06	HYDRANT CAPS	4,711.58	
				0180939	10/31/06	INVENTORY	2,681.26	
				01779032	10/25/06	INVENTORY	1,422.49	
				01807201	11/01/06	INVENTORY	1,379.93	
				01779033	10/31/06	INVENTORY	1,314.85	
				0180722	10/27/06	INVENTORY	1,215.53	
				0180794	10/31/06	RUBBER GASKETS	128.37	
				CM012716	11/06/06	CREDIT MEMO	(4,063.94)	26,594.40
2003706	11/29/06	03546	FERGUSON WATERWORKS	0175793	10/25/06	TAPPING MACHINES	10,791.16	
				0180488	10/27/06	INVENTORY	6,504.40	
				0177912	10/27/06	INVENTORY	6,073.13	
				0181465	11/03/06	INVENTORY	4,975.86	

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				0180496	10/27/06	INVENTORY	3,178.34	
				0178692	10/20/06	HYDRANT METER SWIVELS	1,911.05	
				0182484	11/08/06	WAREHOUSE SUPPLIES	951.81	
				0182482	11/08/06	INVENTORY	499.35	
				0181059	11/09/06	INVENTORY	461.42	35,346.52
2003614	11/21/06	02470	FIRST BANKCARD	015457	11/08/06	DISTRICT EXPENSES	855.46	
				015456	11/08/06	DISTRICT EXPENSES	36.71	
				015465	11/08/06	DISTRICT EXPENSES	3.49	895.66
2003325	11/01/06	04066	FIRST CHOICE SERVICES-SD	270717	10/12/06	COFFEE SUPPLIES	147.81	147.81
2003519	11/15/06	04066	FIRST CHOICE SERVICES-SD	271530	10/26/06	COFFEE SUPPLIES	301.27	301.27
2003707	11/29/06	04066	FIRST CHOICE SERVICES-SD	272094	11/09/06	COFFEE SUPPLIES	190.41	190.41
2003431	11/08/06	00035	FISHER SCIENTIFIC	6198047	10/13/06	LABORATORY SUPPLIES	1,050.73	
				6198048	10/13/06	LABORATORY SUPPLIES	117.13	
				6291713	10/18/06	LABORATORY SUPPLIES	28.51	1,196.37
2003708	11/29/06	00035	FISHER SCIENTIFIC	6779353	11/08/06	LABORATORY SUPPLIES	339.52	339.52
2003326	11/01/06	01535	FLO-SYSTEMS INC	F79006D515	10/10/06	SEALS FOR RAZ PUMPS	988.46	988.46
2003327	11/01/06	03109	FOLEY & LARDNER	27090469	10/10/06	LEGAL SERVICES SEP 2006	448.00	
				27081549	09/14/06	LEGAL SERVICES AUG 2006	230.50	678.50
2003432	11/08/06	03109	FOLEY & LARDNER	27095893	10/19/06	LEGAL SERVICES SEP 2006	540.60	540.60
2003328	11/01/06	01327	FRANK & SON PAVING INC	147	09/20/06	944-1 & 944-2 RESERVOIR SITE	3,420.20	3,420.20
2003520	11/15/06	01327	FRANK & SON PAVING INC	0308	08/07/06	PAVING SERVICES	813.75	813.75
2003433	11/08/06	02144	FRED H ROHR ELEMENTARY SCHOOL	015412	10/31/06	SPLASH SCIENCE MOBILE LAB	255.00	255.00
2003615	11/21/06	02028	FT INTERACTIVE DATA CORP	05692106	10/31/06	DIAL-UP SERVICE FOR INVESTMENTS	85.00	85.00
2003329	11/01/06	03094	FULLCOURT PRESS	15797	10/11/06	PIPELINE NEWSLETTER	4,385.72	
				15705	09/20/06	BILLING INSERTS	1,404.33	5,790.05
2003434	11/08/06	03094	FULLCOURT PRESS	15821	10/17/06	BROCHURES	1,034.40	1,034.40
2003521	11/15/06	03094	FULLCOURT PRESS	15838	10/20/06	BILLING INSERTS	1,899.18	1,899.18
2003330	11/01/06	05626	GAME 7 CONSULTING	1448	10/24/06	CONSULTING SERVICES - IS DEPT	5,911.00	5,911.00

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2003435	11/08/06	05626	GAME 7 CONSULTING	1451	10/31/06	CONSULTING SERVICES - IS DEPT	5,769.00	5,769.00
2003522	11/15/06	05626	GAME 7 CONSULTING	1454	11/07/06	CONSULTING SERVICES - IS DEPT	5,840.00	10,512.00
				1457	11/15/06	CONSULTING SERVICES - IS DEPT	4,672.00	
2003709	11/29/06	05626	GAME 7 CONSULTING	1461	11/21/06	CONSULTING SERVICES - IS DEPT	5,840.00	8,811.50
				1465	11/29/06	CONSULTING SERVICES - IS DEPT	2,971.50	
2003436	11/08/06	06291	GARCIA CALDERON & RUIZ	1068	10/31/06	LEGAL SERVICES OCT 2006	63,191.38	63,191.38
2003331	11/01/06	06503	GCAP SERVICES, INC.	015401	10/30/06	PATHS TO PARTNERSHIPS CONFERENCE	400.00	400.00
2003437	11/08/06	03537	GHA TECHNOLOGIES INC	397589	10/18/06	TONERS	898.29	3,157.07
				397582	10/18/06	DIGITAL CAMERAS	818.47	
				397588	10/18/06	TONERS	785.53	
				397587	10/18/06	CANON DIGITAL CAMERAS & CASES	654.78	
2003523	11/15/06	03537	GHA TECHNOLOGIES INC	398017	10/20/06	LINKSYS WIRELESS-N NOTEBOOK ADAPTER	214.96	214.96
2003710	11/29/06	03537	GHA TECHNOLOGIES INC	400412	11/03/06	TONERS	1,169.65	2,271.10
				400065	11/02/06	POWERWARE UPS	855.77	
				400413	11/03/06	WIRELESS HEADSET	245.68	
2003616	11/21/06	06276	GIFFORD ENGINEERING INC	3134	10/30/06	TWO-WAY RADIO REPAIR	143.00	143.00
2003711	11/29/06	06276	GIFFORD ENGINEERING INC	3122	11/02/06	TWO-WAY RADIO REPAIRS	1,651.00	2,248.12
				3135	11/07/06	TWO-WAY RADIO REPAIRS	223.12	
				50442	11/09/06	TWO-WAY RADIO REPAIRS	187.00	
				50440	11/09/06	TWO-WAY RADIO REPAIRS	187.00	
2003332	11/01/06	06276	GIFFORD ENGINEERING, INC.	50432	10/11/06	RE-INSTALLATION OF TWO-WAY RADIO SYSTEM	187.00	187.00
2003438	11/08/06	06276	GIFFORD ENGINEERING, INC.	3111	10/19/06	TWO-WAY RADIO REPAIRS	187.00	187.00
2003524	11/15/06	06276	GIFFORD ENGINEERING, INC.	3123	10/20/06	TWO-WAY RADIO REPAIRS	371.40	371.40
2003712	11/29/06	00131	GOVERNMENT FINANCE OFFICERS	015477	11/27/06	PARTICIPANT APPLICATION	480.00	480.00
2003525	11/15/06	03753	GRAPHIC CONTROLS LLC	HT6585	10/26/06	CHARTS AND PENS FOR CHART RECORDERS	891.36	891.36
2003617	11/21/06	03753	GRAPHIC CONTROLS LLC	HT7747	10/31/06	CHARTS AND PENS FOR CHART RECORDERS	415.61	415.61
2003713	11/29/06	03753	GRAPHIC CONTROLS LLC	HU0054	11/09/06	CHARTS AND PENS FOR CHART RECORDERS	395.22	395.22
2003618	11/21/06	04979	GROSSMONT WORK TRAINING CENTEF	19761	10/31/06	RECRUITMENT MAILING	2,748.61	2,748.61

