

OTAY WATER DISTRICT

BOARD OF DIRECTORS MEETING
DISTRICT BOARDROOM

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA

WEDNESDAY
February 6, 2008
3:30 P.M.

AGENDA

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. 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

ACTION ITEMS

5. FINANCE AND ADMINISTRATIVE SERVICES
 - a) ADOPT RESOLUTION NO. 4117 TO APPROVE AN AGREEMENT WITH THE CALIFORNIA PUBLIC EMPLOYEE'S RETIREMENT SYSTEM TO PREFUND OTHER POST EMPLOYMENT BENEFITS (OPEB) THROUGH CALPERS; CERTIFY THE FUNDING POLICY OF THE BOARD AT 100% OF THE ANNUAL REQUIRED CONTRIBUTION; DELEGATE AUTHORITY TO REQUEST DISBURSEMENTS TO THE GENERAL MANAGER AND CHIEF FINANCIAL OFFICER; AUTHORIZE THE TRANSFER OF \$11,543,000 TO THE PERS TRUST TO FULLY FUND THE ACTUARIAL ACCRUED LIABILITY AND THE FIRST YEAR'S NORMAL COST; AND AUTHORIZE THE TRANSFER OF THE REMAINING MONEY IN THE DESIGNATED OPEB FUND TO THE GENERAL FUND TO PAY FOR THE APPROVED SIX-YEAR LABOR AGREEMENT (BEACHEM)
6. ENGINEERING AND WATER OPERATIONS
 - a) APPROVAL OF AN 18-MONTH EXTENSION OF THE AGREEMENT TIME FOR THE JONES & STOKES PROFESSIONAL ENVIRONMENTAL SER-

VICES CONTRACT FOR THE HABITAT MANAGEMENT AREA (HMA)
MAINTENANCE AND MONITORING (RIPPERGER/COBURN-BOYD)

7. BOARD

- a) ADOPT RESOLUTION NO. 4121 SUPPORTING KEITH LEWINGER OF FALLBROOK PUBLIC UTILITY DISTRICT FOR APPOINTMENT AS THE REGION 10 CHAIR TO THE BOARD OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES
- b) APPROVE LETTERS OF SUPPORT TO BE FORWARDED TO LEGISLATORS FOR HELIX WATER DISTRICT'S EL MONTE VALLEY GROUND-WATER RECHARGE PROJECT
- c) DISCUSSION OF 2008 BOARD MEETING CALENDAR

INFORMATIONAL ITEMS

8. THESE ITEMS ARE PROVIDED TO THE BOARD FOR INFORMATIONAL PURPOSES ONLY. NO ACTION IS REQUIRED ON THE FOLLOWING AGENDA ITEMS.
- a) DISCUSSION OF REVIEW PROCESS FOR DISTRICT'S CURRENT BANKING SERVICES
 - b) UPDATE ON ANNUAL CUSTOMER SURVEYS

REPORTS

9. GENERAL MANAGER'S REPORT
- a) SAN DIEGO COUNTY WATER AUTHORITY UPDATE
10. DIRECTORS' REPORTS / REQUESTS
11. PRESIDENT'S REPORT / REQUESTS
- a) DISCUSSION OF COMMITTEE MEMBER ASSIGNMENTS AND REVIEW OF DISTRICT MEMBERSHIPS AND PARTICIPATION IN ORGANIZATIONAL EVENTS

RECESS TO CLOSED SESSION

12. CLOSED SESSION
- a) ANTICIPATED LITIGATION (GOVERNMENT CODE §54956.9)

MULTIPLE CASES RELATED TO THE FENTON BUSINESS CENTER

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 February 1, 2008, 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 February 1, 2008.



Susan Cruz, District Secretary



AGENDA ITEM 5a

STAFF REPORT

TYPE MEETING:	Regular Board <i>[Signature]</i>	MEETING DATE:	February 6, 2008
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 <i>[Signature]</i> Assistant General Manager		
SUBJECT:	Adopt Resolution No. 4117 to Authorize the General Manager to Enter into an Agreement with the California Public Employee's Retirement System (PERS) to Prefund Other Post Employment Benefits (OPEB) through CalPERS; Certify the Funding Policy of the Board at 100% of the Annual Required Contribution (ARC); Delegate Authority to Request Disbursements to the General Manager and Chief Financial Officer; Authorize the Transfer of \$11,543,000 to the PERS Trust to Fully Fund the Actuarial Accrued Liability and the First Year's Normal Cost; and Authorize the Transfer of the Remaining Money in the Designated OPEB Fund to the General Fund to Pay for the Approved Six-Year Labor Agreement		

GENERAL MANAGER'S RECOMMENDATION:

That the Board Adopt Resolution No. 4117 to:

1. Authorize the General Manager to enter into an agreement with the California Public Employee's Retirement System (PERS) to prefund Other Post Employment Benefits (OPEB) through CalPERS (Attachment B);
2. Certify the Funding Policy of the Board at 100% of the Annual Required Contribution (ARC) (Attachment C);
3. Delegate authority to request disbursements to the General Manager and Chief Financial Officer (Attachment D);
4. Authorize the transfer of \$11,543,000 to the PERS Trust to fully fund the Actuarial Accrued Liability (AAL) and the first year's "Normal Cost."
5. Authorize the transfer of the remaining money in the Designated OPEB Fund to the General Fund to pay for the approved six-year labor agreement.

COMMITTEE ACTION: _____

See Attachment A.

PURPOSE:

To establish and fund a trust with PERS for the purpose of funding OPEB medical benefits of qualified employees.

ANALYSIS:

OPEB Medical Benefits

As a part of the District's benefit package, retirees that qualify receive various levels of medical coverage. The Board established a designated fund and periodically authorized transfers of money to the fund to ensure that the District was covering the cost to provide this benefit. Actuarial studies have also been performed periodically to validate that the fund was adequately funded. These fiscally responsible actions by the Board have placed the District in the position to now fully fund a GASB 45 compliant trust.

Trust Implementation

The District has numerous options when it comes to implementing a trust. The option recommended by staff is to contract with PERS to manage the trust and invest the funds. The District could manage every aspect of the trust; however, with a PERS Trust the District is able to use the PERS expertise and market influence at a nominal cost to obtain the maximum net return on investments. The PERS selection is also indirectly supported by the actuarial evaluation which will use the highest rate of return only for a PERS Trust. This rate of return is 7.75% while other trusts would be projected to earn 7.0%.

With the implementation of GASB 45, the District must identify as a liability on our financial statements, any required annual funding that is not placed in an irrevocable trust or used to pay benefits. The District must also show the entire amount as unfunded even though the District has set aside funds for this purpose. This negative impact to the financial statements can be avoided by establishing a trust and moving the District's designated funds into the trust. By doing this, the District can then show the OPEB liability as fully funded.

Financially Conservative

To have a fully funded OPEB Trust dramatically reduces the risk of financial difficulties that may be faced by many government agencies.

Few agencies have had the foresight and financial strength to fully fund their OPEB liability. With a fully funded PERS Trust the District's annual OPEB expense will be \$135,000. If the District had not funded its OPEB liability or if it was unwilling to implement a trust, the OPEB expense would not only include the \$135,000 for the currently earned benefits, but would also include an additional \$711,000 annual expense to "catch up" for benefits earned in the past. Avoiding this higher annual expense dramatically improves the District's financial statements and demonstrates the District's financial strength and foresight.

While the creation and funding of this trust is looked upon favorably, this does come at a cost of reduced flexibility. Under the District's current funding plan the funds have been designated by the Board; however, these funds can still be used for any purpose if the Board takes a formal action to do so. This flexibility is exactly what GASB 45 is taking exception with as the funding must be irrevocable in order to qualify. When placed in a GASB 45 compliant trust, these funds become legally committed and are irrevocably set aside to meet the OPEB obligation. The irrevocable nature of the trust is the certainty that is needed. The funds will remain in the trust until they are used to reimburse the District for medical costs paid on behalf of retirees or until there are no future benefits to pay, at which time the remaining funds can be used for other District purposes.

As a part of the PERS application process the District is asked to formally express its intention to fully fund the ongoing costs of the trust. This intent is documented in the "Certification of Funding Policy" (Attachment C) which will be sent to PERS with the signed agreement.

Actuarial Evaluation

Attached is the Actuarial Report (Attachment E) which summarizes the liability that has been incurred by the District through June 30, 2007. This is, in effect, the cost of the benefits that have been earned to date by the employees. This cost is also referred to as the Actuarial Accrued Liability (AAL). The total amount of the AAL is \$11,408,000 and if approved for transfer, this will establish the trust as a "fully funded" trust.

If the trust is approved, it will be funded by the District on an annual basis but it will also be making reimbursement payments to the District for OPEB costs paid by the District. The District will submit a request for reimbursement from the trust for all OPEB expenses incurred. One of the forms to be sent to PERS is the

delegation of authority to the General Manager and the Chief Financial Officer to make these requests (see Attachment D).

Prior to receiving the actuarial report, staff calculated an estimated AAL from numerous source documents including prior actuarial reports. This was done in order to project the amount potentially available in the OPEB designated fund to pay for increased salaries and benefits over the next six-year time period. While there were many variables at work throughout the negotiation process, staff's original estimate resulted in a projected surplus, putting the negotiated benefits target within reach. With the completion of the negotiation process and the settling of all the various options, the actuary was able to finalize the cost of the OPEB liability. This update used the latest information such as new retirees, negotiated benefits, and updated health costs. The actuary was able to put a fine point to the liability which turned out to be higher than projected by staff, leaving the negotiated benefits costing \$100,000 per year more than what was available in the designated fund. Staff's recommendation is still to fully fund the trust using the 2007 budget surplus to fund the unanticipated difference thereby avoiding any impact on rates.

Financial Statement Impact

To move the funds to PERS will result in a one-time expenditure in the income statement that will be highlighted in a footnote. This footnote will describe how the District is fully funding it's liability in an irrevocable trust. This action is certainly something that the District will highlight to interested parties as it again demonstrates foresight and financial strength. While GASB does not allow for much embellishment in the footnote, the significance of this will be understood by sophisticated users of the Financial Statements, such as the rating agencies.

FISCAL IMPACT:



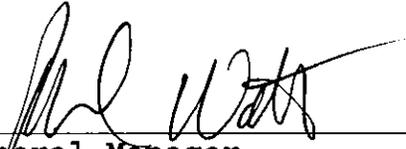
The use of a PERS Trust for long-term Post Retirement Medical Benefits allows the District to obtain a higher yield on its investments and, therefore, the current funding requirement is substantially lower. Approval of the recommended actions will result in a fully funded OPEB Trust and the use of unanticipated 2007 revenues to fund the variance between staff's projection and the final actuarial estimates. With the availability of the 2007 budget surplus, this action will not raise rates above the rate model projections.

STRATEGIC GOAL:

Through well-established financial policies and wise management of funds, the District will continue to guarantee fiscal responsibility to its ratepayers and the community at large.

LEGAL IMPACT: _____

None.



General Manager

Attachments:

- A) Committee Action Form
- B) Agreement and Election to Prefund Other Post Employment Benefits through CalPERS
- C) Certification of Funding Policy
- D) Delegation of Authority to Request Disbursements
- E) Actuarial Valuation
- F) Excerpts from "Funding Pensions & Retiree Health Care for Public Employees" Report
- G) OPEB Presentation



ATTACHMENT A

SUBJECT/PROJECT:

Adopt Resolution No. 4117 to Authorize the General Manager to Enter into an Agreement with the California Public Employee's Retirement System (PERS) to Prefund Other Post Employment Benefits (OPEB) through CalPERS; Certify the Funding Policy of the Board at 100% of the Annual Required Contribution (ARC); Delegate Authority to Request Disbursements to the General Manager and Chief Financial Officer; Authorize the Transfer of \$11,543,000 to the PERS Trust to Fully Fund the Actuarially Accrued Liability and the First Year's Normal Cost; and Authorize the Transfer of the Remaining Money in the Designated OPEB Fund to the General Fund to Pay for the Approved Six-Year Labor Agreement

COMMITTEE ACTION:

The Finance, Administration, and Communications Committee reviewed this item at a meeting held on January 22, 2008. The following comments were made:

- Staff is recommending that the board establish and fully fund a trust with PERS for the purpose of funding OPEB (Other Post Employment Benefits) medical benefits of qualified employees.
- In 1998 the Financial Accounting Standards Board (FASB) issued SFAS 132 which standardizes accounting for medical pensions. One year after the release of SFAS 132, the District commissioned an actuarial study on its OPEB and in 2000 the board approved an OPEB policy and set aside \$4 million to partially fund the District's OPEB.
- In 2004 the Governmental Accounting Standards Board (GASB) issued GASB No. 45 with a focus on irrevocable trusts. The District then updated the actuarial study and the board set aside \$12.1 million to fully fund the District's OPEB.
- During the MOU negotiations process in 2007, the District identified \$5 million in savings if the OPEB was fully funded within a PERS Trust. The District then could offer expanded compensation and benefits with the savings. However, this was predicated upon the State Governor

approving AB 554, which he approved and became effective January 1, 2008.

- The actuarial results indicated that the Actuarial Accrued Liability (AAL) for the OPEB is \$11,408,00 and the Annual Required Contribution (ARC) is \$135,000. If the District does not fully fund the OPEB, the cost annually would be \$135,000 plus the UAAL (Unfunded AAL) of \$711,000 for a total of \$846,000.
- The \$5 million that is made available from current funds is based on the actuary's estimate of a 7.75% return on the PERS Trust (higher returns) and lower costs.
- When the OPEB funds are placed in a GASB 45 compliant trust, these funds become legally committed and are irrevocably set aside to meet the OPEB obligation. This will take the liability off of the District's financial statements and is favorably looked upon by the bond markets and rating agencies.
- The District will commission an actuarial study every two years and any adjustment of the annual payments will be smoothed out over a 30 year time period.
- It was noted that the District can invest its own OPEB funds as a governmental entity, however, it would not be cost effective unless the fund is very large.
- The committee requested occasional updates on how other agencies' ratings have been affected by not fully funding their OPEB.

The committee supported staffs recommendation and presentation to the full board as an action item.



**CERTIFICATION OF OPEB ACTUARIAL
INFORMATION AND FUNDING POLICY**

CERTIFICATION OF OPEB ACTUARIAL INFORMATION

As Actuary for the plan, I certify that the valuation for Otay Water District upon which the enclosed summary of actuarial information is based, meets the following criteria:

- The valuation was prepared on the basis of the OPEB assumption model prescribed by the CalPERS Board and in effect at the time of the valuation.
- The valuation has been prepared and signed by a Fellow or Associate of the Society of Actuaries who is also a Member of the American Academy of Actuaries.¹
- The valuation has been prepared in accordance with generally accepted actuarial principles.
- In the case where the actuarial valuation is to be performed on a biennial cycle:
 - this valuation includes (ARC) information that covers two fiscal years
 - other actuarial information for the second fiscal year will be provided after actual benefit payments and contributions are provided by the agency.
- The valuation has been prepared in accordance with the requirements set forth in Governmental Accounting Standards Board (GASB) Statements No. 43 and No. 45.
- If employer assets to pre-fund other post-employment benefits are invested in an irrevocable OPEB trust other than the California Employers' Retiree Benefit Trust, the liabilities associated with those assets are not included in the summary of actuarial information.

I further certify that the discount rate is consistent with the anticipated level of funding pursuant to the relevant section of GASB 43, and the employer's certification.