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2003619	11/21/06	03773	GTC SYSTEMS INC	25727	10/31/06	TECHNICAL SUPPORT FOR CITRIX	1,406.07	1,406.07
2003714	11/29/06	03773	GTC SYSTEMS INC	25654	10/11/06	DOCKING DEVICES FOR COMPUTERS	8,145.58	8,145.58
2003526	11/15/06	06522	GUZMAN, VERONICA	015448	11/06/06	COMPUTER LOAN PROGRAM	1,279.44	1,279.44
2003333	11/01/06	00174	HACH COMPANY	4875410	09/26/06	HACH APA 6000 ANALYZER PARTS	316.44	316.44
2003439	11/08/06	00174	HACH COMPANY	4898482	10/16/06	LABORATORY SUPPLIES	4,779.56	4,779.56
2003620	11/21/06	00174	HACH COMPANY	4875641	09/26/06	APA 6000 ANALYZER PARTS	467.85	467.85
2003715	11/29/06	00174	HACH COMPANY	4919713 4922780 4918846 4919714	11/01/06 11/03/06 11/01/06 11/01/06	ANALYZER PM PARTS HACH ANALYZER PM PARTS TREATMENT PLANT TURBIDITY METER PARTS ANALYZER PM PARTS	744.34 178.54 176.59 94.15	1,193.62
2003527	11/15/06	02795	HARTFORD LIFE INSURANCE CO	ETB200417	10/09/06	RENEWAL OF TRAVEL POLICY #72ETB200417	750.00	750.00
2003621	11/21/06	00169	HAWTHORNE POWER SYSTEMS	PS100021927 PS100021926	10/31/06 10/31/06	ADAPTER SEALS	91.99 80.17	172.16
2003440	11/08/06	04472	HECTOR I MARES-COSSIO	19	10/01/06	CONSULTANT CONTRACT	3,000.00	3,000.00
2003334	11/01/06	05124	HILDING, KIPNIS & KELLY	15916	09/30/06	LEGAL SERVICES SEPT 2006	1,125.00	1,125.00
2003441	11/08/06	05124	HILDING, KIPNIS & KELLY	14781 13979	06/30/06 04/30/06	LEGAL SERVICES JUN 2006 LEGAL SERVICES APR 2006	1,847.00 113.00	1,960.00
2003622	11/21/06	01109	HOME DEPOT CREDIT SERVICES	6614472	09/12/06	LUMBER FOR RAMAR METER CRATES	248.85	248.85
2003716	11/29/06	01109	HOME DEPOT CREDIT SERVICES	7159732	11/20/06	INSULATION	24.79	24.79
2003335	11/01/06	03615	I.M.P.A.C. GOVERNMENT SERVICES	015394 015404	09/22/06 08/22/06	DISTRICT EXPENSES DISTRICT EXPENSES	4,941.50 115.47	5,056.97
2003528	11/15/06	03615	I.M.P.A.C. GOVERNMENT SERVICES	015443 015435	10/20/06 10/20/06	DISTRICT EXPENSES DISTRICT EXPENSES	6,404.11 2,686.66	9,090.77
2003529	11/15/06	06266	IDEAL WIPING RAG COMPANY	037516	10/26/06	WIPING RAGS	237.05	237.05
2003717	11/29/06	02943	INDUSTRIAL METAL SUPPLY CO	695215	11/02/06	METAL	557.57	557.57
2003336	11/01/06	03280	INFRASTRUCTURE ENGINEERING	2182	09/30/06	640-1 RESERVOIR PROJECT	1,255.00	1,255.00
2003337	11/01/06	04197	INTEGRITY STAFFING INC	3226	10/24/06	TEMPORARY SERVICES - HR DEPT	1,502.55	1,502.55

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2003442	11/08/06	04197	INTEGRITY STAFFING INC	3240	11/01/06	TEMPORARY SERVICES - HR DEPT	1,812.60	1,812.60
2003623	11/21/06	04197	INTEGRITY STAFFING INC	3273	11/13/06	HR CONSULTANT-TEMP	1,669.50	
				Template 3044	11/16/06	TEMPORARY SERVICES - HR DEPT	1,597.95	3,267.45
2003718	11/29/06	04197	INTEGRITY STAFFING INC	3291	11/19/06	TEMPORARY SERVICES - HR DEPT	2,051.10	2,051.10
2003530	11/15/06	02372	INTERIOR PLANT SERVICE INC	22810	10/31/06	PLANT SERVICE	181.00	181.00
2003338	11/01/06	02267	INTERNAL REVENUE SERVICE	Ben2368981	11/02/06	PAYROLL DEDUCTION	50.00	50.00
2003339	11/01/06	04077	INTERNAL REVENUE SERVICE	Ben2368991	11/02/06	PAYROLL DEDUCTION	64.00	64.00
2003531	11/15/06	02267	INTERNAL REVENUE SERVICE	Ben2369442	11/14/06	PAYROLL DEDUCTION	50.00	50.00
2003532	11/15/06	04077	INTERNAL REVENUE SERVICE	Ben2369454	11/14/06	PAYROLL DEDUCTION	64.00	64.00
2003719	11/29/06	02267	INTERNAL REVENUE SERVICE	Ben2369708	11/28/06	PAYROLL DEDUCTION	50.00	50.00
2003720	11/29/06	04077	INTERNAL REVENUE SERVICE	Ben2369718	11/28/06	PAYROLL DEDUCTION	64.00	64.00
2003443	11/08/06	06514	INTERNATIONAL DIARIES	015420	11/07/06	PLANNER	20.90	20.90
2003624	11/21/06	01591	IRON MOUNTAIN RECORDS	FV04770	10/31/06	OFF SITE RECORDS STORAGE	255.23	
				FV04769	10/31/06	OFF SITE RECORDS STORAGE	0.61	255.84
2003533	11/15/06	05836	JACOBS INC	W9X9540109	10/09/06	450-1 RESV & 680-1 PS PROJECT	30,439.34	
				W9X9540108	09/15/06	450-1 RESV & 680-1 PS PROJECT	26,524.64	56,963.98
2003625	11/21/06	03077	JANI KING OF CALIFORNIA INC	SDO11060428	11/01/06	JANITORIAL SERVICES	3,905.00	
				SDO11060437	11/01/06	OFF-SITE JANITORIAL SERVICES	990.00	4,895.00
2003534	11/15/06	03345	JENKINS, WILLIAM L	015450	11/15/06	MISC EXPENSE REIMBURSEMENTS	222.44	222.44
2003444	11/08/06	01010	JOBS AVAILABLE INC	622095	10/17/06	JOB POSTINGS	1,610.00	
				622096	10/17/06	JOB POSTING	290.20	1,900.20
2003535	11/15/06	06515	JOE PAEZ	015421	11/06/06	W/O REFUND D0431-000001	2,662.13	2,662.13
2003721	11/29/06	06282	JOHNSON & ASSOCIATES LLC	11493	11/03/06	COMPENSATION STUDY	16,300.00	16,300.00
2003445	11/08/06	06508	JUYBARI, HOSSEIN	015418	11/01/06	REIMB RECOGNITION LUNCH EXP	168.35	168.35
2003536	11/15/06	06516	KENNETH GOODMAN	015422	11/06/06	W/O REFUND D0363-XX6330	1,268.88	1,268.88

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2003446	11/08/06	05840	KIRK PAVING INC	3224	10/16/06	PAVING SERVICES	14,880.00	14,880.00
2003537	11/15/06	04996	KNOX ATTORNEY SERVICE INC	204590	10/19/06	DELIVERY OF BOARD & COMMITTEE PACKETS	25.00	
				204870	10/20/06	DELIVERY OF BOARD & COMMITTEE PACKETS	25.00	
				204869	10/20/06	DELIVERY OF BOARD & COMMITTEE PACKETS	25.00	
				204868	10/20/06	DELIVERY OF BOARD & COMMITTEE PACKETS	25.00	
				204943	10/20/06	DELIVERY OF BOARD & COMMITTEE PACKETS	25.00	
				204942	10/20/06	DELIVERY OF BOARD & COMMITTEE PACKETS	25.00	
				204941	10/20/06	DELIVERY OF BOARD & COMMITTEE PACKETS	25.00	175.00
2003626	11/21/06	04996	KNOX ATTORNEY SERVICE INC	207334	11/01/06	DELIVERY OF BOARD & COMMITTEE PACKETS	25.00	
				207335	11/01/06	DELIVERY OF BOARD & COMMITTEE PACKETS	25.00	
				207336	11/01/06	DELIVERY OF BOARD & COMMITTEE PACKETS	25.00	
				207337	11/01/06	DELIVERY OF BOARD & COMMITTEE PACKETS	25.00	100.00
2003340	11/01/06	01859	LA PRENSA SAN DIEGO	20811	10/10/06	JOB POSTING	64.98	64.98
2003447	11/08/06	01859	LA PRENSA SAN DIEGO	20821	10/16/06	JOB POSTING	66.69	66.69
2003722	11/29/06	06497	LAKESIDE LAND COMPANY	182048	11/07/06	ASPHALT	85.00	
				182248	11/08/06	ASPHALT	70.00	155.00
2003341	11/01/06	03607	LEE & RO INC	83034	10/06/06	30" RECYCLED WTR PIPELINE	4,231.00	4,231.00
2003723	11/29/06	06273	LIEBERT CASSIDY WHITMORE	71380	10/31/06	LABOR RELATIONS CONSULTING SVCS	2,000.00	2,000.00
2003538	11/15/06	00491	LIGHTHOUSE INC, THE	1791916	09/06/06	MODULES FOR LIGHT BARS-LIGHTHOUSE	646.99	646.99
2003724	11/29/06	04438	LINMEL INC	111060OWD	11/01/06	TARPS REPAIR	100.00	100.00
2003448	11/08/06	03784	LIVESCAN SAN DIEGO	06100608	10/18/06	FINGERPRINTING SERVICES	40.00	40.00
2003627	11/21/06	03784	LIVESCAN SAN DIEGO	06100633	11/01/06	FINGERPRINTING SERVICES	40.00	40.00
2003725	11/29/06	02911	LIZARDTECH INC	473895	11/01/06	GEOEXPRESS ANNUAL SUPPORT	430.28	430.28
2003628	11/21/06	05220	LOGICALIS INTEGRATION SOLUTION	0111952IN	10/31/06	HARD DRIVES FOR DATA CENTER	9,368.71	9,368.71
2003629	11/21/06	00628	MANHATTAN NAT'L LIFE INS CO	015467	11/20/06	VOLUNTARY LIFE INSURANCE	505.20	505.20
2003539	11/15/06	02902	MARSTON & MARSTON INC	1003	11/01/06	PROFESSIONAL SERVICES	3,640.00	
				RB1	11/01/06	PROFESSIONAL SERVICES MAY 2006	650.00	4,290.00
2003726	11/29/06	05329	MASTER METER INC	0115795IN	11/06/06	INVENTORY	36,009.28	36,009.28
2003727	11/29/06	06302	MCCROMETER INC	305780RI	11/06/06	8" METER & REGISTER	2,843.91	2,843.91

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2003449	11/08/06	04851	MCGRAW-HILL CONSTRUCTION	00072011	09/22/06	BID ADVERTISEMENT	899.25	899.25
2003540	11/15/06	01183	MCMASTER-CARR SUPPLY CO	53131170	10/26/06	HAND TOOLS	535.13	706.84
				53104175	10/26/06	REPLACEMENT OF CANVAS BAGS	110.98	
				53101648	10/26/06	CHIPPING HAMMER SPRINGS	60.73	
2003630	11/21/06	06532	MERAM FAMILY TRUST	015469	11/21/06	REFUND ON AV PARCEL #498-310-63-00	4.80	4.80
2003450	11/08/06	00805	METRO WASTEWATER JPA	62	10/09/06	MEMBERSHIP RENEWAL	5,538.00	5,538.00
2003451	11/08/06	00887	MIRAMAR TRUCK CENTER-SAN DIEGO	200178	10/18/06	BRAKE PARTS	265.18	349.86
				200172	10/13/06	BRAKE PARTS	84.68	
2003452	11/08/06	01363	MISSION LINEN & UNIFORM	18034290	10/01/06	UNIFORMS,TOWELS/SUPPLIES	582.75	5,134.67
				18031684	10/01/06	UNIFORMS,TOWELS/SUPPLIES	553.99	
				18030824	10/01/06	UNIFORMS,TOWELS/SUPPLIES	543.72	
				18032557	10/01/06	UNIFORMS,TOWELS/SUPPLIES	539.64	
				18033416	10/01/06	UNIFORMS,TOWELS/SUPPLIES	533.90	
				18030822	10/01/06	UNIFORMS,MATS,TOWELS/SUPP	198.88	
				18033414	10/01/06	UNIFORMS,MATS,TOWEL/SUPP	196.70	
				18031682	10/01/06	UNIFORMS,MATS,TOWELS/SUPP	189.06	
				18032555	10/01/06	UNIFORMS,MATS,TOWELS/SUPP	188.79	
				S41132	10/01/06	UNIFORM REPLACEMENT	184.86	
				S41110	10/01/06	UNIFORM REPLACEMENT	180.00	
				S61833	10/01/06	UNIFORM REPLACEMENT	164.00	
				18030825	10/01/06	MATS,TOWELS/SUPPLIES	130.52	
				18031685	10/01/06	MATS,TOWELS/SUPPLIES	130.52	
				18032558	10/01/06	MATS,TOWELS/SUPPLIES	130.52	
				18033417	10/01/06	MATS,TOWELS/SUPPLIES	130.52	
				18034291	10/01/06	MATS,TOWELS/SUPPLIES	130.52	
				S41122	10/01/06	UNIFORM REPLACEMENT	73.65	
				S57822	10/01/06	UNIFORM REPLACEMENT	72.03	
				S41109	10/01/06	UNIFORM REPLACEMENT	67.65	
				18030823	10/01/06	TOWELS/SUPPLIES	46.61	
				18031683	10/01/06	TOWELS/SUPPLIES	46.61	
				18032556	10/01/06	TOWELS/SUPPLIES	46.61	
				18033415	10/01/06	TOWELS/SUPPLIES	46.61	
				18034289	10/01/06	TOWELS/SUPPLIES	46.61	
				S41123	10/01/06	UNIFORM REPLACEMENT	22.15	
				S41111	10/01/06	UNIFORM REPLACEMENT	5.50	
S41121	10/01/06	UNIFORM REPLACEMENT	5.50					
2001508	10/01/06	CREDIT MEMO	(53.75)					
2003631	11/21/06	04943	MITCHELL INSTRUMENT CO INC	1031R05	10/31/06	SIGNAL LOGGERS	891.00	891.00