June 30, 2007

Valuation Date

John E. Bartel, ASA, FCA, EA, MAAA

Printed Name of Actuary and Designation



January 3, 2008

Signature

Date

¹In cases where the actuary performing the work does not meet these criteria, the valuation may be acceptable if the person has equivalent qualifications that are acceptable to the CalPERS Board. Please provide the qualifications of the actuary performing the valuation.

CERTIFICATION OF FUNDING POLICY

As the employer, I certify that our funding policy is to contribute consistently an amount at least equal to 100% of the ARC.

Otay Water District

Name of Employer

Printed Name and Title of Person Signing the Form

Signature

Date

CALIFORNIA EMPLOYER'S RETIREE BENEFIT TRUST PROGRAM ("CERBT")

**AGREEMENT AND ELECTION
OF**

(NAME OF EMPLOYER)

**TO PREFUND OTHER POST EMPLOYMENT
BENEFITS THROUGH CalPERS**

WHEREAS (1) Government Code Section 22940 establishes in the State Treasury the Annuitants' Health Care Coverage Fund for the prefunding of health care coverage for annuitants (Prefunding Plan); and

WHEREAS (2) The California Public Employees' Retirement System (CalPERS) Board of Administration (Board) has sole and exclusive control and power over the administration and investment of the Prefunding Plan (sometimes also referred to as CERBT), the purposes of which include, but are not limited to (i) receiving contributions from participating employers and establishing separate Employer Prefunding Accounts in the Prefunding Plan for the performance of an essential governmental function (ii) investing contributed amounts and income thereon, if any, in order to receive yield on the funds and (iii) disbursing contributed amounts and income thereon, if any, to pay for costs of administration of the Prefunding Plan and to pay for health care costs or other post employment benefits in accordance with the terms of participating employers' plans; and

WHEREAS (3) _____
(NAME OF EMPLOYER)

(Employer) desires to participate in the Prefunding Plan upon the terms and conditions set by the Board and as set forth herein; and

WHEREAS (4) Employer may participate in the Prefunding Plan upon (i) approval by the Board and (ii) filing a duly adopted and executed Agreement and Election to Prefund Other Post Employment Benefits (Agreement) as provided in the terms and conditions of the Agreement; and

WHEREAS (5) The Prefunding Plan is a trust fund that is intended to perform an essential governmental function within the meaning of Section 115 of the Internal Revenue Code as an agent multiple-employer plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 43 consisting of an aggregation of single-employer plans, with pooled administrative and investment functions;

NOW, THEREFORE, BE IT RESOLVED THAT EMPLOYER HEREBY MAKES THE FOLLOWING REPRESENTATION AND WARRANTY AND THAT THE BOARD AND EMPLOYER AGREE TO THE FOLLOWING TERMS AND CONDITIONS:

A. Representation and Warranty

Employer represents and warrants that it is a political subdivision of the State of California or an entity whose income is excluded from gross income under Section 115 (1) of the Internal Revenue Code.

B. Adoption and Approval of the Agreement; Effective Date; Amendment

(1) Employer's governing body shall elect to participate in the Prefunding Plan by adopting this Agreement and filing with the CalPERS Board a true and correct original or certified copy of this Agreement as follows:

Filing by mail, send to: CalPERS
Constituent Relations Office
CERBT (OPEB)
P.O. Box 942709
Sacramento, CA 94229-2709

Filing in person, deliver to: CalPERS Mailroom
Attn: Employer Services Division
400 Q Street
Sacramento, CA 95814

(2) Upon receipt of the executed Agreement, and after approval by the Board, the Board shall fix an effective date and shall promptly notify Employer of the effective date of the Agreement.

(3) The terms of this Agreement may be amended only in writing upon the agreement of both CalPERS and Employer, except as otherwise provided herein. Any such amendment or modification to this Agreement shall be adopted and executed in the same manner as required for the Agreement. Upon receipt of the executed amendment or modification, the Board shall fix the effective date of the amendment or modification.

(4) The Board shall institute such procedures and processes as it deems necessary to administer the Prefunding Plan, to carry out the purposes of this Agreement, and to maintain the tax exempt status of the Prefunding Plan. Employer agrees to follow such procedures and processes.

C. Actuarial Valuation and Employer Contributions

(1) Employer shall provide to the Board an actuarial valuation report on the basis of the actuarial assumptions and methods prescribed by the Board. Such report shall be for the Board's use in financial reporting, shall be prepared at least as often as the minimum frequency required by GASB Statement No. 43, and shall be:

- (a) prepared and signed by a Fellow or Associate of the Society of Actuaries who is also a Member of the American Academy of Actuaries or a person with equivalent qualifications acceptable to the Board;
- (b) prepared in accordance with generally accepted actuarial practice and GASB Statement Nos. 43 and 45; and,
- (c) provided to the Board prior to the Board's acceptance of contributions for the valuation period or as otherwise required by the Board.

(2) The Board may reject any actuarial valuation report submitted to it, but shall not unreasonably do so. In the event that the Board determines, in its sole discretion, that the actuarial valuation report is not suitable for use in the Board's financial statements or if Employer fails to provide a required actuarial valuation, the Board may obtain, at Employer's expense, an actuarial valuation that meets the Board's financial reporting needs. The Board may recover from Employer the cost of obtaining such actuarial valuation by billing and collecting from Employer or by deducting the amount from Employer's account in the Prefunding Plan.

(3) Employer shall notify the Board of the amount and time of contributions which contributions shall be made in the manner established by the Board.

(4) Employer contributions to the Prefunding Plan may be limited to the amount necessary to fully fund Employer's actuarial present value of total projected benefits, as supported by the actuarial valuation acceptable to the Board. As used throughout this document, the meaning of the term "actuarial present value of total projected benefits" is as defined in GASB Statement No. 45. If Employer's contribution causes its assets in the Prefunding Plan to exceed the amount required to fully fund the actuarial present value of total projected benefits, the Board may refuse to accept the contribution.

(5) Any Employer contribution will be at least \$5000 or be equal to Employer's Annual Required Contribution as that term is defined in GASB Statement No. 45. Contributions can be made at any time following the seventh day after the effective date of the Agreement provided that Employer has first complied with the requirements of Paragraph C.

D. Administration of Accounts, Investments, Allocation of Income

- (1) The Board has established the Prefunding Plan as an agent plan consisting of an aggregation of single-employer plans, with pooled administrative and investment functions, under the terms of which separate accounts will be maintained for each employer so that Employer's assets will provide benefits only under employer's plan.
- (2) All Employer contributions and assets attributable to Employer contributions shall be separately accounted for in the Prefunding Plan (Employer's Prefunding Account).
- (3) Employer's Prefunding Account assets may be aggregated with prefunding account assets of other employers and may be co-invested by the Board in any asset classes appropriate for a Section 115 Trust.
- (4) The Board may deduct the costs of administration of the Prefunding Plan from the investment income or Employer's Prefunding Account in a manner determined by the Board.
- (5) Investment income shall be allocated among employers and posted to Employer's Prefunding Account as determined by the Board but no less frequently than annually.
- (6) If Employer's assets in the Prefunding Plan exceed the amount required to fully fund the actuarial present value of total projected benefits, the Board, in compliance with applicable accounting and legal requirements, may return such excess to Employer.

E. Reports and Statements

- (1) Employer shall submit with each contribution a contribution report in the form and containing the information prescribed by the Board.
- (2) The Board shall prepare and provide a statement of Employer's Prefunding Account at least annually reflecting the balance in Employer's Prefunding Account, contributions made during the period and income allocated during the period, and such other information as the Board determines.

F. Disbursements

- (1) Employer may receive disbursements not to exceed the annual premium and other costs of post employment healthcare benefits and other post employment benefits.
- (2) Employer shall notify CalPERS in writing in the manner specified by CalPERS of the persons authorized to request disbursements from the Prefunding Plan on behalf of Employer.

(3) Employer's request for disbursement shall be in writing signed by Employer's authorized representative, in accordance with procedures established by the Board. The Board may require that Employer certify or otherwise establish that the monies will be used for the purposes of the Prefunding Plan.

(4) Requests for disbursements that satisfy the requirements of paragraphs (2) and (3) that are received on or after the first of a month will be processed by the 15th of the following month. (For example, a disbursement request received on or between March 1st and March 31st will be processed by April 15th; and a disbursement request received on or between April 1st and April 30th will be processed by May 15th.)

(5) CalPERS shall not be liable for amounts disbursed in error if it has acted upon the instruction of an individual authorized by Employer to request disbursements. In the event of any other erroneous disbursement, the extent of CalPERS' liability shall be the actual dollar amount of the disbursement, plus interest at the actual earnings rate but not less than zero.

(6) No disbursement shall be made from the Prefunding Plan which exceeds the balance in Employer's Prefunding Account.

G. Costs of Administration

Employer shall pay its share of the costs of administration of the Prefunding Plan, as determined by the Board.

H. Termination of Employer Participation in Prefunding Plan

(1) The Board may terminate Employer's participation in the Prefunding Plan if:

- (a) Employer gives written notice to the Board of its election to terminate;
- (b) The Board finds that Employer fails to satisfy the terms and conditions of this Agreement or of the Board's rules or regulations.

(2) If Employer's participation in the Prefunding Plan terminates for any of the foregoing reasons, all assets in Employer's Prefunding Account shall remain in the Prefunding Plan, except as otherwise provided below, and shall continue to be invested and accrue income as provided in Paragraph D.

(3) After Employer's participation in the Prefunding Plan terminates, Employer may not make contributions to the Prefunding Plan.

(4) After Employer's participation in the Prefunding Plan terminates, disbursements from Employer's Prefunding Account may continue upon Employer's instruction or otherwise in accordance with the terms of this Agreement.

(5) After thirty-six (36) months have elapsed from the effective date of this Agreement:

(a) Employer may request a trustee to trustee transfer of the assets in Employer's Prefunding Account. Upon satisfactory showing to the Board that the transfer will satisfy applicable requirements of the Internal Revenue Code and the Board's fiduciary duties, then the Board shall effect the transfer within one hundred twenty (120) days. The amount to be transferred shall be the amount in the Employer's Prefunding Account as of the disbursement date and shall include investment earnings up to the investment earnings allocation date immediately preceding the disbursement date. In no event shall the investment earnings allocation date precede the transfer by more than 120 days.

(b) Employer may request a disbursement of the assets in Employer's Prefunding Account. Upon satisfactory showing to the Board that all of Employer's obligations for payment of post employment health care benefits and other post employment benefits and reasonable administrative costs of the Board have been satisfied, then the Board shall effect the disbursement within one hundred twenty (120) days. The amount to be disbursed shall be the amount in the Employer's Prefunding Account as of the disbursement date and shall include investment earnings up to the investment earnings allocation date immediately preceding the disbursement date. In no event shall the investment earnings allocation date precede the disbursement by more than 120 days.

(6) After Employer's participation in the Prefunding Plan terminates and at such time that no assets remain in Employer's Prefunding Account, this Agreement shall terminate.

(7) If, for any reason, the Board terminates the Prefunding Plan, the assets in Employer's Prefunding Account shall be paid to Employer after retention of (i) amounts sufficient to pay post employment health care benefits and other post employment benefits to annuitants for current and future annuitants, and (ii) amounts sufficient to pay reasonable administrative costs of the Board.

(8) If Employer ceases to exist but Employer's Prefunding Plan continues to exist and if no provision has been made by Employer for ongoing payments to pay post employment health care benefits and other post employment benefits to annuitants for current and future annuitants, the Board is authorized to and shall appoint a third party administrator to carry out Employer's Prefunding Plan. Any and all costs associated

with such appointment shall be paid from the assets attributable to contributions by Employer.

(9) If Employer should breach the representation and warranty set forth in Paragraph A., the Board shall take whatever action it deems necessary to preserve the tax-exempt status of the Prefunding Plan.

I. General Provisions

(1) Books and Records.

Employer shall keep accurate books and records connected with the performance of this Agreement. Employer shall ensure that books and records of subcontractors, suppliers, and other providers shall also be accurately maintained. Such books and records shall be kept in a secure location at the Employer's office(s) and shall be available for inspection and copying by CalPERS and its representatives at any time.

(2) Audit.

(a) During and for three years after the term of this Agreement, Employer shall permit the Bureau of State Audits, CalPERS, and its authorized representatives, and such consultants and specialists as needed, at all reasonable times during normal business hours to inspect and copy, at the expense of CalPERS, books and records of Employer relating to its performance of this Agreement.

(b) Employer shall be subject to examination and audit by the Bureau of State Audits, CalPERS, and its authorized representatives, and such consultants and specialists as needed, during the term of this Agreement and for three years after final payment under this Agreement. Any examination or audit shall be confined to those matters connected with the performance of this Agreement, including, but not limited to, the costs of administering this Agreement. Employer shall cooperate fully with the Bureau of State Audits, CalPERS, and its authorized representatives, and such consultants and specialists as needed, in connection with any examination or audit. All adjustments, payments, and/or reimbursements determined to be necessary by any examination or audit shall be made promptly by the appropriate party.

(3) Notice.

(a) Any notice, approval, or other communication required or permitted under this Agreement will be given in the English language and will be deemed received as follows:

1. Personal delivery. When personally delivered to the recipient. Notice is effective on delivery.
2. First Class Mail. When mailed first class to the last address of the recipient known to the party giving notice. Notice is effective three delivery days after deposit in a United States Postal Service office or mailbox.
3. Certified mail. When mailed certified mail, return receipt requested. Notice is effective on receipt, if delivery is confirmed by a return receipt.
4. Overnight Delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account, Notice is effective on delivery, if delivery is confirmed by the delivery service.
5. Telex or Facsimile Transmission. When sent by telex or fax to the last telex or fax number of the recipient known to the party giving notice. Notice is effective on receipt, provided that (i) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (ii) the receiving party delivers a written confirmation of receipt. Any notice given by telex or fax shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a nonbusiness day.
6. E-mail transmission. When sent by e-mail using software that provides unmodifiable proof (i) that the message was sent, (ii) that the message was delivered to the recipient's information processing system, and (iii) of the time and date the message was delivered to the recipient along with a verifiable electronic record of the exact content of the message sent.

Addresses for the purpose of giving notice are as shown in Paragraph B.(1) of this Agreement.

- (b) Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
- (c) Any party may change its address, telex, fax number, or e-mail address by giving the other party notice of the change in any manner permitted by this Agreement.

- (d) All notices, requests, demands, amendments, modifications or other communications under this Agreement shall be in writing. Notice shall be sufficient for all such purposes if personally delivered, sent by first class, registered or certified mail, return receipt requested, delivery by courier with receipt of delivery, facsimile transmission with written confirmation of receipt by recipient, or e-mail delivery with verifiable and unmodifiable proof of content and time and date of sending by sender and delivery to recipient. Notice is effective on confirmed receipt by recipient or 3 business days after sending, whichever is sooner.

(4) Modification

This Agreement may be supplemented, amended, or modified only by the mutual agreement of the parties. No supplement, amendment, or modification of this Agreement shall be binding unless it is in writing and signed by the party to be charged.

(5) Survival

All representations, warranties, and covenants contained in this Agreement, or in any instrument, certificate, exhibit, or other writing intended by the parties to be a part of their Agreement shall survive the termination of this Agreement until such time as all amounts in Employer's Prefunding Account have been disbursed.