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2003342	11/01/06	03393	MOBILE MINI LLC - CA	90443466	10/09/06	RENTAL 40' STORAGE CONTAINERS	170.88	170.88
2003632	11/21/06	03393	MOBILE MINI LLC - CA	90450112	10/29/06	40' STORAGE CONTAINERS RENTAL	164.90	164.90
2003728	11/29/06	03393	MOBILE MINI LLC - CA	90451922	11/06/06	40' STORAGE CONTAINERS RENTALS	170.88	170.88
2003343	11/01/06	03172	MOONEY, JONES AND STOKES	0036606	09/14/06	SECTION 106 COMPLIANCE 30" PIPELINE	535.00	535.00
2003453	11/08/06	03172	MOONEY, JONES AND STOKES	0036621	10/14/06	SAN MIGUEL HABITAT & MITIGATION PROJECTS	48,282.02	48,282.02
2003454	11/08/06	03172	MOONEY, JONES AND STOKES	0036615	10/14/06	LA PRESA PIPELINE WETLAND PERMITTING	830.00	830.00
2003633	11/21/06	03623	MWH AMERICAS INC	1070425	10/29/06	PROFESSIONAL ENGG & ENVIRONMENTAL SVC	3,368.32	3,368.32
2003541	11/15/06	02037	MWH LABORATORIES	185925LI	10/20/06	REGULATORY ANALYSES	2,915.00	2,915.00
2003634	11/21/06	02037	MWH LABORATORIES	185926LI	10/25/06	LABORATORY ANALYSIS	1,016.00	1,016.00
2003455	11/08/06	01729	MYERS, ANGELA E	015408	11/02/06	REIMBURSEMENT FOR SUPPLIES	8.62	8.62
2003344	11/01/06	04676	NAPA AUTO PARTS	047801	10/11/06	REPAIR PARTS	151.38	
				045735	09/25/06	PARTS	137.66	
				045775	09/25/06	PARTS	101.03	
				046309	09/29/06	AUTO REPAIR PARTS	95.39	
				045990	09/26/06	PART	75.41	
				046093	09/27/06	PARTS	49.72	
				046295	09/29/06	AUTO REPAIR PARTS	49.72	
				047403	10/09/06	NAPA AUTO PARTS, REPAIR PARTS	45.92	
				047482	10/09/06	NAPA AUTO PARTS, REPAIR PARTS	34.74	
				047450	10/09/06	NAPA AUTO PARTS, REPAIR PARTS	33.81	
				046147	09/27/06	AUTO REPAIR PARTS	33.25	
				046923	10/04/06	NAPA AUTO PARTS, REPAIR PARTS	30.89	
				045916	09/26/06	PART	26.60	
				046346	09/29/06	AUTO REPAIR PARTS	19.79	
				045499	09/22/06	PART	19.38	
				046148	09/27/06	AUTO REPAIR PARTS	19.24	
				046810	10/03/06	AUTO REPAIR PARTS	18.06	
				047163	10/06/06	AUTO REPAIR PARTS	12.49	
				047101	10/05/06	AUTO REPAIR PARTS	11.41	
				046251	09/28/06	AUTO REPAIR PARTS	10.75	
				045989	09/26/06	PARTS	10.27	
				045826	09/25/06	PART	10.01	
				048039	10/12/06	REPAIR PARTS	9.46	
				047575	10/10/06	REPAIR PARTS	8.82	
				045896	09/26/06	PARTS	6.76	
				047017	10/05/06	AUTO REPAIR PARTS	2.18	

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				046018	09/26/06	CREDIT MEMO	(2.90)	
				046017	09/26/06	CREDIT MEMO	(3.22)	
				046021	09/26/06	CREDIT MEMO	(7.41)	
				046020	09/26/06	CREDIT MEMO	(11.70)	
				046016	09/26/06	CREDIT MEMO	(14.36)	
				045827	09/25/06	CREDIT MEMO	(44.17)	
				046019	09/26/06	CREDIT MEMO	(68.94)	
				045833	09/25/06	CREDIT MEMO	(73.42)	
				045831	09/25/06	CREDIT MEMO	(97.84)	
				046015	09/26/06	CREDIT MEMO	(576.94)	123.24
2003456	11/08/06	04676	NAPA AUTO PARTS	048483	10/17/06	REPAIR PARTS	51.83	
				048448	10/16/06	REPAIR PARTS	50.94	
				048706	10/18/06	REPAIR PARTS	36.61	
				048340	10/16/06	REPAIR PARTS	24.34	
				048638	10/18/06	REPAIR PARTS	22.11	
				048126	10/13/06	REPAIR PARTS	15.54	
				048594	10/17/06	REPAIR PARTS	13.88	
				048671	10/18/06	REPAIR PARTS	6.47	
				048828	10/19/06	REPAIR PARTS	4.81	226.53
2003542	11/15/06	04676	NAPA AUTO PARTS	049213	10/23/06	AUTO PARTS	296.73	
				048911	10/20/06	REPAIR PARTS	130.18	
				049252	10/23/06	AUTO PARTS	71.00	
				049733	10/26/06	AUTO PARTS	59.10	
				049193	10/23/06	AUTO PARTS	50.61	
				049179	10/23/06	AUTO PARTS	48.55	
				049742	10/26/06	AUTO PARTS	31.24	
				049808	10/26/06	AUTO PARTS	17.49	
				049217	10/23/06	AUTO PARTS	14.48	
				049552	10/25/06	AUTO PARTS	3.10	722.48
2003635	11/21/06	04676	NAPA AUTO PARTS	050448	10/31/06	AUTO PARTS	77.95	
				050354	10/31/06	AUTO PARTS	36.61	
				049854	10/27/06	AUTO PARTS	36.61	
				049862	10/27/06	AUTO PARTS	34.44	
				050346	10/31/06	AUTO PARTS	16.78	
				050347	10/31/06	AUTO PARTS	16.78	
				050133	10/30/06	AUTO PARTS	15.12	
				050407	10/31/06	AUTO PARTS	5.73	
				050356	10/31/06	AUTO PARTS	1.31	241.33
2003345	11/01/06	03523	NATIONAL DEFERRED COMPENSATION Ben2368977		11/02/06	DEFERRED COMP PLAN	10,318.93	10,318.93
2003543	11/15/06	03523	NATIONAL DEFERRED COMPENSATION Ben2369438		11/14/06	DEFERRED COMP PLAN	9,801.97	9,801.97

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2003729	11/29/06	03523	NATIONAL DEFERRED COMPENSATION	Ben2369706	11/28/06	DEFERRED COMP PLAN	10,583.88	10,683.88
				Ben2369744	12/01/06	DEFERRED COMP PLAN	100.00	
2003544	11/15/06	03733	NEC UNIFIED SOLUTIONS INC	VSH10226495	10/05/06	LABOR FOR PHONES SVCS	247.50	247.50
2003636	11/21/06	03733	NEC UNIFIED SOLUTIONS INC	VSH10228167	10/31/06	LABOR FOR PHONES SVCS	372.50	682.50
				VSH10228255	10/31/06	LABOR FOR PHONES SVCS	185.00	
				VSH10228162	10/31/06	LABOR FOR PHONES SVCS	125.00	
2003730	11/29/06	03733	NEC UNIFIED SOLUTIONS INC	VSH10226441	10/05/06	LABOR FOR PHONES SVCS	372.50	497.50
				VSH10228617	11/08/06	LABOR FOR PHONES SVCS	125.00	
2003637	11/21/06	03487	NETWORK INSIGHT	NISD200601943	11/01/06	NETWORK MONITORING SERVICES	15,400.00	19,225.00
				NISD200601936	10/31/06	NETWORK MONITORING SERVICES	3,825.00	
2003346	11/01/06	05494	NEXTEL COMMUNICATIONS	901500243001	10/12/06	MAINTENANCE FOR GIS (AIR-TRAK) DEVICES	34.24	34.24
2003731	11/29/06	05494	NEXTEL COMMUNICATIONS	901500243002	11/12/06	MAINTENANCE/GIS (AIR-TRAK) DEVICES	31.13	31.13
2003545	11/15/06	03571	NEXTLEVEL INTERNET	11320	10/14/06	INTERNET WEB HOSTING	556.50	556.50
2003347	11/01/06	02669	NORTHERN TOOL & EQUIPMENT CO	14846622	09/12/06	SCAFFLE TOWER SYSTEM	1,583.03	1,583.03
2003638	11/21/06	02669	NORTHERN TOOL & EQUIPMENT CO	14925532	10/27/06	SHOP TOOL	299.99	299.99
2003348	11/01/06	06502	NSSI/SOURCES & SERVICES, INC.	015393	08/18/06	DISPOSAL CHARGES	1,157.20	1,157.20
2003457	11/08/06	03299	OCB REPROGRAPHICS	4456610	10/19/06	REPROGRAPHICS SERVICES	114.59	114.59
2003639	11/21/06	03299	OCB REPROGRAPHICS	4480919	10/31/06	REPROGRAPHICS SERVICES	1,639.21	1,639.21
2003458	11/08/06	00510	OFFICE DEPOT INC	357045251001	10/18/06	OFFICE SUPPLIES	257.94	620.11
				357026660001	10/11/06	OFFICE SUPPLIES	172.22	
				357185070001	10/18/06	CDS & CD CASES	58.64	
				357419446001	10/18/06	OFFICE SUPPLIES	57.98	
				357643041001	10/18/06	OFFICE SUPPLIES	39.95	
				357039549001	10/18/06	OFFICE SUPPLIES	33.38	
2003546	11/15/06	00510	OFFICE DEPOT INC	358222473001	10/25/06	OFFICE SUPPLIES	1,475.44	1,584.01
				357286653002	10/25/06	OFFICE SUPPLIES	83.17	
				358648318001	10/25/06	OFFICE SUPPLIES	16.47	
				358645150001	10/25/06	OFFICE SUPPLIES	8.93	
2003640	11/21/06	00510	OFFICE DEPOT INC	358147584001	10/25/06	OFFICE SUPPLIES	116.52	289.20
				359215693001	11/01/06	OFFICE SUPPLIES	105.20	
				359191806001	11/01/06	OFFICE SUPPLIES	67.48	