(6) Waiver

No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, failure, right, or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

(7) Necessary Acts, Further Assurances

The parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

A majority vote of Employer's Governing Body at a public meeting held on the _____ day of the month of _____ 2007, authorized entering into this Agreement.

Signature of the Presiding Officer: _____

Printed Name of the Presiding Officer: _____

Name of Governing Body: _____

Name of Employer: _____

Date: _____

BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
KENNETH W. MARZION
ACTUARIAL AND EMPLOYER SERVICES BRANCH
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

To be completed by CalPERS The effective date of this Agreement is: _____
--



**DELEGATION OF AUTHORITY
TO REQUEST DISBURSEMENTS**

**RESOLUTION
OF THE**

(GOVERNING BODY)

OF THE

(NAME OF EMPLOYER)

The _____ delegates to the incumbents in
(GOVERNING BODY)

the positions of _____ and
(TITLE)

_____ authority to request on behalf
(TITLE)

of the Employer disbursements from the Other Post Employment Prefunding

Plan and to certify as to the purpose for which the disbursed funds will be used.

By _____

Title _____

Witness _____

Date _____



**Otay Water District
Retiree Healthcare Plan**

BARTEL
ASSOCIATES, LLC

Actuarial Valuation as of June 30, 2007

January 2008

Bartel Associates, LLC
411 Borel Avenue, Suite 445
San Mateo, California 94402
Phone: 650/377-1600
Fax: 650/345-8057

ACTUARIAL VALUATION CERTIFICATION

This report presents the June 30, 2007 actuarial valuation for the Otay Water District Retiree Healthcare Plan ("Plan"). The purpose of this valuation is to:

- determine the Plan Benefit Obligations as of June 30, 2007 pursuant to Governmental Accounting Standards Board Statement No. 45 (GASB 45), and
- calculate the Annual Required Contribution for the 2007/08 fiscal year.

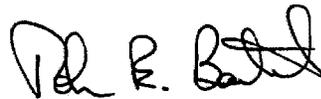
This report includes the following sections:

- Section 1 presents a summary of the June 30, 2007 valuation results.
- Section 2 provides estimated financial accounting information for the fiscal year ending June 30, 2008.
- Section 3 provides detailed results for the June 30, 2007 actuarial valuation.
- Sections 4, 5, and 6 summarize the census data, Plan provisions, funding methods, and actuarial assumptions that form the basis of the actuarial valuation.
- Section 7 includes a summary of GASB 45.

This report presents Bartel Associates' best estimate of the Otay Water District Retiree Healthcare Plan liabilities and costs in accordance with accepted actuarial principles and our understanding of GASB 45.

The undersigned is a member of the American Academy of Actuaries and meets Academy Qualification Standards to render the actuarial results and opinions in this report.

Respectfully submitted,
Bartel Associates, LLC



John E. Bartel, ASA, MAAA
President

January 3, 2008

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Actuarial and Accounting Terminology used in this Report

- AAL – Actuarial Accrued Liability
- AOC – Annual OPEB Cost
- ARC – Annual Required Contribution
- EAN – Entry Age Normal Cost Method
- GASB 45 – Governmental Accounting Standards Board Statement No. 45
- NOO – Net OPEB Obligation
- OPEB – Other (than pensions) Post Employment Benefits
- PVB – Present Value of Benefits
- UAAL – Unfunded Actuarial Accrued Liability

SECTION 1 SUMMARY

The Otay Water District provides postretirement healthcare benefits to eligible employees who retire directly from the District. GASB 45 financial information for the 2007/08 fiscal year is as follows (amounts in 000's), assuming the District implements the GASB 45 accounting standard for the 2007/08 fiscal year:

■ Present Value of Benefits (PVB) as of 6/30/07	\$12,522
The Present Value of Benefits is a measure of the District obligation for expected retiree healthcare benefits due to both past and future service for current employees and retirees.	
■ Actuarial Accrued Liability (AAL) as of 6/30/07	11,408
The Actuarial Accrued Liability is a measure of the District obligation for benefits earned or allocated to past service.	
■ Plan Assets as of 6/30/07	0
Plan Assets include funds that have been segregated and restricted in a trust so that they can only be used to pay plan benefits.	
■ Unfunded Actuarial Accrued Liability (UAAL) as of 6/30/07	11,408
The Unfunded Actuarial Accrued Liability is the excess of the AAL over Plan Assets. This represents the amount of the Actuarial Accrued Liability at the valuation date that still must be funded.	
■ Annual Required Contribution (ARC) for 2007/08	846
The Annual Required Contribution is the sum of the Normal Cost plus an amortization of the Unfunded Actuarial Accrued Liability (or less an amortization of excess assets) determined as of the end of the fiscal year. The Normal Cost is the value of District-provided benefits expected to be earned or allocated to the fiscal year.	
■ Estimated Net OPEB Obligation (NOO) as of 6/30/07	0
The Net OPEB Obligation is the historical difference between the ARC and actual contributions. The Net OPEB Obligation is assumed to be zero as of June 30, 2007, the date the District implemented GASB 45.	
■ Annual OPEB Cost (AOC) for 2007/08	846
The Annual OPEB Cost is the expense recognized on the District's income statement for providing post-retirement healthcare benefits. The first year that the District complies with GASB 45, the AOC will equal the ARC. In subsequent years, the AOC will equal the ARC, adjusted for prior differences between the ARC and actual contributions.	
■ Expected Benefit Payments for 2007/08	701
Expected Benefit Payments, or the Pay-As-You-Go-Cost, are the expected District-paid retiree healthcare benefit payments for the fiscal year. (Amount shown here reflects 2008 premium rates for a full year and includes both the cash subsidy and the implied subsidy.)	

SECTION 2
ACCOUNTING INFORMATION

The District's current contribution policy is to contribute the full ARC to the CalPERS California Employers' Retiree Benefit Trust Fund (CERBT) annually. In addition, the District intends to fund the full Actuarial Accrued Liability as of June 30, 2007 during the 2007/08 fiscal year. The 2007/08 ARC and AOC and the estimated June 30, 2008 NOO are as follows:

Annual Required Contribution (ARC)

The 2007/08 Annual Required Contribution includes the Normal Cost plus a 30-year amortization of the Unfunded AAL, both as a level percentage of payroll and determined as of the end of the fiscal year (amounts in 000's):

	<u>Cash Subsidy</u>	<u>Implied Subsidy</u>	<u>Total</u>
■ Normal Cost	\$99	\$36	\$135
■ UAAL Amortization	<u>649</u>	<u>62</u>	<u>711</u>
■ Total ARC	748	98	846
■ ARC as % of Payroll	6.8%	0.9%	7.7%

Annual OPEB Cost (AOC)

The AOC equals the ARC, except when the District has a NOO at the beginning of the year. In that case, the AOC will equal the ARC adjusted for expected interest on the NOO and reduced by an amortization of the NOO. The 2007/08 AOC is determined as follows (amounts in 000's):

	<u>Cash Subsidy</u>	<u>Implied Subsidy</u>	<u>Total</u>
■ ARC	\$748	\$98	\$846
■ Interest on NOO	0	0	0
■ Amortization of NOO	<u>0</u>	<u>0</u>	<u>0</u>
■ Total AOC	748	98	846

Estimated Net OPEB Obligation (NOO)

The NOO is the historical difference between the ARC and actual contributions to a segregated trust. If the District contributes an amount equal to the Normal Cost (determined as of the end of the fiscal year) plus the 6/30/07 Actuarial Accrued Liability during 2007/08, the estimated June 30, 2008 NOO is (amounts in \$000's):

	<u>Cash Subsidy</u>	<u>Implied Subsidy</u>	<u>Total</u>
■ June 30, 2007 NOO ¹	\$0	\$0	\$0
■ AOC	748	98	846
■ Contributions (including benefit payments)	<u>(10,507)</u>	<u>(1,036)</u>	<u>(11,543)</u>
■ June 30, 2008 NOO	(9,759)	(938)	(10,697)

¹ Assumes the June 30, 2007 Net OPEB Obligation is zero.

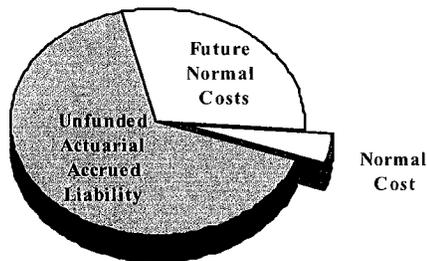
SECTION 3
ACTUARIAL VALUATION RESULTS

Benefit Obligations

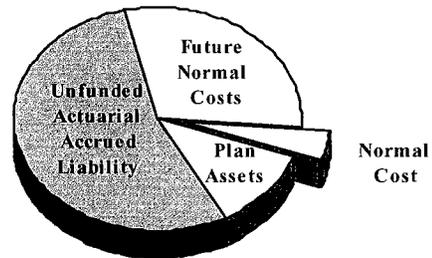
The following actuarial definitions are used in this section:

- The **Present Value of Benefits (PVB)** or Present Value of Projected Benefits is a measure of the total District obligation for expected retiree healthcare benefits due to both past and future service for current employees and retirees.
- The **Actuarial Accrued Liability (AAL)** is a measure of the District obligation for benefits earned or allocated to past service.
- The **Normal Cost** is the value of District-provided benefits expected to be earned or allocated to the current fiscal year determined as of the end of the fiscal year.
- **Plan Assets** include funds that have been segregated and restricted in a trust so that they can only be used to pay plan benefits.

This report develops the AAL and Normal Cost using the Entry Age Normal actuarial cost method. This method is designed to produce a Normal Cost which, if all assumptions are met, will be a level percent of payroll. The following charts illustrate the components of the PVB, with the shaded area representing the unfunded AAL.



**Present Value of Benefits
(Without Plan Assets)**



**Present Value of Benefits
(With Plan Assets)**

SECTION 3
ACTUARIAL VALUATION RESULTS

Benefit Obligations – June 30, 2007
(amounts in 000's)

	<u>Cash Subsidy</u>	<u>Implied Subsidy</u>	<u>Total</u>
■ PVB			
● Actives	\$3,674	\$752	\$4,426
● Retirees	<u>7,528</u>	<u>568</u>	<u>8,096</u>
● Total	11,202	1,320	12,522
■ AAL			
● Actives	2,880	432	3,312
● Retirees	<u>7,528</u>	<u>568</u>	<u>8,096</u>
● Total	10,408	1,000	11,408
■ Assets	<u>0</u>	<u>0</u>	<u>0</u>
■ Unfunded AAL	10,407	1,000	11,408
■ Expected Benefit Payments ²	600	101	701

² Expected benefit payments were calculated assuming the 2008 premium rates are effective for the full 2007/08 fiscal year. Financial reporting of the District's healthcare cost for active employees should be offset by the expected payments for the retirees' implied subsidy.

SECTION 3
ACTUARIAL VALUATION RESULTS

Annual Required Contribution (ARC) – 2007/08
(amounts in 000's)

	<u>Cash Subsidy</u>	<u>Implied Subsidy</u>	<u>Total</u>
■ ARC - \$			
● Normal Cost	\$99	\$36	\$135
● UAAL Amortization ³	<u>649</u>	<u>62</u>	<u>711</u>
● Total at End of Fiscal Year	748	98	846
■ Annual Payroll	10,951	10,951	10,951
■ ARC - % of Payroll			
● Normal Cost	0.9%	0.3%	1.2%
● UAAL Amortization	<u>5.9%</u>	<u>0.6%</u>	<u>6.5%</u>
● Total at End of Fiscal Year	6.8%	0.9%	7.7%

³ 30-year amortization.

SECTION 3
ACTUARIAL VALUATION RESULTS

Benefit Obligations – June 30, 2007
(amounts in 000's)

	<u>Tier I</u>	<u>Tier II</u>	<u>Tier III</u>	<u>Directors</u>	<u>Total</u>
■ PVB					
● Actives	\$727	\$3,042	\$657	\$0	\$4,426
● Retirees	<u>5,317</u>	<u>2,623</u>	<u>0</u>	<u>156</u>	<u>8,096</u>
● Total	6,044	5,665	657	156	12,522
■ AAL					
● Actives	665	2,433	213	0	3,312
● Retirees	<u>5,317</u>	<u>2,623</u>	<u>0</u>	<u>156</u>	<u>8,096</u>
● Total	5,982	5,056	213	156	11,408
■ Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
■ Unfunded AAL	5,981	5,056	213	156	11,408
■ Expected Benefit Payments ⁴	450	227	1	23	701

⁴ Includes cash and implied subsidy.

SECTION 3
ACTUARIAL VALUATION RESULTS

Annual Required Contribution (ARC) – 2007/08

(amounts in 000's)

	<u>Tier I</u>	<u>Tier II</u>	<u>Tier III</u>	<u>Directors</u>	<u>Total</u>
■ ARC - \$					
● Normal Cost	\$8	\$80	\$47	\$0	\$135
● UAAL Amortization ⁵	<u>373</u>	<u>315</u>	<u>13</u>	<u>10</u>	<u>711</u>
● Total at End of Fiscal Year	381	395	60	10	846
■ Annual Payroll	465	2,416	8,070	n/a	10,951
■ ARC - % of Payroll					
● Normal Cost	1.7%	3.3%	0.6%	n/a	1.2%
● UAAL Amortization	<u>80.2%</u>	<u>13.0%</u>	<u>0.2%</u>	<u>n/a</u>	<u>6.5%</u>
● Total at End of Fiscal Year	81.9%	16.4%	0.7%	n/a	7.7%

⁵ 30-year amortization.

Benefit Obligations – June 30, 2007

(amounts in 000's)

	<u>Exec</u>	<u>Confid</u>	<u>Manager</u>	<u>Super</u>	<u>Admin</u>	<u>Field</u>	<u>Directors</u>	<u>Total</u>
■ PVB								
● Actives	\$266	\$174	\$766	\$439	\$922	\$1,859	\$0	\$4,426
● Retirees								<u>8,095</u>
● Total								12,521
■ AAL								
● Actives	171	111	637	350	622	1,422	0	3,312
● Retirees								<u>8,095</u>
● Total								11,407
■ Assets								<u>0</u>
■ Unfunded AAL								11,407
■ Expected Benefit Payments ⁶								701

⁶ Includes cash and implied subsidy.

Annual Required Contribution (ARC) – 2007/08

(amounts in 000's)

	<u>Exec</u>	<u>Confid</u>	<u>Manager</u>	<u>Super</u>	<u>Admin</u>	<u>Field</u>	<u>Directors</u>	<u>Total</u>
■ ARC - \$								
● Normal Cost	\$11	\$7	\$18	\$9	\$35	\$54	\$0	\$135
● UAAL Amortization ⁷								<u>711</u>
● Total at End of Fiscal Year								846
■ Annual Payroll	1,245	1,037	1,120	803	3,319	3,426	n/a	10,951
■ ARC - % of Payroll								
● Normal Cost	0.9%	0.7%	1.6%	1.1%	1.1%	1.6%	n/a	1.2%
● UAAL Amortization								<u>6.5%</u>
● Total at End of Fiscal Year								7.7%

⁷ 30-year amortization.

Cash Flow Projection

(amounts in 000's)

The following table shows the projected "pay-as-you-go" benefit payments for the next 10 years as estimated from the June 30, 2007 actuarial valuation. The projection was done on a closed group basis, that is, no new hires were assumed.

<u>Fiscal Year</u>	<u>Benefit Payments</u>
2007/08 ⁸	\$701
2008/09	752
2009/10	792
2010/11	851
2011/12	887
2012/13	894
2013/14	952
2014/15	962
2015/16	1,003
2016/17	1,043

⁸ Expected benefit payments were calculated assuming the 2008 premium rates are effective for the full 2007/08 fiscal year.

SECTION 4
DEMOGRAPHIC INFORMATION

Participant Statistics
6/30/07

	<u>Tier I</u>	<u>Tier II</u>	<u>Tier III</u>	<u>Directors</u>	<u>Total</u>
■ Actives⁹					
● Count ¹⁰	6	29	124	5	164
● Average Age	51.5	49.6	42.5	49.6	44.3
● Average Service	29.9	18.2	4.1	5.2	7.5
● Payroll (000's) ¹¹	\$ 465	\$ 2,416	\$ 8,070	n/a	\$ 10,951
● Average Pay ¹¹	77,417	83,322	65,080	n/a	68,873
■ Retirees¹²					
● Count < 65	22	14	0	0	36
● Count ≥ 65	<u>22</u>	<u>6</u>	<u>0</u>	<u>3</u>	<u>31</u>
● Total	44	20	0	3	67
● Average Age	68.1	64.1	n/a	81.5	67.5
● Average Ret Age	59.2	59.0	n/a	67.7	59.5

⁹ General Manager included with Tier II.

¹⁰ Excludes 1 Tier III part-time employee.

¹¹ Total excludes 5 active Directors elected after 1/1/95 reported with zero pay.

¹² Robert Griego included with Tier I.

Participant Statistics

6/30/07

	<u>Exec</u>	<u>Confid</u>	<u>Manager</u>	<u>Super</u>	<u>Admin</u>	<u>Field</u>	<u>Directors</u>	<u>Total</u>
■ Actives								
● Count	8	13	10	10	57	61	5	164
● Average Age	51.9	43.3	50.4	47.0	41.6	44.2	49.6	44.3
● Average Service	9.4	5.3	15.1	12.0	5.0	8.3	5.2	7.5
● Est 2007/08 Pay (000's) ¹³	\$ 1,245	\$ 1,037	\$ 1,120	\$ 803	\$ 3,319	\$ 3,426	n/a	\$ 10,951
● Average Pay ¹³	155,612	79,802	112,002	80,345	58,231	56,161	n/a	68,873
■ Retirees								
● Count < 65								36
● Count ≥ 65								<u>31</u>
● Total								67
● Average Age								67.5
● Average Ret Age								59.5

¹³ Excludes 5 active Directors elected after 1/1/95 with zero reported pay.

Healthcare Coverage

Medical - Actives

Plan	Single	2-Party	Family	Waived	Total
EPO	46	26	38	n/a	110
Gold PPO	14	14	15	n/a	43
Silver PPO	0	0	1	n/a	1
Waived	n/a	n/a	n/a	10	10
Total	60	40	54	10	164

Medical – Retirees Under Age 65

Plan	Single	2-Party	Family	Waived	Total
EPO	1	8	0	n/a	9
Gold PPO	10	15	1	n/a	26
Silver PPO	0	1	0	n/a	1
Waived	n/a	n/a	n/a	0	0
Total	11	24	1	0	36

Medical - Retirees Over Age 65

Plan	Single	2-Party	Family	Waived	Total
EPO	0	0	0	n/a	0
Gold PPO	4	26	0	n/a	30
Silver PPO	0	0	0	n/a	0
Waived	n/a	n/a	n/a	1	1
Total	4	26	0	1	31

Dental

Plan	Single	2-Party	Family	Waived	Total
Actives	61	37	66	0	164
Retirees < 65	6	16	1	13	36
Retirees ≥ 65	5	26	0	0	31

Active Employees ¹⁴
Age/Service/Pay Distribution

		Service							
Age		Under 1	1-4	5-9	10-14	15-19	20-24	25 & Over	Total
Under 25	Count	1	1	-	-	-	-	-	2
	Average Pay	37,444	51,684	-	-	-	-	-	44,564
25-29	Count	7	2	-	-	-	-	-	9
	Average Pay	54,577	44,229	-	-	-	-	-	52,277
30-34	Count	5	8	4	1	-	-	-	18
	Average Pay	63,144	48,652	53,064	68,711	-	-	-	54,773
35-39	Count	5	8	10	3	-	-	-	26
	Average Pay	61,847	54,832	69,264	67,510	-	-	-	63,194
40-44	Count	5	8	7	3	5	2	-	30
	Average Pay	50,747	65,721	55,377	76,163	79,154	67,505	-	64,214
45-49	Count	3	11	6	1	2	1	3	27
	Average Pay	60,356	52,270	75,949	51,602	125,550	50,619	73,120	66,089
50-54	Count	4	8	4	-	9	3	3	31
	Average Pay	64,094	87,319	88,225	-	76,125	71,955	96,394	80,581
55-59	Count	1	2	6	-	2	-	1	12
	Average Pay	44,576	111,853	77,185	-	83,957	-	64,604	80,326
60-64	Count	2	2	1	2	2	-	-	9
	Average Pay	61,788	83,511	57,654	53,721	66,898	-	-	65,499
65 & Over	Count	-	-	-	-	-	-	-	-
	Average Pay	-	-	-	-	-	-	-	-
Total	Count	33	50	38	10	20	6	7	164
	Average Pay	57,690	63,161	68,997	65,877	81,685	66,916	81,878	66,773

¹⁴ Includes 5 active Directors with zero reported pay.

**SECTION 5
PLAN PROVISIONS**

Benefit Summary
(Effective 1/1/08)

	Tier I	Tier II	Tier III	Directors																																				
■ Medical Benefit Eligibility	<ul style="list-style-type: none"> • Service or Disability Retirement from the District • Full-time employees • Receiving CalPERS pension (50 & 5) 																																							
	<u>Hired < 1/1/81</u> <ul style="list-style-type: none"> • Ret 55 & 5 	<u>Hired ≥ 1/1/81 & < 7/1/93</u> <ul style="list-style-type: none"> • Ret Age 55 • Ret Age + Svc ≥ 70 • Includes current General Manager 	<u>Hired ≥ 7/1/93</u> <ul style="list-style-type: none"> • Ret 55 & 15 	<u>Elected < 1/1/95</u> <ul style="list-style-type: none"> • Ret 60 & 12 																																				
■ Retiree Medical Benefit¹⁵	<ul style="list-style-type: none"> • 100% of retiree cost for life • Ret < 12/29/03: 100% of spouse & dependent cost • Ret ≥ 12/29/03: 88% of spouse & dependent cost • Dependent children coverage until age 19 • EPO, Gold PPO, and Silver PPO available before Medicare eligibility • Gold and Silver PPO available after Medicare eligibility (not EPO) 		<ul style="list-style-type: none"> • 50% of retiree-only cost until Medicare eligibility • Silver PPO available (not EPO or Gold PPO) • Not covered under District medical plan after Medicare eligible 	<ul style="list-style-type: none"> • Elected < 1/1/95: <ul style="list-style-type: none"> ➢ 100% of retiree & family cost for life ➢ Gold and Silver PPO available (not EPO) • Elected ≥ 1/1/95: None 																																				
■ Surviving Spouse & Dependents Medical Benefit	<ul style="list-style-type: none"> • Ret < 12/29/03: 100% of spouse & dependent cost • Ret ≥ 12/29/03: 88% of spouse & dependent cost • Coverage for 12 months after retiree death < 65 		<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Elected < 1/1/95: 100% of spouse & dependent cost for 12 months after retiree death < 65 • Elected ≥ 1/1/95: None 																																				
■ Vesting	<ul style="list-style-type: none"> • Early retirement and vesting apply to disability retirees only after 1/1/08: Product of percentages: <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Early Retirement</th> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Vesting</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Age</th> <th style="text-align: center; border-bottom: 1px solid black;">Pct</th> <th style="text-align: center; border-bottom: 1px solid black;">YOS</th> <th style="text-align: center; border-bottom: 1px solid black;">Pct</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;"><50</td> <td style="text-align: center;">0%</td> <td style="text-align: center;"><10</td> <td style="text-align: center;">0%</td> </tr> <tr> <td style="text-align: center;">50</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">10</td> <td style="text-align: center;">30%</td> </tr> <tr> <td style="text-align: center;">51</td> <td style="text-align: center;">76%</td> <td style="text-align: center;">11</td> <td style="text-align: center;">44%</td> </tr> <tr> <td style="text-align: center;">52</td> <td style="text-align: center;">82%</td> <td style="text-align: center;">12</td> <td style="text-align: center;">58%</td> </tr> <tr> <td style="text-align: center;">53</td> <td style="text-align: center;">88%</td> <td style="text-align: center;">13</td> <td style="text-align: center;">72%</td> </tr> <tr> <td style="text-align: center;">54</td> <td style="text-align: center;">94%</td> <td style="text-align: center;">14</td> <td style="text-align: center;">86%</td> </tr> <tr> <td style="text-align: center;">55+</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">15+</td> <td style="text-align: center;">100%</td> </tr> </tbody> </table>				Early Retirement		Vesting		Age	Pct	YOS	Pct	<50	0%	<10	0%	50	70%	10	30%	51	76%	11	44%	52	82%	12	58%	53	88%	13	72%	54	94%	14	86%	55+	100%	15+	100%
Early Retirement		Vesting																																						
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55+	100%	15+	100%																																					

¹⁵ All active employees receive a District medical and dental cash subsidy of 100% of the employee cost plus 88% of the cost for spouses and dependents.

SECTION 5
PLAN PROVISIONS

	Tier I	Tier IIa	Tier IIb	Tier III	Directors
■ Dental Benefit Eligibility	<ul style="list-style-type: none"> • Same as Medical 	<ul style="list-style-type: none"> • Same as Medical and • Ret \geq 60 	<ul style="list-style-type: none"> • Not covered 	<ul style="list-style-type: none"> • Same as Medical 	<ul style="list-style-type: none"> • Same as Medical
■ Dental Benefit	<ul style="list-style-type: none"> • 100% of retiree cost for life • Ret < 12/29/03: 100% of spouse & dependent cost • Ret \geq 12/29/03: 88% of spouse & dependent cost 		<ul style="list-style-type: none"> • Not covered 	<ul style="list-style-type: none"> • Retiree pays premium 	<ul style="list-style-type: none"> • Elected < 1/1/95: 100% of retiree and family cost for life • Elected \geq 1/1/95: Not covered under District dental plan
■ Life Insurance	<ul style="list-style-type: none"> • Ret < 12/29/03 • Retiree: \$3,000 to 70 • Spouse: \$1,000 to 70 	<ul style="list-style-type: none"> • Ret < 12/29/03 • Retiree: \$3,000 to 70 • Spouse: None 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • None

**SECTION 5
PLAN PROVISIONS**

2008 SDRMA Monthly Healthcare Premiums

Plan	Pre-Medicare			Medicare Eligible		
	Single	2-Party	Family	Single	2-Party	Family
EPO	\$473.56	\$947.13	\$1,231.27	n/a	n/a	n/a
Gold PPO	420.94	841.89	1,094.46	332.80	665.62	1,109.37
Silver PPO	315.71	631.41	820.84	249.60	499.22	832.02
Dental	41.11	98.65	151.10	41.11	98.65	151.10

2008 Unimerica Monthly Life Insurance Premiums

	Single
Employee	19¢ per \$1,000
Spouse	60¢ per \$1,000

SECTION 6
ACTUARIAL METHODS AND ASSUMPTIONS

Actuarial Methods

The actuarial cost method used for this valuation is the Entry Age Normal (EAN) cost method. Under the EAN cost method, the Normal Cost for each participant is determined as a level percent of payroll throughout the participant's working lifetime. (The EAN cost method is required by CalPERS for agencies funding with the CERBT.)

The Unfunded Actuarial Accrued Liability was amortized over a fixed 30-year period as a level percentage of payroll beginning with the 2007/08 fiscal year. The District Retiree Healthcare Plan was assumed not to meet the GASB 45 definition of a community-rated plan and an implied subsidy was included in the valuation since SDRMA premiums rates are dependent on the demographics of District participants. The valuation was performed assuming that the 2008 premium rates are effective for the full 2007/08 fiscal year

The Plan is assumed to be ongoing for cost purposes and the current benefit design is assumed to continue with no change other than assumed inflationary adjustments. This does not imply that an obligation to continue the Plan exists.

Actuarial Assumptions

■ **Discount Rate**

- 7.75%
- The District's current contribution policy is to contribute the full ARC to the CalPERS California Employers' Retiree Benefit Trust Fund (CERBT) annually. In addition, the District intends to fund the initial Actuarial Accrued Liability as of June 30, 2007 during the 2007/08 fiscal year.
- CalPERS requires a Discount Rate of 7.75% for the portion of the ARC funded with CalPERS.

■ **Inflation Rate**

- 3% per annum.
- CalPERS requires valuations use an inflation rate of 3%.

■ **Aggregate Payroll Increases**

- 3.25% per annum. (Used to amortize Unfunded AAL.)
- CalPERS requires that the aggregate payroll increase assumption be no greater than 3.25%.

■ **Salary Merit and Longevity Increases**

- CalPERS 1997-2002 Experience Study.

SECTION 6
ACTUARIAL METHODS AND ASSUMPTIONS

■ **Demographic Assumptions (Mortality, Withdrawal, Disability)**

- CalPERS 1997-2002 Experience Study.
- CalPERS requires that demographic assumptions be the same as those of the CalPERS pension plan unless the actuary can demonstrate that the agency has materially different experience.

■ **Retirement Age**

- CalPERS 1997-2002 Experience Study.
 - 2.7% @ 55 Expected Retirement Age: Male ≈ 60.1; Female ≈ 59.4
- CalPERS requires that demographic assumptions be the same as those of the CalPERS pension plan unless the actuary can demonstrate that the agency has materially different experience.

■ **Medical Premium Increases**

	EPO		PPOs	
	Non-Medicare <u>Eligible</u>	Medicare <u>Eligible</u>	Non-Medicare <u>Eligible</u>	Medicare <u>Eligible</u>
2009	9.70%	10.10%	10.50%	10.90%
2010	9.05%	9.40%	9.75%	10.10%
2011	8.40%	8.70%	9.00%	9.30%
2012	7.75%	8.00%	8.25%	8.50%
2013	7.10%	7.30%	7.50%	7.70%
2014	6.45%	6.60%	6.75%	6.90%
2015	5.80%	5.90%	6.00%	6.10%
2016	5.15%	5.20%	5.25%	5.30%
2017+	4.50%	4.50%	4.50%	4.50%

- CalPERS requires that the select period be no greater than 10 years and that the ultimate trend rate be between 4% and 5%.

■ **Dental Premium Increases**

- 4% per annum.

■ **Medical Participation at Retirement**

- Actives covered: 100% for all Tiers
- Actives waived: 100% for all Tiers

■ **Dental Participation at Retirement**

- Actives Tiers I, IIa: 100%

SECTION 6
ACTUARIAL METHODS AND ASSUMPTIONS

■ **Dependents at Retirement**

- 75% of actives have spouses at retirement
- 10% have family coverage < 65
- No family coverage ≥ 65

■ **Spouse Age**

- Males 3 years older than females if no spouse birth date provided.