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2003732	11/29/06	00510	OFFICE DEPOT INC	359886158001	11/08/06	PATCH CABLES & POWERSTRIP	615.13	1,396.24
				357286653001	10/18/06	INKJET CARTRIDGES	357.71	
				360689915001	11/08/06	WAREHOUSE BATTERIES	275.15	
				357286653003	11/08/06	INKJET CARTRIDGES	74.34	
				360728650001	11/08/06	OFFICE SUPPLIES	44.99	
				360081293001	11/08/06	CALCULATORS	16.55	
				360810467001	11/08/06	OFFICE SUPPLIES	7.82	
				359896338001	11/08/06	OFFICE SUPPLIES	4.55	
2003459	11/08/06	01837	OFFICE TEAM	17069308	10/23/06	TEMPORARY SERVICES - METER DEPT	629.72	726.60
				17069309	10/23/06	TEMPORARY SERVICES - METER DEPT	96.88	
2003641	11/21/06	01837	OFFICE TEAM	17183310	11/06/06	TEMPORARY SERVICES - METER DEPT	435.96	999.08
				17231189	11/13/06	TEMPORARY SERVICES - METER DEPT	375.41	
				17224571	11/13/06	TEMPORARY SERVICES - METER DEPT	187.71	
2003733	11/29/06	01837	OFFICE TEAM	17293187	11/20/06	TEMPORARY SERVICES-METER DEPT	739.86	852.72
				17293188	11/20/06	TEMPORARY SERVICES-METER DEPT	112.86	
2003547	11/15/06	00496	ONE SOURCE DISTRIBUTORS INC	S2572446001	10/17/06	20 AMP CIRCUIT BREAKERS	108.13	108.13
2003460	11/08/06	05216	OPEN STORAGE SOLUTIONS INC	I019392	10/17/06	NETWORKAIR IT STORAGE	6,687.08	6,687.08
2003349	11/01/06	02721	ORTIZ CORPORATION	17	09/14/06	30" RECYCLED WATER PIPELINE PROG PMT	736,005.61	736,005.61
2003734	11/29/06	02721	ORTIZ CORPORATION	18	11/07/06	30" RECYCLED WATER PIPELINE PROG PMT	327,069.67	327,069.67
2003548	11/15/06	04229	OTAY PROJECT LP	015423	11/06/06	W/O REFUND D0261-XX6463	3,132.79	8,377.19
				015425	11/06/06	W/O REFUND D0261-XX6397	2,438.88	
				015426	11/06/06	W/O REFUND D0212-XX6382	1,806.65	
				015427	11/06/06	W/O REFUND D0212-XX6375	618.00	
				015424	11/06/06	W/O REFUND D0261-XX6398	380.87	
2003350	11/01/06	03101	OTAY WATER DISTRICT	Ben2368979	11/02/06	PAYROLL DEDUCTION - ASSN DUES	791.00	791.00
2003549	11/15/06	03101	OTAY WATER DISTRICT	Ben2369440	11/14/06	PAYROLL DEDUCTION - ASSN DUES	763.00	763.00
2003735	11/29/06	03101	OTAY WATER DISTRICT	Ben2369700	11/28/06	PAYROLL DEDUCTION - ASSN DUES	784.00	791.00
				Ben2369746	12/01/06	PAYROLL DEDUCTION - ASSN DUES	7.00	
2003461	11/08/06	04463	PACIFIC GREEN LANDSCAPE INC	0041084IN	10/15/06	LANDSCAPING SERVICES	7,850.00	8,025.00
				0041190IN	10/15/06	REPAIR VALVE	175.00	
2003351	11/01/06	03017	PACIFIC SAFETY COUNCIL	63001	10/09/06	REQUIRED SAFETY TRAINING- HAZWOPER	2,075.00	2,075.00

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2003642	11/21/06	03017	PACIFIC SAFETY COUNCIL	63060	10/31/06	SAFETY TRAINING	125.00	125.00
2003643	11/21/06	06527	PADRE DAM MUNICIPAL WATER	33601	10/31/06	SHARED COST/COPYING SERVICES	126.07	126.07
2003550	11/15/06	01871	PANTAZOPLUS, NICHOLAS	015447	11/01/06	COMPUTER LOAN PROGRAM	2,217.55	2,217.55
2003462	11/08/06	06507	PARRISH REPORTING	3615	10/05/06	DEPOSITION SERVICES	468.50	468.50
2003644	11/21/06	05497	PAYPAL INC	3385160	10/31/06	ON-LINE PAYMENT SERVICES	320.10	320.10
2003551	11/15/06	03308	PBS&J	308739	10/24/06	OWD WASTE DISCHARGE PERMIT REV	17,550.29	17,550.29
2003352	11/01/06	00227	PELL MELL SUPPLY	43298000	10/10/06	BOLTS	825.20	825.20
2003353	11/01/06	03790	PENHALL COMPANY	3653	09/14/06	FLAT SAW CUTTING SERVICES	370.00	370.00
2003552	11/15/06	03790	PENHALL COMPANY	4145	10/26/06	FLAT SAW CUTTING SERVICES	185.00	185.00
2003354	11/01/06	00593	PEPPER OIL COMPANY INC	599743 599763 599717	10/10/06 10/11/06 10/06/06	DIESEL FUEL DIESEL FUEL FUEL	12,263.96 5,183.67 4,547.94	21,995.57
2003553	11/15/06	00593	PEPPER OIL COMPANY INC	599912 599861	10/27/06 10/26/06	UNLEADED FUEL ULTRA LOW SULFUR DIESEL FUEL	11,556.86 8,198.22	19,755.08
2003355	11/01/06	00137	PETTY CASH CUSTODIAN	015403	11/01/06	PETTY CASH REIMBURSEMENT	770.70	770.70
2003554	11/15/06	00137	PETTY CASH CUSTODIAN	015442	11/13/06	PETTY CASH REIMBURSEMENT	726.42	726.42
2003736	11/29/06	00137	PETTY CASH CUSTODIAN	015480	11/28/06	PETTY CASH REIMBURSEMENT	693.74	693.74
2003555	11/15/06	02786	PIONEER AMERICAS LLC	5538758962	10/25/06	CHLORINE FOR TP	2,187.55	2,187.55
2003645	11/21/06	06419	PLANT SOUP INC	405	09/28/06	PROFESSIONAL WRITING SERVICES	300.00	300.00
2003646	11/21/06	06529	POSTAL ANNEX INC	015463	11/17/06	OVERPAYMENT REFUND	235.00	235.00
2003556	11/15/06	05499	PRAXAIR DISTRIBUTION INC	24361037 24336449	10/20/06 10/20/06	WELDING SUPPLIES & EQUIPMENT WELDING SUPPLIES	403.90 328.99	732.89
2003356	11/01/06	02976	PRE-PAID LEGAL SERVICES INC	015397	10/30/06	VOLUNTARY PRE-PD LEGAL SERVICES	31.90	31.90
2003463	11/08/06	00078	PUBLIC EMPLOYEES RETIREMENT	Ben2368973	11/02/06	PERS CONTRIBUTION	107,151.37	107,151.37
2003647	11/21/06	00078	PUBLIC EMPLOYEES RETIREMENT	Ben2369434	11/14/06	PERS CONTRIBUTION	105,150.45	105,150.45