■ **Medical Plan at Retirement**

- Actives currently covered:
 - Tiers I, II:
 - Same as current active elections until Medicare eligible
 - Same as current active elections after Medicare eligible except for EPO participants
 - EPO participants move to Gold PPO after Medicare eligible
 - Tier III:
 - Silver PPO until Medicare eligible
 - Not covered under District plan after Medicare eligible
- Actives currently waived:
 - Tiers I, II: Gold PPO
 - Tier III: Silver PPO

■ **Medicare Eligible**

- 100% eligible for Medicare.
- All Medicare eligibles will elect Part B coverage.

■ **Future New Participants**

- Closed group – no future new participants assumed.

SECTION 7 GASB OPEB SUMMARY

On June 21, 2004, the Governmental Accounting Standards Board approved Statement No. 45 (GASB 45), accounting standards for *other* (than pensions) *postemployment benefits* (OPEB). Accounting for these benefits – primarily postretirement medical – can have significant impact on state and local government financial statements. This section summarizes GASB 45.

Background

Historically, most public sector entities have accounted for OPEB using a “pay-as-you-go” approach; very few have prefunded or even accrued for these benefits. This means OPEB costs are ignored while an employee renders service and recognized only after an employee retires. GASB argues this delayed recognition shifts “costs” from one taxpaying generation to another. The GASB position is that OPEB, like pension benefits, are a form of deferred compensation. Accordingly, GASB 45 requires recognizing OPEB (in the financial statement) *as employees render service* (and consequently earn the benefit), rather than when paid.

Effective Dates

GASB 45 effective dates are phased in similar to GASB Statement No. 34:

- Fiscal years beginning after December 15, 2006 for GASB 34 phase 1 governments (total annual revenue of \$100 million or more)
- Fiscal years beginning after December 15, 2007 for GASB 34 phase 2 governments (total annual revenue of \$10 million to \$100 million)
- Fiscal years beginning after December 15, 2008 for GASB 34 phase 3 governments (total annual revenue less than \$10 million).

What Benefits are OPEB?

OPEB includes most postemployment benefits, other than pensions, that employees are entitled to after leaving employment:

- Retiree medical
- Dental
- Prescription drug
- Vision
- Life insurance
- Outside group legal
- Long-term care
- Disability benefits outside a pension plan

OPEB does not include vacation, sick leave, COBRA, or ad hoc early retirement incentives, which fall under other GASB accounting statements.

Accounting Standards

Under GASB 45, pay-as-you-go accounting is replaced with accrual accounting. This is virtually identical to GASB’s approach under Statement No. 27, with the key financial statement components being an Annual Required Contribution, an Annual OPEB Cost, and a Net OPEB Obligation.

SECTION 7 GASB OPEB SUMMARY

- **Annual Required Contribution (ARC):** GASB 45 doesn't require an agency to make up any shortfall (unfunded Actuarial Liability) immediately, nor does it allow an immediate credit for any excess Plan Assets. Instead, the difference is amortized over time. An agency's ARC is nothing more than the employer current Normal Cost (value of benefits being "earned" during a year), plus the amortized unfunded Actuarial Liability (or less the amortized excess Plan Assets). Simply put, ARC is the value of benefits earned during the year plus (or minus) something to move the plan toward being on track for funding. GASB 45 allows actuaries to amortize the unfunded Actuarial Liability (or excess Plan Assets) on a level dollar or level percent of payroll basis. We believe most agencies will want to use a level percent of payroll amortization because it's more consistent with the budget process and how pension contributions are usually calculated. ARC must be based on the underlying OPEB promise (as understood by the plan sponsor and employees).
- **Annual OPEB Cost (AOC):** The first year an agency complies with the new standards, the AOC equals the ARC. In subsequent years, the AOC will equal the ARC, adjusted for prior differences between the ARC and AOC.
- **Net OPEB Obligation (NOO):** An agency's NOO is the historical difference between actual contributions made and the ARC. If an agency has always contributed the ARC, the NOO equals zero. However, an agency has not "made" the contribution unless it has been set aside and cannot legally be used for any other purpose.

Implementation Process

The implementation process will be relatively straightforward: An agency will hire an actuary to calculate the ARC. The first time an agency does this, their AOC equals their ARC. The agency then decides whether to contribute all, none, or part of the ARC into a Trust that cannot legally be used for any purpose other than paying OPEB.

If an agency always contributes the ARC, then each subsequent year's AOC equals their ARC – and the NOO is zero. The first year an agency does *not* contribute the ARC, they must establish an NOO equal to the difference between their actual contribution and the ARC. The subsequent year's AOC equals the ARC, adjusted for interest and amortization of the NOO.

Disclosure Requirements

This may be the most important aspect of GASB 45. When disclosed, some agencies will show large OPEB unfunded liabilities, while others will show small or no unfunded liabilities. These differences *may* require an adjustment in an agency's bond rating. Plan sponsors must disclose in their financial statement footnotes:

- Basic plan information
 - Plan type
 - Benefits provided
 - Authority under which benefits were established
- Plan funding/contribution policy information:
 - Required contribution rates for active members and employers shown in dollars or as a percent of payroll

SECTION 7 GASB OPEB SUMMARY

■ Plan Funded Status information:

- AOC and the dollar contributions actually made
- If the employer has a NOO, also
 - Components of the AOC
 - NOO increase or decrease during the year
 - End of year NOO
- 3-year history of
 - AOC
 - Percent of AOC contributed during the year
 - End of year NOO
- Most recent year's plan Funded Status
- Actuarial methods and assumptions used to determine the ARC, AOC, and Funded Status.

In addition, plan sponsors must provide 3 years of historical required supplementary information:

- Valuation dates
- Actuarial asset values
- Actuarial Liability
- Unfunded Actuarial Liability (excess Plan Assets)
- Plan funded ratio
- Annual covered payroll
- Ratio of unfunded Actuarial Liability (excess Plan Assets) to annual covered payroll
- Factors that significantly affect comparing the above information across the years.

Defining the Plan

GASB 45 refers to the *substantive plan* as the basis for accounting. It may differ from the *written plan* in that it reflects the employer's cost sharing policy based on:

- Past practice or communication of intended changes to a plan's cost sharing provisions, or
- Past practice of cost increases in monetary benefits.

The substantive plan is the basis for allowing recognition of potential future plan changes. This approach requires entities to acknowledge the underlying promise, not just the written plan.

What if retirees participate in the active healthcare plan, but are charged a rate based on composite active and retiree experience? (This was a contentious issue during the statement drafting, with one of the seven board members dissenting from Board adoption of the final statement.) In general, GASB 45 requires recognition of the implied subsidy. However, if benefits are provided through a community rated plan (premium rates based on experience of multiple employers rather than a single employer), and the same premium is charged for active and retired participants, it is appropriate to value unadjusted premiums.

SECTION 7 GASB OPEB SUMMARY

Actuarial Assumptions and Discount Rate Requirements

Under GASB 45, the actuary must follow current actuarial standards of practice, which generally call for explicit assumptions – meaning each individual assumption represents the actuary’s best estimate.

GASB 45 also requires basing the discount rate on the source of funds used to pay the benefits. This means the underlying expected long-term rate of return on Plan Assets for funded plans. Since the source of funds for unfunded plans is usually an agency’s investment fund, and California and most other state law restricts what investments agencies can have in their investment fund, unfunded plans will need to use a low (for example, 4% to 5%) discount rate. If an agency sets up a Trust and diversifies Trust Plan Assets, however, the discount rate might be much higher (such as 7%) depending on the Trust fund’s expected long-term investment return.

Transition Issues

Typically, new accounting standards allow transition from old to new requirements. Because historical ARC calculations will rarely be available, GASB 45 takes a prospective transition approach: there is no requirement for an initial transition obligation. But if AOCs, before transition, were calculated consistently with the standard, a NOO at transition can be established at an agency’s discretion.

Valuation Frequency Requirements and Small Plans

GASB 45 requires an actuarial valuation at least every two years for plans with more than 200 (active, inactive, and retired) members. Plans with fewer than 200 members will need a valuation every 3 years. In a significant departure from prior standards, though, GASB 45 allows plans with fewer than 100 members to elect a simplified measurement method not requiring an actuarial certification.

Funding Pensions & Retiree Health Care for Public Employees

A REPORT OF THE PUBLIC EMPLOYEE POST-EMPLOYMENT
BENEFITS COMMISSION



PUBLIC EMPLOYEE
POST-EMPLOYMENT BENEFITS
COMMISSION



Funding Pensions & Retiree Health Care for Public Employees

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PUBLIC EMPLOYEE
POST-EMPLOYMENT BENEFITS
COMMISSION

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Governor's Proclamation Creating the Commission Executive Order S-25-06

WHEREAS the State and other public entities within the State provide employees with pensions and other post-employment benefits such as health care; and

WHEREAS these benefits serve the public interest by attracting and retaining a workforce that protects the health and safety of the State; and

WHEREAS the most recent accounting reports from CalPERS and CalSTRS indicate that public employee pensions are underfunded; and

WHEREAS the Government Accounting Standards Board now requires the State and other public entities within the State to determine and report their liabilities for other post-employment benefits; and

WHEREAS only a small percentage of public entities have begun taking action to determine the full extent of their other post-employment benefits or to fund any liabilities that may exist in that regard, with the result that any such liabilities that may exist are largely unfunded; and

WHEREAS unfunded liabilities for other post-employment benefits are currently unknown, but the Legislative Analyst's Office estimates that they may be potentially tens of billions for the State and other public entities; and

WHEREAS the Legislative Analyst's Office has reported that elected officials throughout the State lack the information needed to develop strategies for addressing post-employment liabilities and urged more disclosure and planning in addressing this issue.

NOW, THEREFORE, I, ARNOLD SCHWARZENEGGER, Governor of the State of California, by virtue of the power and authority vested in me by the Constitution and statutes of the State of California, do hereby issue this Order to become effective immediately:

- 1 The Public Employee Post-Employment Benefits Commission (Commission) is hereby established. It shall consist of twelve members, six of whom shall be appointed by the Governor, three of whom shall be appointed by the Speaker of the Assembly, and three of whom shall be appointed by the Senate President pro Tem. The Governor shall designate one of the members as chairperson. The members of the Commission shall serve without compensation and at the pleasure of the official who appointed them.
- 2 On January 1, 2008, the Commission shall deliver a report to the Governor and to the Legislature that:
 - a Identifies, with regard to the State of California and its counties, cities, school districts, special districts, and any other affected government bodies, the amount and extent of unfunded liabilities for other post-employment benefits;
 - b Compares and evaluates the advantages and disadvantages of various approaches for addressing unfunded post-employment benefits; and
 - c Considers the advantages to the State from other post-employment benefits, such as providing retiree health care.
 - d Proposes a plan or plans for addressing unfunded post-employment benefits.
- 3 The Commission shall be disbanded 30 days after delivery of their report unless the Commission's service is extended by further Executive Order.
- 4 The Commission shall comply with applicable open meeting laws. This Executive Order is not intended to create, and does not create, any rights or benefits, whether substantive or procedural, or enforceable at law or in equity, against the State of California or its agencies, departments, entities, officers, employees, or any other person.
- 5 State departments and agencies shall cooperate and provide support to the Commission and local agencies are encouraged to provide support for the efforts of the Commission.

I FURTHER DIRECT that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given to this Order.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 28th day of December 2006.



ARNOLD SCHWARZENEGGER
Governor of California



Message from the Chairman

Gerald L. Parsky

During the last 12 months, the Public Employee Post-Employment Benefits Commission (the Commission) met throughout the state and listened to nearly one hundred hours of testimony from concerned citizens, policy experts, and government officials. The Commission deliberated carefully about how best to fund post-employment benefits for our state's workforce. All of the information presented emphasized the importance to the State of California of both public employment and public employees.

It also became clear that the pension and health care components of compensation are critical to both active and retired public employees. It is devastating to individuals when health care benefits are changed after they have retired, since the cost of health services can easily deplete a retiree's income. The best way to ensure that government promises are kept is to provide prefunding for these benefits. It is equally important that this funding be made in a fiscally sound and prudent manner that will not negatively impact other government services.

Because of the volatility and unpredictability of health care costs, these benefits are just as important as are pension benefits to the state's workers and retirees. Certain health care benefits have become an integral component of retirement planning. Additionally, in many cases, these benefits are part of deferred compensation packages used to attract and retain qualified individuals for government service. The importance of these benefits in the eyes of workers and retirees cannot be overstated.

With respect to funding these critical benefits, it is important to emphasize that each public agency in California faces different funding constraints, personnel needs, and organizational purposes. A one-size-fits-all approach is neither appropriate nor practical. An understanding of that fact underlies both what the Commission addressed and what it did not. The Commission developed recommendations which are meant to facilitate compliance with the new reporting standards for OPEB benefits, to ensure the fiscal integrity of California's pension systems, and to hold all public agencies to a standard of best practices in finance, disclosure, deferred compensation structure, and budget priorities. The Commission did not pursue requests that it advocate statewide changes to retirement formulas and retirement age because those components of benefit design are bargained and determined at the local level.

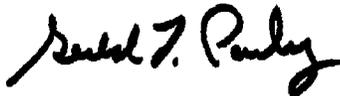
Early in our deliberations, the following three principles guided our discussions and recommendations:

1. A competitive, affordable benefits package serves the public good by enabling public employers to recruit and retain qualified public employees.
2. The costs of promised benefits should be fully identified, known, and paid for within the working career of those receiving the benefit. The processes for funding those benefits should be easily understood and actuarially sound.
3. In order to build awareness, support, and trust with taxpayers, including the employees of public agencies, the process through which benefits are adopted, modified, and/or paid for needs to be open, transparent, and defensible.

Consistent with the spirit in which this body was created by California's Republican and Democratic leaders, this bi-partisan Commission worked through differences to find common ground and reach consensus on solutions that, if followed, will benefit the state's fiscal health and promote the long-term well-being of its workforce.

Finally, we would like to commend the Governor and the Legislative Leaders for taking action on this vitally important issue for California. We especially appreciate the cooperative spirit in which they appointed a bi-partisan Commission. We are happy to report that the tone they set has continued throughout this last year. Personally, I have truly been impressed with the way in which each of the members represented their views and demonstrated a genuine desire to understand the views of others and reach common ground. It is with this spirit of bi-partisanship, cooperation, and desire to do what is right for California and its workforce that we unanimously present the following recommendations.

Sincerely,



Gerald L. Parsky
Chairman
Public Employee Post-Employment Benefits Commission

Executive Summary

A Plan to Address Pension and OPEB Obligations

This report presents a plan to address public pension and retiree health care funding issues across the state of California. The following recommendations are divided into eight groups which together constitute a plan for addressing pension and Other

Post-Employment Benefits (OPEB) obligations. For more information on the background and rationale for each recommendation, please see the Recommendations section of this report.

Group 1

Identify and Prefund Financial Obligations

Recommendation 1

Public agencies providing OPEB benefits should adopt prefunding as their policy. As a policy, prefunding OPEB benefits is just as important as prefunding pensions. The ultimate goal of a prefunding policy should be to achieve full funding.

Recommendation 2

Each public employer shall identify its OPEB liability, adopt a prefunding plan, and make it public. If a public employer does not establish a prefunding plan, it shall clearly identify an alternative approach for addressing its OPEB liabilities and make public its reason for not prefunding.

Recommendation 3

The State of California shall establish prefunding as both a policy and budget priority, develop and make public a prefunding plan, and begin prefunding its OPEB liabilities.

Recommendation 4

Any employer considering the use of OPEB bonds should fully understand, and make public, the potential risks they bring. Such risks include: shifting costs to future generations, converting a future estimated OPEB liability into fixed indebtedness, and the uncertainty concerning continued federal cost sharing for debt service on such a bond.

Group 2
Limit Contribution
Volatility and Use
Smoothing Methods
Judiciously

Recommendation 5

Public retirement systems which consider contribution rate volatility to be a problem should consider the use of longer asset smoothing periods to lessen that volatility.

Recommendation 6

A retirement system which has adopted an asset smoothing method should resist efforts to alter that method for short-term gain, including, but not limited to, contribution rate reductions and benefit increases.

Recommendation 7

Generally, employer contributions should not fall to zero. An employer should be permitted to have a full or partial contribution holiday only when its retirement plan is substantially overfunded. As used here, "substantially overfunded" means that the existing surplus is used to pay for all or part of the normal cost only after that surplus is amortized over a 30 year period, the longest amortization period allowed by GASB. In particular, employer contributions should fall to zero ("full contribution holiday") only in the rare situation that the surplus is so great that it could be expected to fund a full 30 years of normal costs.

Recommendation 8

An employer whose pension account is overfunded and who has an OPEB liability should, as its first priority, use that surplus to address its OPEB liability. This should be done either by (1) transferring such surplus directly to OPEB funding in a manner which complies with federal and state law, or (2) using the budgetary savings from any contribution holiday (determined in accordance with Recommendation 7) to make additional contributions to OPEB funding.

Group 3
Increase Transparency
and Accountability

Recommendation 9

Legislation should be enacted directing the State Controller's Office to develop a simple and inexpensive procedure to regularly collect and report OPEB data from California public agencies. In order to minimize reporting requirements for public agencies, all the data collected for this report should be contained in the GASB 45 actuarial valuation report periodically required of each public agency and in the agency's GASB 45 footnote. Reporting should be mandatory for those agencies which provide OPEB benefits.

Recommendation 10

The State Controller's Office should publish the annual report of public pensions, which is required by current law, within 12 months of the receipt of data but in no case longer than 18 months after the end of the fiscal year.

Recommendation 11

With the exception of school districts and county offices of education, legislation should be enacted to amend Government Code Section 7507 to provide for more clarity in its cost reporting requirements and for clear accountability within a public agency adopting new benefit levels. Specifically, where that section now calls for the determination of “future annual costs”, it should be clarified to include “normal cost and any additional accrued liability”. Concerning increased accountability, language should be added which requires that the person holding the position with the responsibilities of a chief executive officer within the affected agency acknowledge in writing the actuary’s cost determination for the new benefit. School districts and county offices of education shall comply with disclosure requirements pursuant to AB1200 (Chapter 1213, Statutes of 1991) and AB 2756 (Chapter 52, Statutes of 2004).

Recommendation 12

With the exception of school districts and county offices of education, legislation should be enacted to amend Government Code Section 7507 so that it also applies to the granting or changing of OPEB benefits. As with pension benefits, this statutory change would require that the future costs of the proposed benefit change be determined by an actuary and be made public at least two weeks prior to adoption. School districts and county offices of education shall comply with disclosure requirements pursuant to AB1200 (Chapter 1213, Statutes of 1991) and AB 2756 (Chapter 52, Statutes of 2004).

Recommendation 13

With the exception of school districts and county offices of education, legislation should be enacted to amend Government Code Section 7507 to require that pension and/or OPEB benefit changes be subject to the public notice requirements found in that section and be presented with an actuary available to answer any questions or to provide additional information, as needed. The presentation and report should be in language easily understood by the layperson, and such information should not be placed on the consent calendar. School districts and county offices of education shall comply with disclosure requirements pursuant to AB1200 (Chapter 1213, Statutes of 1991) and AB 2756 (Chapter 52, Statutes of 2004).

Group 4 Improve Plan Design and Communication with Employees

Recommendation 14

An employer making a contribution to retiree health care should make that contribution proportionate to the number of years of employment and should reward longer careers. This recommendation should be implemented through collective bargaining and should be applied to newly hired employees. The use of proportionate credit to earn the employer contribution for retiree health care should apply only to service retirement.

Recommendation 15

An employer providing retiree health care should make that benefit dependent upon the employee retiring within a set time after separation from the job.

Recommendation 16

Public sector employers should provide tax-advantaged supplemental savings plans (e.g. 457, 401(k), 403(b), etc.) to their employees on an "opt out" basis. Public employers and their employees should jointly determine the details of any plan offered, including: whether to use a "hard" or "soft" opt out, the minimum contribution amount, and any default investment selection for employee contributions. Employers should also develop an ongoing program to educate employees about their savings options.

Recommendation 17

Public employers should provide regular explanations to their employees concerning the advantages of their defined benefit (pension and OPEB) plans, the role of compounded interest in their personal savings programs, and the advantage of contributing to savings on a pre-tax basis. Employees who participate in Social Security should be educated that this is a supplemental program only and not a retirement plan. This information should be communicated at regular intervals throughout an employee's career.

Recommendation 18

Public employers should provide clear explanations to employees concerning current eligibility rules for retiree health care and the terms under which retiree health care is earned. Employers should also clearly explain to their employees the conditions under which health benefits for retirees are to be funded and paid. This information should be communicated at regular intervals throughout an employee's career and through plan documents and collective bargaining agreements.

Recommendation 19

Public employers should provide timely notification to both active and retired employees when proposing a change in retiree health care benefits. This notification should be provided in a time frame that reasonably allows affected employees and retirees to understand the impact of the benefit change, to review other options available to them, and to comment to the employer on the proposed changes.

Recommendation 20

CalPERS should periodically inform its contracting agencies about the option of allowing permanent part-time employees access to the PEMHCA health care system. The amount of the employer contribution, if any, should be collectively bargained.

Group 5
Provide
Independent
Analysis

Recommendation 21

Public employers should evaluate participation in alternate arrangements, including joint power authorities (JPA) and regional health care risk pools, as a means of providing retirees with access to health care coverage.

Recommendation 22

Legislation should be enacted to create a California actuarial advisory panel at the state level. The purpose of the advisory panel would be to provide the California Legislature, the Governor's office, public retirement systems, public agencies, and other interested parties with impartial and independent information on pensions, OPEB benefits, and best practices.

Such a panel would encourage greater transparency and understanding of actuarial methodology and assumptions used by public retirement systems and would gather and provide information concerning best actuarial practices. Individuals appointed to the advisory panel should have the requisite technical and educational skills to carry out their duties.

Recommendation 23

All public pension plans should have periodic performance audits performed by an independent auditor.

Group 6
Strengthen
Governance and
Enhance
Transparency

Recommendation 24

A retirement board should not provide incentives for an employer to enhance benefits, and benefit improvements by the employer should not be contingent upon a quid pro quo by the retirement board.

Recommendation 25

Retirement systems and public agencies should be open and transparent concerning the elements included in final compensation. All public retirement systems in California should have in place safeguards against pension spiking.

Recommendation 26

Legislation should be enacted which would do the following:

1. Make it a crime to make a fraudulent claim for a retirement or disability benefit or to keep a payment made on the basis of a fraudulent claim;
2. Require that workers' compensation insurers and the Director of EDD provide CalPERS investigators with information they deem necessary when investigating someone concerning the application for, or the receipt of, CalPERS benefits.

Recommendation 27

The granting of a disability retirement should be based solely on medical information and should not consider personnel, disciplinary, or other ancillary issues.

Recommendation 28

Boards overseeing pension or OPEB trust funds should evaluate not only reported actuarial liabilities and assets but also the underlying assumptions including discount rates, investment returns, mortality, health care inflation, and whether plans are open or closed systems. Boards should understand the sensitivity to changes in these assumptions, as well as the difference between actuarial values and market values. The authorities responsible for appointing members to public retirement boards should seek out individuals with expertise in the areas of public finance, investments, and public administration. In addition, the trustees of public retirement systems, as well as the trustees of OPEB trusts, should receive continuous training related to the understanding and fulfillment of their fiduciary responsibilities, actuarial methodology and assumptions, and conflict of interest requirements.

Recommendation 29

Boards which govern pension and/or OPEB trusts should have very strong conflict of interest policies and should adhere to those policies. All trustees should annually attest in writing that they understand and are in compliance with the conflict of interest policy.

Recommendation 30

Boards overseeing pension and/or OPEB trust funds should meet or exceed the transparency governance requirements they place on companies or on investment managers of plan assets.

Recommendation 31

Public retirement boards of trustees should establish a separate audit committee, made up of trustees, to oversee and participate in the opening, processing, and closing of the annual audit report to the full board.

Recommendation 32

Health plan sponsors should identify individuals who are Medicare-eligible and inform them of the need to enroll in Medicare in a timely manner. Employers should provide those individuals with information on penalties which result from delayed enrollment in Medicare.

Recommendation 33

Employers should provide incentives to individuals to enroll in Medicare and possibly a Medicare supplement plan once they become eligible for Medicare.

Group 7
Coordinate with
Medicare

Group 8 Advocate Federal Tax Law Changes

Recommendation 34

At the request of numerous local agencies, the Commission agreed to consider several proposed tax changes. Because the Commission can play a unique role in communicating these issues to the IRS, the Commission will write a letter to the IRS recommending the following:

- **Investment of Assets Used to Fund Retiree Health Benefits:** The IRS should modify Revenue Ruling 81-100 to allow the commingling for investment purposes of the funds held to pay public employee OPEB obligations with retirement system funds, subject to appropriate safeguards. Those safeguards should require that OPEB funds must be held in trust solely for the benefit of retirees and beneficiaries and that investments and income must be properly accounted for and allocated.
- **Collectively Bargained Retiree Health Benefits:** The IRS should interpret the law in the same manner for retiree health benefits as it does for pensions, and not tax health benefits which are collectively bargained, even if they are not fully insured. The IRS also should not tax retiree health benefits that provide higher premium subsidies to retirees with longer service, whether or not those benefits are collectively bargained.
- **Saving For Retirement: Redeposits and Service Purchase:** The IRS should not change its current rules concerning pick ups and should not change its rules allowing pre-tax redeposits and the pre-tax purchase of service credit, particularly since there has been no change in the governing law.
- **Definition of “Government Agency” for Retirement Systems:** The IRS, DOL, and PBGC should open their process for defining “government agency” by holding public hearings and inviting government agencies and retirement systems to participate in these sessions to provide critical information before any decisions are made which could adversely affect many public employees.
- **Health Benefits: Retirees, Step Children, Domestic Partners, and All Others Covered by the Retiree Health Plan:** The IRS should not tax the health care benefits provided to everyone covered by a health care plan simply because the plan provides coverage for retirees’ step children and domestic partners who are not tax dependents of the retirees.

OPEB

Other Post Employment Benefits



OPEB - Definition

- ❑ Benefits paid by the employer to qualified retired employees (Not including pension benefits)
- ❑ Otay's medical and dental benefits are an OPEB benefit.
- ❑ OPEB Liability
- ❑ Actuary's Role

Accounting for Pensions

History

□ Pension Funding –

- 1974 ERISA required companies to calculate the funding status.
- 1986 FASB puts out SFAS 87 which standardizes accounting for pensions

□ Medical and Dental Pension Funding -

- 1998 FASB puts out SFAS 132 which standardizes accounting for medical pensions
- 2004 GASB implements GASB #45 to standardize reporting of medical pensions

Otay's OPEB History

- ❑ 1999 First actuarial study
- ❑ 2000 Board approved an OPEB policy & set aside \$4,000,000 (partial funding)
- ❑ 2004 GASB 45 issued with focus on irrevocable trusts
- ❑ 2004 Updated actuarial study and the Board set aside \$12,100,000 (fully funded)
- ❑ 2007 District identifies savings with modified medical plans, PERS Trust
- ❑ 2007 District offers expanded compensation and benefits with savings
- ❑ 2007 Governor Approves AB 554
- ❑ 2008 Recommend implementation of PERS Trust to obtain savings

Benefits of the PERS Trust

- ❑ Greater returns make \$5M in current funds available for other District purposes
 - District Rate 5.00% (Short term)
 - Trust Rate 7.00% (Long term & Equity Markets)
 - PERS Rate 7.75% (Long term & Equity Markets)
- ❑ Meets GASB 45 trust criteria
- ❑ Financial Statements will reflect the FULLY FUNDED status
- ❑ Demonstrates the District's strong financial position, planning, and management - Bond Markets

Cause for Celebration

- ❑ Board actions have placed the District in the favorable position to FULLY FUND the District's liability
- ❑ Placing the funds in a PERS Trust will save the District over \$5,000,000
- ❑ The District's Fully Funded status puts the District in a very competitive position. The District will not be financially hindered by future funding requirements.

Medical Pension Actuarial Results

Actuarial Accrued Liability (AAL)

□ AAL \$11,408,000

Annual "Required" Contribution (ARC)

□ Normal Cost \$135,000

Without Funding the AAL the ARC Increases

□ Normal Cost \$135,000

□ UAAL Amortization \$711,000

\$846,000

Governor's Benefits Commission

□ **Governor Schwarzenegger Quote**

"...these benefits serve the public interest by attracting and retaining a workforce that protects the health and safety of the State..."

□ **Commission Chairman Quote**

"The results of this survey should serve as a wake-up call about the importance of planning ahead and implementing prudent fiscal policies now. For the good of the state's fiscal health and the well being of our workforce, action must be taken."

□ Identified Pension underfunding at \$63.5 Billion

□ Identified Medical underfunding at \$118 Billion

Recommendations of the Governor's Benefits Commission

1. Identify and Prefund Financial Obligations
2. Limit Contribution Volatility and Use Smoothing Methods Judiciously
3. Increase Transparency and Accountability
4. Improve Plan Design and Communication with Employees
5. Provide Independent Analysis
6. Strengthen Governance and Enhance Transparency
7. Coordinate with Medicare
8. Advocate Federal Tax Law Changes the best interest of all Californians.

Staff Recommendation

- Approve Resolution No. 4117
 - Authorize the agreement with PERS to prefund the OPEB Trust
 - Set the funding policy at 100% of the ARC
 - Delegate authority to request disbursements to the GM and CFO
 - Authorize the transfer of \$11,543,000 to PERS
 - Authorize the transfer of the remaining designated funds to the GF to pay for negotiated benefits

AGENDA ITEM 6a



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	February 6, 2008
SUBMITTED BY:	Lisa Coburn-Boyd <i>LCB</i> Environmental Compliance Specialist	Project/Subproject:	DIV. NO. 4 P1253/002000
	Ron Ripperger <i>RR</i> Engineering Manager		
APPROVED BY: (Chief):	Rod Posada <i>RP</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>M Magaña</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Time extension for the Professional Environmental Services Contract issued to Jones & Stokes for the Habitat Management Area Maintenance and Monitoring		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board approves an eighteen (18) month extension of the agreement time for the Jones & Stokes Professional Environmental Services Contract for the Habitat Management Area (HMA) Maintenance and Monitoring (see Exhibit A for locations).

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

To update the Board regarding the status of Jones & Stokes progress in maintaining, monitoring, and reporting for the HMA and to obtain Board approval authorizing the General Manager to extend the original agreement for an additional 18-month time period.

ANALYSIS:

At the March 13, 2006, meeting the Board awarded a contract to Jones & Stokes to provide environmental services for a two year period with

an optional time extension of one year based on performance. However, the agreement was executed for only an eighteen month period to try and match the Fiscal Year cycle. In order to utilize the complete three year option, Staff is requesting an 18-month extension that will be for one time only. The original contract amount of \$566,443 will be sufficient and will not change.