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2003648	11/21/06	02166	PULLTARPS MFG	95888	10/30/06	REPAIR PARTS, TARPS	52.57	52.57
2003357	11/01/06	01342	R J SAFETY SUPPLY CO INC	22953701	10/11/06	WAREHOUSE SAFETY SUPPLY	171.84	171.84
2003649	11/21/06	01342	R J SAFETY SUPPLY CO INC	23030700	10/30/06	SAFTEY SUPPLY	86.68	86.68
2003464	11/08/06	06411	RAND MATERIALS HANDLING EQUIP	1008651219	10/16/06	PIPE RACK FOR ID5	1,424.16	1,424.16
2003557	11/15/06	00766	RANROY PRINTING COMPANY	086699	10/20/06	LETTERHEAD	993.46	
				086697	10/20/06	ENVELOPES	963.29	
				086698	10/19/06	ENVELOPES	867.39	
				086633	10/20/06	BUSINESS CARDS	48.49	2,872.63
2003737	11/29/06	00766	RANROY PRINTING COMPANY	086708	11/03/06	BUSINESS CARDS	48.49	48.49
2003650	11/21/06	02041	RBF CONSULTING	6091590	10/27/06	CONSTRUCTION MGT/INSPEC SVCS	41,251.00	41,251.00
2003358	11/01/06	00021	RCP BLOCK & BRICK INC	4308431	10/07/06	CONCRETE	759.64	
				4308430	10/07/06	CONCRETE	151.93	911.57
2003465	11/08/06	00021	RCP BLOCK & BRICK INC	4308859	10/19/06	CONCRETE / COLOR	810.84	810.84
2003558	11/15/06	06506	REED CONSTRUCTION DATA INC	2806270	10/24/06	REFERENCE MANUAL	171.55	171.55
2003651	11/21/06	06506	REED CONSTRUCTION DATA INC	2805326	10/31/06	REFERENCE MANUAL	185.75	185.75
2003466	11/08/06	04542	ROBAK, MARK	70140906	10/31/06	REIMBURSE MILEAGE EXPENSE	31.15	31.15
2003359	11/01/06	05130	SAFARI MICRO INC	151480	09/30/06	SDLT TAPES FOR BACKUP	2,478.25	2,478.25
2003360	11/01/06	03687	SAFETY-KLEEN SYSTEMS INC	M003733752	10/06/06	ABSORBANT PADS	355.65	355.65
2003559	11/15/06	06521	SAN DIEGO ARCHAEOLOGICAL CTR	015441	11/06/06	CURATION FEES	700.00	700.00
2003467	11/08/06	03803	SAN DIEGO CLIPPING SERVICE INC	439061101	11/01/06	NEWSPAPER CLIPPING SERVICE	85.00	85.00
2003652	11/21/06	06530	SAN DIEGO COUNTRY CLUB	015466	11/15/06	RECOGNITION LUNCHEON DEPOSIT	250.00	250.00
2003468	11/08/06	04661	SAN DIEGO COUNTY WATER	015417	11/06/06	BUSINESS MEETING	30.00	30.00
2003738	11/29/06	00003	SAN DIEGO COUNTY WATER	6138	11/27/06	RESI ULFT/HET VOUCHER PROGRAM	2,881.00	
				6119	11/27/06	RESIDENTIAL HEW VOUCHER PROG	2,208.00	5,089.00
2003361	11/01/06	00121	SAN DIEGO GAS & ELECTRIC	015395	10/24/06	UTILITY EXPENSES	107,361.60	
				015390	10/20/06	UTILITY EXPENSES	2,955.37	
				015396	10/30/06	UTILITY EXPENSES	1,164.69	111,481.66

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2003469	11/08/06	00121	SAN DIEGO GAS & ELECTRIC	015411	10/31/06	UTILITY EXPENSES	72,547.24	72,547.24
2003653	11/21/06	00121	SAN DIEGO GAS & ELECTRIC	015464	11/16/06	UTILITY EXPENSES	16,594.64	16,594.64
2003739	11/29/06	00121	SAN DIEGO GAS & ELECTRIC	015473	11/22/06	UTILITY EXPENSES	2,762.96	2,762.96
2003470	11/08/06	03809	SAN DIEGO NEIGHBORHOOD NEWS	01523211001	10/13/06	JOB POSTING	138.60	138.60
2003654	11/21/06	04345	SAN DIEGO PRECAST CONCRETE INC	0119475IN	11/01/06	INVENTORY	5,459.43	5,459.43
2003362	11/01/06	03273	SAN DIEGO READER	158	10/11/06	JOB POSTING	119.60	
				157	10/11/06	JOB POSTING	107.64	227.24
2003560	11/15/06	01679	SANCHEZ, EDUARDO	015444	11/09/06	TUITION REIMBURSEMENT	105.00	105.00
2003655	11/21/06	01679	SANCHEZ, EDUARDO	015444	11/09/06	TUITION REIMBURSEMENT	105.00	105.00
2003561	11/15/06	01651	SHARP REES-STEALY MEDICAL CTRS	181A	10/21/06	PREPLACEMENT PHYSICAL	88.00	
				181	10/21/06	HEALTH EXAM	39.00	127.00
2003562	11/15/06	05421	SHERWIN WILLIAMS	79425	10/26/06	PAINT SUPPLIES	223.58	223.58
2003363	11/01/06	02802	SHERWOOD, KIM	015400	10/27/06	TUITION REIMBURSEMENT	226.00	226.00
2003364	11/01/06	05983	SIEMENS WATER	7817892	10/06/06	BIOXIDE	711.15	711.15
2003656	11/21/06	05983	SIEMENS WATER	1922610	09/29/06	ENCORE 700 PM PARTS	748.41	748.41
2003657	11/21/06	04544	SIGN CRAFTERS	0102006	10/20/06	SIGNAGE FOR TREATMENT PLANT	129.30	129.30
2003658	11/21/06	05627	SIGNA DIGITAL SOLUTIONS INC	ARS04761	10/31/06	COPIER MAINTENANCE	454.88	
				ARS04813	11/02/06	COPIER MAINTENANCE	101.00	
				ARS04708	10/30/06	COPIER MAINTENANCE	101.00	
				ARS04707	10/30/06	COPIER MAINTENANCE	100.00	756.88
2003740	11/29/06	05627	SIGNA DIGITAL SOLUTIONS INC	ARS04812	11/02/06	COPIER MAINTENANCE	24.00	24.00
2003365	11/01/06	00258	SLOAN ELECTRIC CO	0050787	10/12/06	ELEVATOR MOTOR	921.03	921.03
2003563	11/15/06	00258	SLOAN ELECTRIC CO	0050836	10/20/06	MOTOR BALANCING	700.00	700.00
2003366	11/01/06	03103	SOUTHCOAST HEATING &	C30600	10/10/06	AIR CONDITIONING MAINTENANCE	857.00	857.00
2003564	11/15/06	02687	SOUTHWEST CONTROLS INC	10389083DD	10/26/06	GE PLC MODULES	2,820.92	2,820.92

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2003659	11/21/06	02687	SOUTHWEST CONTROLS INC	10390724DD	10/31/06	GE PLC MODULES	566.30	566.30
2003367	11/01/06	03760	SPANKY'S PORTABLE SERVICES INC	545598	10/11/06	PORTABLE TOILET RENTAL	55.64	55.64
2003471	11/08/06	03760	SPANKY'S PORTABLE SERVICES INC	545770	10/12/06	PORTABLE TOILET RENTAL	84.13	84.13
2003660	11/21/06	03760	SPANKY'S PORTABLE SERVICES INC	548461	10/27/06	PORTABLE TOILET RENTAL	68.62	
				548616	10/30/06	PORTABLE TOILET RENTAL	67.02	
				548463	10/27/06	PORTABLE TOILET RENTAL	67.02	
				548460	10/27/06	PORTABLE TOILET RENTAL	67.02	
				548462	10/27/06	PORTABLE TOILET RENTAL	67.02	336.70
2003741	11/29/06	03760	SPANKY'S PORTABLE SERVICES INC	550941	11/09/06	PORTABLE TOILET RENTAL	84.13	
				550762	11/08/06	PORTABLE TOILET RENTAL	55.64	139.77
2003472	11/08/06	06510	SPRINT NEXTEL	015419	10/30/06	OVERPAYMENT REFUND SITE #SD34XC555	194.28	194.28
2003368	11/01/06	02354	STANDARD ELECTRONICS	8517	10/10/06	SECURITY SERVICE & REPAIRS	155.04	
				8523	10/10/06	SECURITY SERVICE & REPAIRS	127.50	282.54
2003473	11/08/06	02354	STANDARD ELECTRONICS	8548	10/16/06	TESTING & INSPECTING FIRE ALARM SYSTEMS	2,130.00	2,130.00
2003565	11/15/06	02354	STANDARD ELECTRONICS	8580	10/23/06	SECURITY SERVICE & REPAIRS	382.50	382.50
2003661	11/21/06	02354	STANDARD ELECTRONICS	8617	10/30/06	IT ROOM ACCESS CONTROL	6,965.00	
				8644	11/01/06	SECURITY SERVICE & REPAIRS	212.50	7,177.50
2003662	11/21/06	06524	STANLEY ACCESS TECH LLC	97792125	09/30/06	AUTOMATIC SWING DOOR MAINTENANCE	125.00	125.00
2003369	11/01/06	06295	STATE DISBURSEMENT UNIT	Ben2368987	11/02/06	PAYROLL DEDUCTION	294.46	294.46
2003370	11/01/06	06299	STATE DISBURSEMENT UNIT	Ben2368985	11/02/06	PAYROLL DEDUCTION	237.69	237.69
2003371	11/01/06	06303	STATE DISBURSEMENT UNIT	Ben2368989	11/02/06	PAYROLL DEDUCTION	482.76	482.76
2003566	11/15/06	06295	STATE DISBURSEMENT UNIT	Ben2369450	11/14/06	PAYROLL DEDUCTION	294.46	294.46
2003567	11/15/06	06299	STATE DISBURSEMENT UNIT	Ben2369446	11/14/06	PAYROLL DEDUCTION	237.69	237.69
2003568	11/15/06	06303	STATE DISBURSEMENT UNIT	Ben2369452	11/14/06	PAYROLL DEDUCTION	482.76	482.76
2003742	11/29/06	06295	STATE DISBURSEMENT UNIT	Ben2369714	11/28/06	PAYROLL DEDUCTION	294.46	294.46
2003743	11/29/06	06299	STATE DISBURSEMENT UNIT	Ben2369712	11/28/06	PAYROLL DEDUCTION	237.69	237.69
2003744	11/29/06	06303	STATE DISBURSEMENT UNIT	Ben2369716	11/28/06	PAYROLL DEDUCTION	482.76	482.76

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2003745	11/29/06	00274	STATE OF CALIFORNIA	4585106	11/20/06	CERTIFICATE RENEWAL	125.00	125.00
2003372	11/01/06	02261	STATE STREET BANK & TRUST CO	Ben2368975	11/02/06	DEFERRED COMP PLAN	2,464.23	2,464.23
2003569	11/15/06	02261	STATE STREET BANK & TRUST CO	Ben2369436	11/14/06	DEFERRED COMP PLAN	4,164.23	4,164.23
2003746	11/29/06	02261	STATE STREET BANK & TRUST CO	Ben2369704	11/28/06	DEFERRED COMP PLAN	4,239.23	4,239.23
2003373	11/01/06	01460	STATE WATER RESOURCES	0617814	10/27/06	WASTE DISCHARGE FEES	6,235.00	6,235.00
2003474	11/08/06	01460	STATE WATER RESOURCES	0617989	10/27/06	ANNUAL FEES	1,185.00	1,185.00
2003663	11/21/06	01460	STATE WATER RESOURCES	015449	10/24/06	WTR RECL LOAN #0810-550-0 AR #0810-06-15	366,325.04	366,325.04
2003747	11/29/06	01460	STATE WATER RESOURCES	015482	11/27/06	WETLANDS PERMIT	50.00	50.00
2003475	11/08/06	04221	SUTHERLIN ASSOCIATED SERVICES	OWD080106	10/18/06	PROFESSIONAL SERVICES	960.00	960.00
2003570	11/15/06	04221	SUTHERLIN ASSOCIATED SERVICES	OWD100106	10/20/06	PROFESSIONAL SERVICES	1,000.00	1,000.00
2003374	11/01/06	00408	SWEETWATER AUTHORITY	015402	10/20/06	TEMPORARY WATER SERVICE	472.59	472.59
2003571	11/15/06	00408	SWEETWATER AUTHORITY	015451	11/10/06	ADVERTISING COST	249.31	249.31
2003572	11/15/06	00408	SWEETWATER AUTHORITY	421278008	11/09/06	CUSTOMER REFUND	70.00	70.00
2003476	11/08/06	02152	SWEETWATER SPRINGS	015413	10/31/06	SCHOOL SITE GARDEN	300.00	300.00
2003375	11/01/06	01834	T C CONSTRUCTION INC	17622	09/30/06	450-1 RESERVOIR/680-1 PUMP STATION	336,973.15	336,973.15
2003477	11/08/06	05526	T M PEMBERTON INC	23702	10/19/06	CONCRETE	1,011.57	1,011.57
2003376	11/01/06	02799	TARULLI TIRE INC - SAN DIEGO	20027221	09/27/06	TIRE SERVICE	981.12	
				20027333	10/06/06	TIRE REPAIR SERVICES	293.34	
				20027364	10/10/06	TIRE REPAIR SERVICES	40.00	
				20027377	10/11/06	TIRE REPAIR SERVICES	39.01	
				20027230	09/28/06	TIRE REPAIR SERVICES	28.00	
				20027416	10/12/06	TIRE REPAIR SERVICES	26.93	
				10039772	10/06/06	TIRE REPAIR SERVICES	5.00	1,413.40
2003478	11/08/06	02799	TARULLI TIRE INC - SAN DIEGO	20027459	10/18/06	TIRE REPAIR SERVICES	479.96	
				20027411	10/13/06	TIRE REPAIR SERVICES	179.43	
				20027359	10/10/06	TIRE REPAIR SERVICES	113.56	
				20027379	10/11/06	TIRE REPAIR SERVICES	75.03	847.98

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2003573	11/15/06	02799	TARULLI TIRE INC - SAN DIEGO	20027556	10/25/06	TIRE REPAIR SERVICES	75.78	75.78
2003665	11/21/06	01834	TC CONSTRUCTION INC	17875	11/01/06	450-1 RW RESERVOIR & 680-1 RW P STATION	700,281.67	700,281.67
2003666	11/21/06	03770	TEAMAN, RAMIREZ & SMITH INC	206233287	11/02/06	ANNUAL AUDIT SERVICES	6,300.00	6,300.00
2003574	11/15/06	02376	TECHKNOWSION INC	1889	10/23/06	SCADA SYSTEM INTEGRATION SVCS	2,024.00	
				1890	10/23/06	SCADA HARDWARE/SOFTWARE SUPPORT	1,442.67	3,466.67
2003575	11/15/06	06517	THE EASTLAKE COMPANY LLC	015428	11/06/06	W/O REFUND D0182-XX6376	1,182.20	
				015429	11/06/06	W/O REFUND D0182-XX6307	438.46	1,620.66
2003664	11/21/06	04977	T-MOBILE	4272085931106	11/04/06	BLACKBERRIES SERVICE	171.30	171.30
2003748	11/29/06	04977	T-MOBILE	015474	11/01/06	CELL PHONE & BLACKBERRIES SERVICE	2,539.42	2,539.42
2003749	11/29/06	03074	TRAFFIC CONTROL SERVICE INC	732469	11/08/06	TRAFFIC CONTROL EQUIPMENT	4,658.41	4,658.41
2003377	11/01/06	02641	TRANE CO	61251437	10/09/06	TECH SUPPORT FOR A/C SYSTEM	568.00	568.00
2003479	11/08/06	00427	UNDERGROUND SERVICE ALERT OF	1020060470	11/01/06	UNDERGROUND TRENCH SERVICE ALERTS	404.80	404.80
2003480	11/08/06	03563	UNDERGROUND UTILITIES INC	106459	10/17/06	METER REPLACEMENT/RETROFIT TO RTR	18,800.00	18,800.00
2003667	11/21/06	03563	UNDERGROUND UTILITIES INC	096447	09/20/06	METER REPLACEMENT/RETROFIT TO RTR	7,176.00	7,176.00
2003481	11/08/06	00075	UNION TRIBUNE PUBLISHING CO	C060903147	09/30/06	JOB POSTINGS	4,483.06	4,483.06
2003668	11/21/06	00075	UNION TRIBUNE PUBLISHING CO	C061003122	10/31/06	JOB POSTINGS	1,444.35	1,444.35
2003378	11/01/06	02613	UNITED RENTALS NORTHWEST INC	60039172001	10/10/06	CONCRETE	156.24	
				60100393001	10/12/06	CONCRETE	156.24	
				60069657001	10/11/06	CONCRETE	118.53	
				60106011001	10/12/06	CONCRETE	117.18	548.19
2003482	11/08/06	02613	UNITED RENTALS NORTHWEST INC	60220732001	10/17/06	CONCRETE	162.52	
				60181333001	10/16/06	CONCRETE	118.53	281.05
2003576	11/15/06	02613	UNITED RENTALS NORTHWEST INC	60462420001	10/26/06	CONCRETE	118.53	118.53
2003750	11/29/06	02613	UNITED RENTALS NORTHWEST INC	60525445001	11/03/06	BOOM LIFT RENTAL	395.33	
				57677148002	07/11/06	CREDIT MEMO	(99.13)	296.20
2003379	11/01/06	05417	UNITED STATES DEPARTMENT	Ben2368993	11/02/06	PAYROLL DEDUCTION	100.00	100.00
2003577	11/15/06	05417	UNITED STATES DEPARTMENT	Ben2369456	11/14/06	PAYROLL DEDUCTION	100.00	100.00