The HMA Jones & Stokes has performed a variety of work within the HMA to improve the quality of the existing habitat. They have been intensively working to improve the productivity of the Native Grasslands area which was in very poor condition when their contract began. Native species are now well distributed throughout the grassland and invasive non-native species have been effectively suppressed. Their successful efforts need to be continued or this area could be in jeopardy again. The artificial burrows in the burrowing owl restoration area are located within the grasslands area of the HMA. These burrows have not been used by burrowing owls for several years because of the poor conditions of the grasslands area. With the current success in this area, it is hoped that the burrows might be used again by the burrowing owls in coming years. The Rickey Pond restoration area is flourishing due to the efforts of Jones & Stokes. They have planted many willow cuttings around the pond area which are thriving and weed populations within the area are being effectively controlled.

Jones & Stokes biologists also conduct periodic surveys of the HMA for plants and animals species, as required by the California Department of Fish & Game and the U.S. Fish & Wildlife Service. The results of these surveys and the description of management and maintenance efforts are presented in the monthly HMA progress reports for the District and in the annual reports which must also be sent to the California Department of Fish & Game and the U.S. Fish & Wildlife Service. The District is required to maintain and report on the HMA in perpetuity to satisfy the Section 7 Biological Opinion approval of many of the District's CIP projects by the Resource Agencies.

The October 2007 Harris wildfire caused extensive damage to the HMA. About seventy-five percent of the vegetation was burned. Fortunately, two of the mitigation areas, the Native grasslands and the area directly around Rickey Pond were not burned in the fire and the efforts described above will continue. Jones & Stokes has evaluated the fire damage and has prepared a plan of action for the next eighteen months. There are specific fire-related tasks that have already begun in order to maintain the integrity of the HMA. These include repair of damage to the irrigation system and perimeter fencing and installation of erosion control measures. The District hopes to recover some of the cost for these tasks through FEMA. During the next six (6) months, Jones & Stokes will need to increase their monitoring of the HMA in order to keep track of rain related issues such as plant germination and potential erosion problems. The

scope of work for the next eighteen months is included in Attachment B. The Wildlife Agencies, US Fish & Wildlife Service and California Department of Fish & Game, are the agencies that established the operating procedures for the HMA. They expect that the burned areas will recover naturally with time. The Operating Procedures state that wildfires are a stochastic event beyond the control of the District and will not affect the mitigation value of the HMA. They also state that this type of event is considered to be temporary and does not remove the responsibility of site management.

FISCAL IMPACT: _____

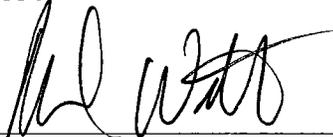
The funds for this contract are covered by the existing operating budget. \$350,000 is budgeted for the HMA maintenance and monitoring for Fiscal Year 2008. For future fiscal years covered by this extension, funds will be budgeted appropriately for the tasks that are covered under the HMA contract.

STRATEGIC GOAL:

This project supports the District's strategic goal of creating a comprehensive environmental program that is proactive in response to environmental compliance.

LEGAL IMPACT: _____

None.



General Manager

P:\WORKING\CIP W253 HMA\WO 8645\Staff Reports\HMA contract extension staff report 01-08.doc

LC-B/RR:jf

- Attachments: Attachment A
Attachment B
Exhibit A



ATTACHMENT A

SUBJECT/PROJECT: P1253/002000 (W.O. 8645)	Time extension for the Professional Environmental Services Contract issued to Jones & Stokes for the Habitat Management Area Maintenance and Monitoring
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on January 22, 2008. The following comments were made:

- Staff indicated that this presentation is to update the Committee regarding the status of the Habitat Management Area (HMA) and to request approval of an 18-month extension of the agreement time for the Jones & Stokes professional environmental services contract for the maintenance and monitoring of the HMA.
- Staff explained that the original contract with Jones & Stokes was for a two year period with an optional time extension of one year. By the time the contract was reviewed by counsel and finalized, the time remaining was only for an 18-month period.
- In order to stay within the District's fiscal year timeline, an 18-month extension, as opposed to a one year extension, is needed to make-up the six month loss of time in contract negotiation.
- Staff indicated that future contract negotiations and discussions of contract language with consultants will be included as part of the Request for Proposal (RFP) instead of waiting until after the contract is awarded.
- Upon conclusion of the PowerPoint presentation, there was discussion regarding:
 - Number of acres that have been set aside as mitigation for impacts from District projects and what acreage remains available for future project impacts. The Committee requested that staff project this information at the Board meeting.

- If, at some future time, the District could donate the land to the U.S. Fish & Wildlife Service.
- Working with neighboring agencies, Sweetwater Authority, Helix and Padre Dam, to trade mitigation credits, as needed, once the District is amended into their Joint Water Agencies (NCCP/HCP).
- The District has just gone through the RFP process to begin preparation of our subarea plan that will allow us to join the Joint Water Agencies NCCP/HCP.
- There was discussion regarding recovering costs from FEMA for damage from the Harris Fire for tree removal erosion control, fence repair, etc. Staff indicated that they are meeting with FEMA today at 1:00 to continue discussions regarding reimbursement to the District.

Upon completion of the discussion, the Committee indicated that this item be presented to the Board on February 6, 2008.



ATTACHMENT B

SUBJECT/PROJECT: P1253/002000 (W.O. 8645)	Time extension for the Professional Environmental Services Contract issued to Jones & Stokes for the Habitat Management Area Maintenance and Monitoring
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San Miguel Habitat Management Area Scope of Work

Standard Monitoring (twice per month through July 2008, once per month thereafter)

For the Native Grassland Area:

Assess the general site conditions.
Inspect owl burrows for any sign of activity.
Identify any weed species that are becoming problematic, mapping these areas and communicate the need for increased weeding to D&D.
Take photographs from monitoring points.
Document any sensitive flora/fauna.

HRS: 195 \$ 16,500.00

For Rickey Pond Area:

Inspect the restoration area for signs of new seedling establishment.
Make a qualitative assessment of the various fresh water marsh plants including willows, mule fat, and coyote bush.
Document signs of natural recruitment, weed outbreaks, erosion issues.
Take photographs from monitoring points.
Document any sensitive flora/fauna.

HRS: 154 \$ 13,000.00

For the general HMA:

Inspect for any potential problems or threats to biological resources.
Identify invasive weed species.
Look for erosion or trash (illegal dumping).
Inspect the condition of the fence line.
Assess the conditions for the various sensitive species, both plant and animal.

Document any sensitive flora/fauna.

Note: Twice per month monitoring is necessary through June 2008 in order to conduct a more thorough inspection of the burned areas to document what plant species are recruiting. Large outbreaks of non-native species must be caught early to prevent a large scale conversion of fire-affected areas. One visit per month does not allow enough time to thoroughly inspect the hillsides for these conditions.

HRS: 120 \$ 10,140.00

Survey Tasks

Surveys conducted once per year during species specific times. The following surveys are required by the Wildlife Agencies.

Quino Checkerspot butterfly surveys
Least Bells Vireo surveys
California Gnatcatcher surveys
Rare plant surveys
Vegetation mapping

HRS: 400 \$ 44,000.00

Monthly Reporting

Monthly HMA reports to the District and included in the annual report to the Wildlife Agencies.

HRS: 225 \$ 17,000.00

Annual reporting

Annual report submitted to the District and to US Fish & Wildlife and California Department of Fish & Game. Report includes three volumes, the overall Sam Miguel HMA Report, Native Grasslands Report, and Rickey Pond Report.

HRS: 280 \$ 24,000.00

Fire-related Tasks

Pipes and Pumps

Remove 2,308 linear feet of reclaimed 3-inch schedule 40 PVC pipe, fittings, 1-valve, and 300 linear feet of silt fence, haul to the Otay Landfill.

Purchase, deliver & install 2,308 linear feet of reclaimed 3-inch schedule 40 PVC pipe, fittings and shutoff valve (re-use steel rebar J-Bar stakes to hold pipe).

Remove 260 linear feet of reclaimed ¾-inch schedule 40 PVC pipe, fittings and haul to Otay Landfill. Purchase, deliver & install 260 linear feet of reclaimed ¾-inch schedule 40 PVC pipe and fittings.

HRS: 60 \$ 9,010.00

Fence Damages

Remove signs, wire and posts destroyed by fire and haul to Otay Landfill.

Purchase, deliver and install posts, signs and wire to replace materials destroyed by fire.

HRS: 40 \$ 8,100.00

Erosion Control

Install 9-12-inch diameter rice straw wattles in strategic areas of all canyon flow channels that carry run-off rain water to all storm drains or water ways off-site. Jones & Stokes recommends a minimal installation, requiring 3,000 linear feet of wattles.

HRS: 30 \$ 11,000.00

Re-seeding

No revegetation seeding or planting of the mature habitat areas that burned is recommended at this time. Good recovery can be expected if we receive minimal rain over the next three year period. A detailed evaluation of vegetation re-growth or losses should be done every four months to determine natural recovery or revegetation planting & seeding, if needed. A good pro-active approach would be to purchase enough native plant seed to hand cultivate in areas with poor natural recovery. Enough seed (25 lbs. per acre) to cover 10% of the burn areas (up to 30 acres) would be a reasonable assumption.

All of the fire-related tasks have been submitted to FEMA for cost reimbursement.

HRS: N/A \$ 44,000.00

Total: HRS: 1,504 \$ 196,750.00

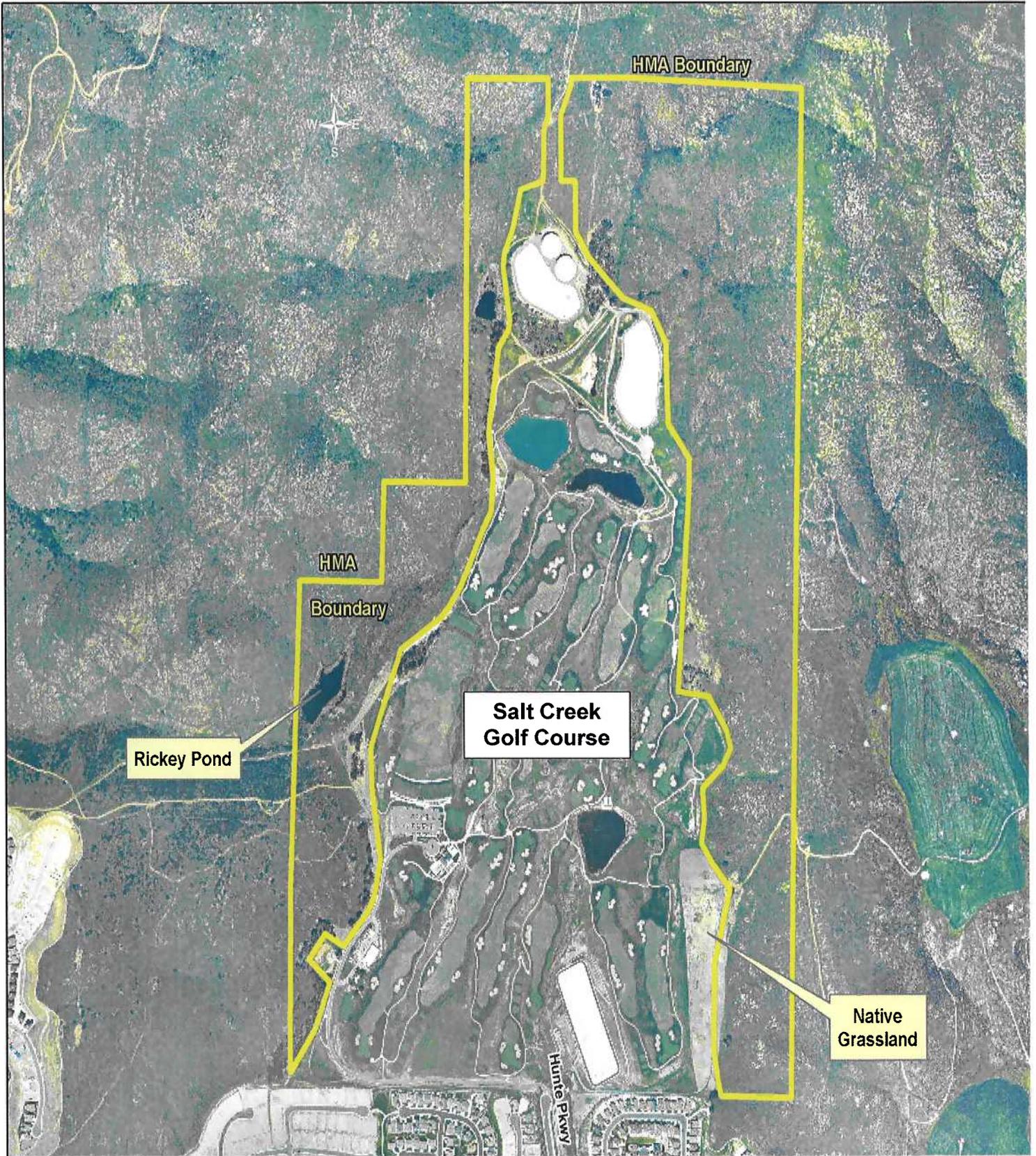


EXHIBIT A
Otay Water District San Miguel Habitat Management Area

The San Miguel Habitat Management Area





Status of the HMA

Background

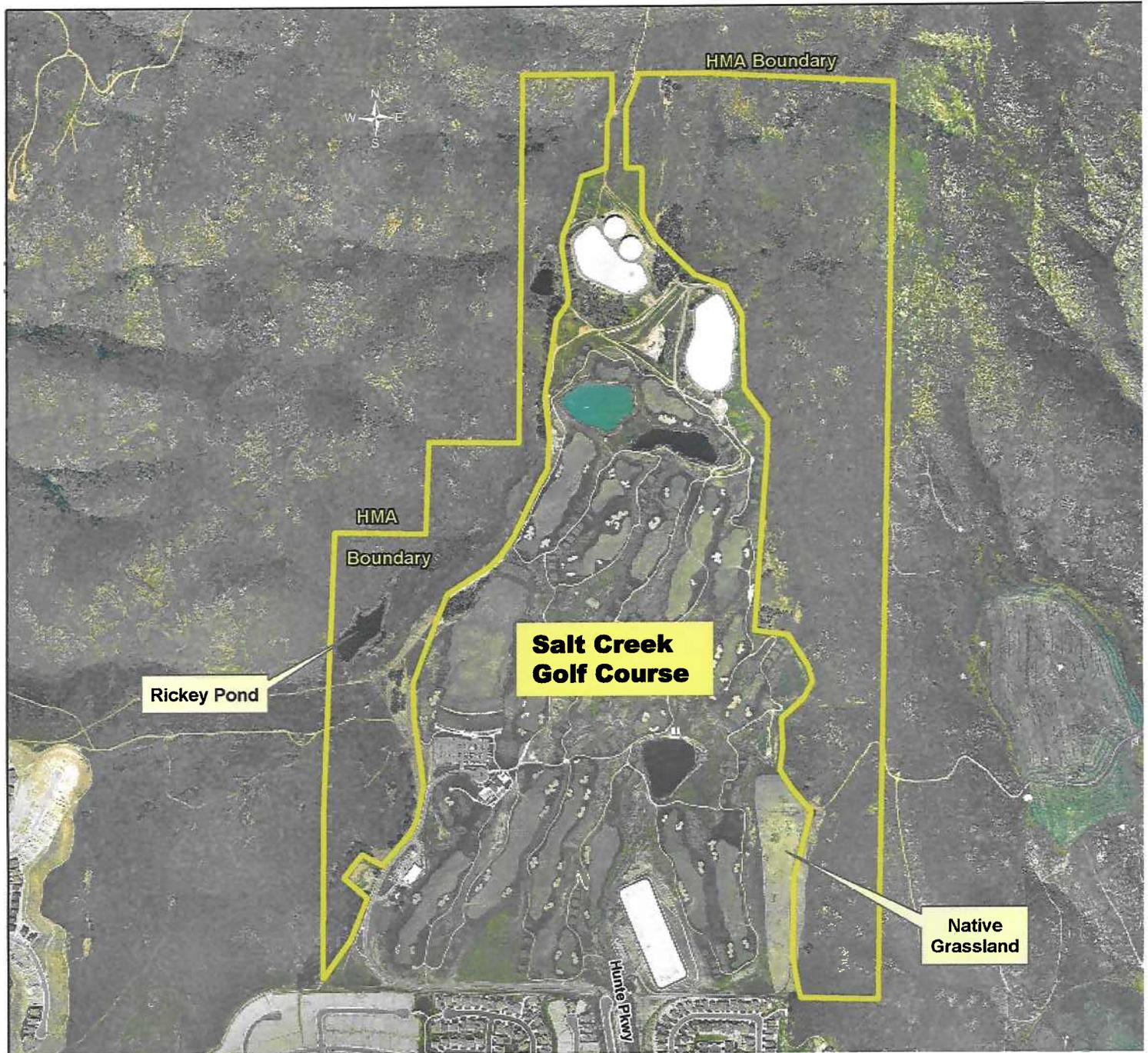
The HMA is a 230 acre biological preserve that surrounds the Salt Creek Golf Course in Chula Vista