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2003751	11/29/06	05417	UNITED STATES DEPARTMENT	Ben2369720	11/28/06	PAYROLL DEDUCTION	100.00	100.00	
2003483	11/08/06	00350	UNITED STATES POSTAL SERVICE	015414	11/06/06	REIMBURSE POSTAGE MACHINE	3,000.00	3,000.00	
2003484	11/08/06	00853	UNIVAR USA INC	SD622564	10/19/06	BULK AQUA AMMONIA	1,996.91	3,423.03	
				SD622565	10/19/06	BULK AQUA AMMONIA	1,125.88		
				SD622566	10/19/06	BULK AQUA AMMONIA	300.24		
2003752	11/29/06	00853	UNIVAR USA INC	SD623182	11/15/06	CALCIUM HYPOCHLORITE	2,973.90	2,973.90	
2003753	11/29/06	05416	UNIVERSITY MECHANICAL &	12642	06/30/06	WASTEWTR PROCESS OPTIMIZATION PRG	31,410.00	31,410.00	
2003380	11/01/06	03212	UNUM LIFE INSURANCE	Ben2368971	11/02/06	LONG TERM DISABILITY	6,254.50	6,254.50	
2003754	11/29/06	03212	UNUM LIFE INSURANCE	Ben2369698	11/28/06	LONG TERM DISABILITY	5,718.16	5,718.16	
2003381	11/01/06	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2368983	11/02/06	DEFERRED COMP PLAN	6,254.47	6,254.47	
2003578	11/15/06	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2369444	11/14/06	DEFERRED COMP PLAN	5,824.47	5,824.47	
2003579	11/15/06	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2369448	11/14/06	401A PLAN	44,000.00	44,000.00	
2003755	11/29/06	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2369710	11/28/06	DEFERRED COMP PLAN	5,874.47	5,874.47	
2003485	11/08/06	03329	VERIZON WIRELESS	2084181933	11/07/06	CELL PHONE SERVICE	3,920.09	3,920.09	
2003486	11/08/06	00101	W W GRAINGER INC	915673325	09/09/06	CONDUIT FITTINGS	478.22	1,581.43	
				9215115560	10/19/06	FLEX 90 CONNECTORS	375.68		
				9214134042	10/18/06	SWITCH COVERS	224.23		
				9214134034	10/18/06	LAMPS	124.77		
				9185653947	09/11/06	CONDUIT FITTINGS	99.67		
				9214776784	10/19/06	FLEX 90 CONNECTORS	77.97		
				9210576204	10/13/06	FLEX CONNECTORS	69.82		
				9210552940	10/13/06	VOLTAGE DETECTORS	45.38		
				9185519734	09/11/06	FUSES	40.56		
				9214776792	10/19/06	LINESMAN PLIER	27.64		
				9213495816	10/18/06	MAG-LITE FLASH LIGHT	17.49		
2003580	11/15/06	00101	W W GRAINGER INC	9220584016	10/26/06	WAREHOUSE PAINT	128.00		188.96
				9217468520	10/23/06	SCREWS, VALVE	60.96		
2003669	11/21/06	00101	W W GRAINGER INC	9221487714	10/27/06	LIGHT BULBS	249.54	249.54	
2003756	11/29/06	00101	W W GRAINGER INC	9229847638	11/08/06	#10 GAUGE WIRE 500 FOOT SPOOLS	640.92	315.62	
				9226052406	11/02/06	IGNITOR BALLAST	315.62		

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				9226131333	11/02/06	IGNITOR BALLAST	202.87	1,159.41
2003382	11/01/06	03781	WATTON, MARK	16541006	10/24/06	REIMB BUSINESS EXPENSES	115.73	115.73
2003581	11/15/06	00014	WAXIE SANITARY SUPPLY	69717921	10/24/06	WAXIE SUPPLIES	1,168.79	1,168.79
2003383	11/01/06	01343	WE GOT YA PEST CONTROL	38034	10/12/06	BEE REMOVAL	115.00	115.00
2003670	11/21/06	01343	WE GOT YA PEST CONTROL	38604	11/01/06	PEST CONTROL SERVICE	300.00	
				38496	11/02/06	BEE REMOVAL	115.00	415.00
2003582	11/15/06	00190	WEST PAYMENT CENTER	812360642	10/20/06	LEGAL LIBRARY UPDATES	335.12	335.12
2003487	11/08/06	00125	WESTERN PUMP	0000021IN	09/30/06	APCD TESTING	400.00	
				0053786IN	09/18/06	APCD TESTING	150.00	550.00
2003583	11/15/06	00125	WESTERN PUMP	0054791IN	10/25/06	APCD TESTING	150.00	150.00
2003671	11/21/06	00125	WESTERN PUMP	0055131IN	10/31/06	APCD TESTING	400.00	400.00
2003757	11/29/06	00125	WESTERN PUMP	0054021IN	10/09/06	SB989 REPAIRS	11,494.45	11,494.45
2003488	11/08/06	03692	WESTIN ENGINEERING INC	26782	10/13/06	SCADA DOCUMENTATION PROJECT	15,934.71	15,934.71
2003489	11/08/06	01006	WHITE CAP CONSTRUCTION SUPPLY	3873199	10/17/06	BURKE PLUG	665.35	665.35
2003672	11/21/06	03437	WIENHOFF DRUG TESTING INC	12454	11/01/06	HEALTH TESTS	275.00	275.00
2003758	11/29/06	06536	WILDLANDS, INC.	015476	11/22/06	640 RESV PROJ/0.26 ACRES PURCHASED	39,000.00	39,000.00
2003384	11/01/06	02725	WILLIAMS SCOTSMAN	66578913	10/08/06	MOBILE OFFICE RENTAL	310.52	310.52
2003490	11/08/06	02725	WILLIAMS SCOTSMAN	66672651	10/11/06	TRAILER TIE DOWNS	669.64	
				66672643	10/11/06	TRAILER TIE DOWNS	669.64	
				66430661	10/02/06	28' TRAILER RENTAL	296.15	1,635.43
2003673	11/21/06	02725	WILLIAMS SCOTSMAN	67262005	11/02/06	MOBILE OFFICE RENTAL	296.15	296.15
2003674	11/21/06	02230	WILLIAMSON, KELLI M	015468	11/20/06	REIMBURSE CONFERENCE EXPENSE	115.30	115.30
2003759	11/29/06	03423	WINZER CORPORATION	2812754	11/02/06	MISCELLANEOUS HARDWARE SUPPLIES	325.81	325.81
2003675	11/21/06	04574	WRA & ASSOCIATES INC	1112006	11/01/06	640-1 & 640-2 RESERVOIRS PROJECT	4,704.84	4,704.84

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			GRAND TOTAL				<u>4,416,650.23</u>	<u>4,416,650.23</u>