Functions

- Mitigation bank with credits that can be used to offset Coastal Sage Scrub impacts associated with District projects and facilities
- Habitat restoration area for other vegetation impacts associated with the construction of District projects and facilities





Important Areas at the HMA



- Coastal Sage Scrub habitat (210 acres) – created in 1994 as required by a Section 7 consultation with US Fish & Wildlife to mitigate for future impacts of District projects to the California gnatcatcher
- Rickey Pond Restoration Area – to compensate for wetland impacts by the construction of the 711-3 Reservoir
- Native Grasslands Area – for the restoration of 14 acres of native grasslands required because of impacts to burrowing owl and raptor foraging habitat associated with the construction of the 711-3 Reservoir and the Salt Creek Golf Course



Vegetation Impacts due to Construction of the 30-inch pipeline, 450-1 Reservoir & 680-1 Pump Station



The impacts due to the construction of these projects includes the preservation &/or restoration of the following areas at the HMA



- 6.23 acres of Otay Tarplant
- 1.20 acres of Coastal Sage Scrub habitat
- 0.68 acre of Maritime Succulent scrub habitat
- 1.15 acres of Non-native Grasslands habitat
- 0.03 acre of Jurisdictional Wetlands
- 0.01 acre of Orcutt's birds-beak



Photographs of the HMA pre-fire











Photographs of the HMA during and after the Harris Fire





NO TRESPASSING

WILDLIFE HABITAT PRESERVE

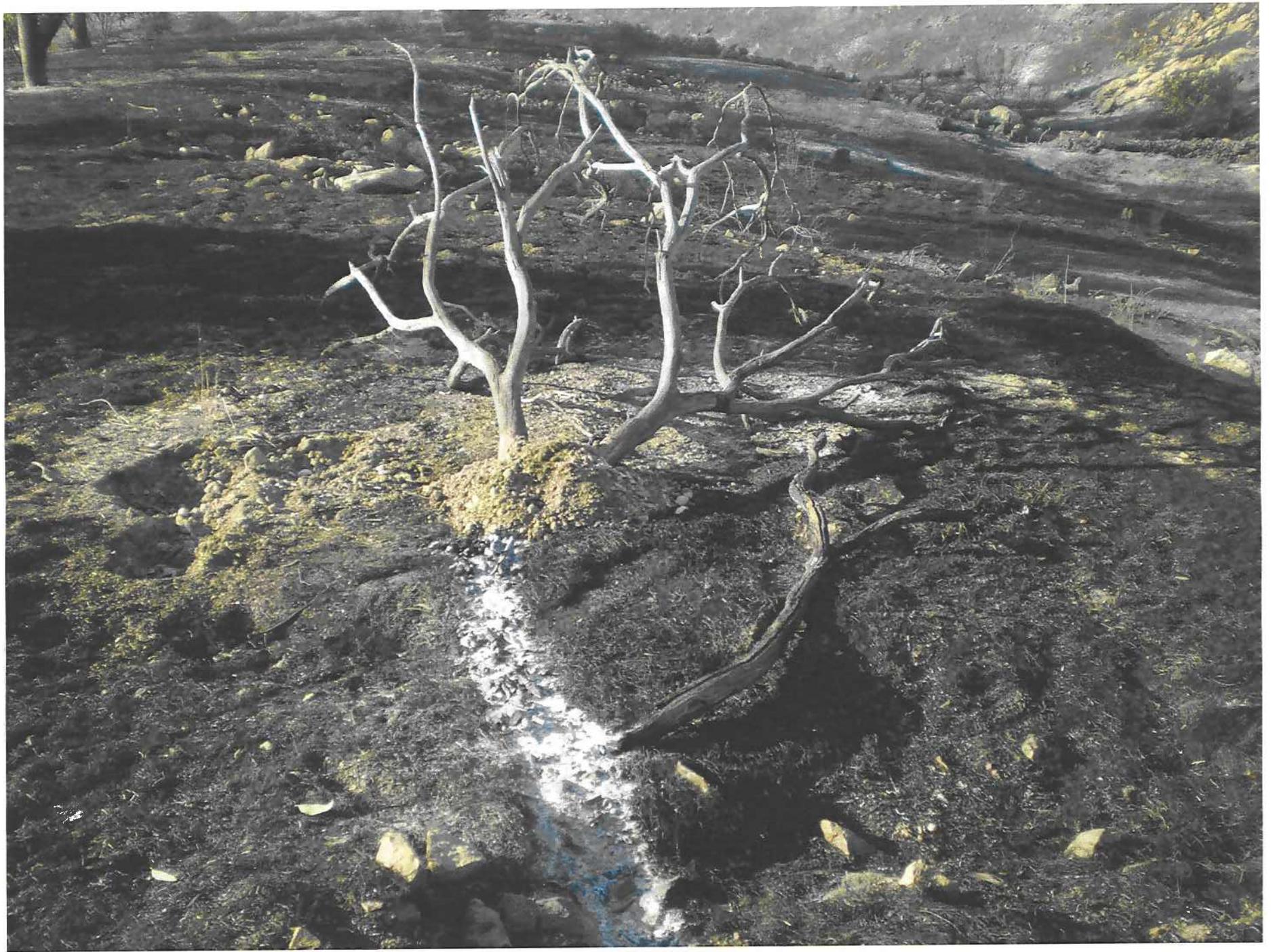
Permission to pass subject to
approval by Otay Water District
Environmental Specialist













What's next for the HMA?

- Jones & Stokes, our HMA Maintenance & Monitoring contractor, has surveyed the damage and has come up with a plan of work for the area.
- Immediate work includes repairs of damaged irrigation system and perimeter fencing and erosion control measures.
- Monitoring during the next 6 months will be increased to keep track of any rain related issues (erosion, plant germination).
- Fire is considered to be a natural occurrence by the wildlife agencies and they anticipate that areas such as our HMA will recover with time.
- Jones & Stokes will meet with the wildlife agencies to discuss their expectations for designated project mitigation areas that were affected by the fire.





Trees at the HMA

Many eucalyptus trees burned and are in danger of falling, these will be cut down. These are non-native trees and are not needed for mitigation.





The good news...

Two mitigation areas did not burn, the native grasslands area and the area around Rickey Pond.



Area around Rickey Pond

Native grasslands area



A burrowing owl has returned...





Questions?



AGENDA ITEM 7a

RESOLUTION NO. 4121

A RESOLUTION OF THE BOARD OF DIRECTORS OF OTAY WATER DISTRICT SUPPORTING KEITH LEWINGER FOR APPOINTMENT AS THE REGION 10 CHAIR TO THE BOARD OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)

Whereas, the bylaws of the Association of California Water Agencies (ACWA) provide that the Board of Directors of the ACWA shall include the Chair and Vice Chair of each of the regions within the State; and

Whereas, the position of Chair for Region 10 is currently vacant; and

Whereas, Keith Lewinger is the General Manager of the Fallbrook Public Utility District, a public agency formed and operating under the Public Utility District Act of the State of California to provide water and other services to the community of Fallbrook; and

Whereas, since 2001, Keith Lewinger has also been an active member of the Board of Directors of the San Diego County Water Authority, and is currently serving in the Colorado River Programs Ad Hoc Committee, the Imported Water Committee, the Water Conservation Garden JPA, and is the Chair of the Water Planning Committee; and

Whereas, the Board of Directors of the Otay Water District (OWD), a municipal water district member of ACWA and located within Region 10 of the ACWA, believes that it is in the best interest of the OWD, Region 10 and the ACWA to support the appointment of Keith Lewinger to serve on the Board of Directors of the ACWA as the appointed Chair for Region 10.

Now, therefore, be it resolved, ordered and determined as follows:

SECTION 1. That the Board of Directors of the OWD adopts this Resolution to Support the appointment of Keith Lewinger for the position of Chair for Region 10.

SECTION 2. The President of this Board, the General Manager, the OWD's Secretary and their designees are hereby authorized to take any action required to be taken on behalf of the OWD to carry out the purpose of this Resolution, including forwarding any required statement to the ACWA in support of Keith Lewinger.

SECTION 3. This Resolution shall be effective as of the date it is adopted.

PASSED, APPROVED AND ADOPTED by the Otay Water District Board of Directors at a regular meeting held this 6th day of February, 2008.

AYES:

NOES:

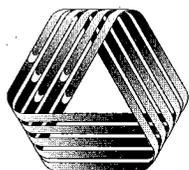
ABSENT:

ABSTAIN:

President

ATTEST:

Secretary



Helix Water District

Setting standards of excellence in public service

AGENDA ITEM 7b

7811 University Avenue
La Mesa, CA 91941-4927

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

January 28, 2008

JAN 30 2008

Otay Water District
Attn: Mark Watton, General Manager
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

RE: El Monte Valley Groundwater Recharge Project

Dear Mr.  Watton,

Several cities, water agencies, and the county are actively coordinating future water projects through the Integrated Regional Water Management Plan. Several of these projects have been selected for submittal for the Department of Water Resources Prop 50 grant funding including Helix Water District's El Monte Valley Groundwater Recharge Project. Helix Water District has also identified potential funding through the Environmental Protection Agency (EPA) State and Tribal Assistance Grants (STAG). Information for the grant funding submittal is requested by **February 8, 2008**.

We are applying for funding assistance for the El Monte project, which would ultimately involve recharge of the El Monte Groundwater Basin using highly purified recycled water and subsequent withdrawal of the groundwater to deliver up to 5,000 acre-feet per year of new raw water to our R.M. Levy Water Treatment Plant. The project is being developed in conjunction with a habitat restoration project of an approximate 2-mile section of the San Diego River. The groundwater basin water level will be raised to support the habitat. The project has numerous benefits for the local community and to the region including restoration of natural habitat, improvement of water quality in the El Monte Valley Basin, and expansion of the local water portfolio by providing a new renewable water supply of between 10% and 15% of the District's overall water supply.

I am writing to ask for your support of the El Monte Valley Groundwater Recharge Project. We would very much appreciate a letter of support from your organization. I have attached a sample letter and project fact sheet to this communication. We request that you Fax the letter of support to the three legislative offices due to the overwhelming email and letters they receive. The Fax numbers for each office are listed below:

- Representative Duncan Hunter Fax Number (202) 225-0235
- Senator Dianne Feinstein Fax Number (202) 228-3954
- Senator Barbara Boxer Fax Number (619) 239-5719

If you have any questions, please feel free to contact me at (619) 917-6920 or Tim Smith, Principal Engineer at (619) 667-6201.

Sincerely,



Mark S. Weston
General Manager

**Elected Board
of Directors:**
Charles W. Muse
President

Richard K. Smith
Vice President
John B. Linden
DeAna R. Verbeke
Kathleen Coates Hedberg

Staff:
Mark S. Weston
General Manager

Donna Bartlett-May
Board Secretary

Legal Counsel:
Scott C. Smith





...Dedicated to Community Service

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

www.otaywater.gov

February 6, 2008

The Honorable Duncan Hunter
United States House of Representatives
Washington D.C, 20510
Fax 202-225-0235

Dear Honorable Duncan Hunter,

By this letter we are transmitting the Otay Water District Board of Director's support for the Helix Water District's plans to seek direct federal assistance for their El Monte Valley Groundwater Recharge Project (Project), located in San Diego County's El Monte Valley Basin along the dry riverbed of the San Diego River. Helix provides high-quality water to over 250,000 residents of San Diego's east county. When completed, this Project will provide between 10% and 15% of the District's overall raw water needs which will significantly reduce the need for imported water.

This Project marks one of the first attempts in California to explore utilizing highly purified recycled water to recharge a groundwater basin, augmenting the local water supply while raising the groundwater level for habitat restoration. After two years of study, plans call for the District to secure highly treated wastewater from the Padre Dam Municipal Water District's Santee Water Reclamation Plant. A new advanced treatment facility would provide additional treatment to purify the wastewater to meet or exceed Safe Drinking Water standards. This facility will use water treatment technology equivalent to that used by bottled water manufacturers.

We believe that this Project benefits local, regional, and national interests. We ask for your support for this Project in whatever ways you deem appropriate and work with the District to help make this Project affordable to local residents.

We are all struggling during these challenging times to manage our resources responsibly and produce reliable water. We concur with Helix that because of this Project's benefit to regional and national interests and because of the cost associated with all the issues involved, this Project only becomes affordable with a combination of local, state, and federal financial resources.

On behalf of all the citizens in our area, we thank you for your past support and consideration for the support of this innovative project.

Sincerely

Gary Croucher,
President, Board of Directors

cc: Mark S. Weston, P.E.
Helix Water District General Manager
7811 University Avenue
La Mesa, CA 91941-4927



...Dedicated to Community Service

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

www.otaywater.gov

February 6, 2008

The Honorable Dianne Feinstein
United States Senate
Washington D.C, 20515
Fax 202-228-3954

Dear Honorable Dianne Feinstein,

By this letter we are transmitting the Otay Water District Board of Director's support for the Helix Water District's plans to seek direct federal assistance for their El Monte Valley Groundwater Recharge Project (Project), located in San Diego County's El Monte Valley Basin along the dry riverbed of the San Diego River. Helix provides high-quality water to over 250,000 residents of San Diego's east county. When completed, this Project will provide between 10% and 15% of the District's overall raw water needs which will significantly reduce the need for imported water.

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On behalf of all the citizens in our area, we thank you for your past support and consideration for the support of this innovative project.

Sincerely

Gary Croucher,
President, Board of Directors

cc: Mark S. Weston, P.E.
Helix Water District General Manager
7811 University Avenue
La Mesa, CA 91941-4927



...Dedicated to Community Service

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

February 6, 2008

The Honorable Barbara Boxer
United States Senate
Washington D.C, 20515
Fax 202-228-3954

Dear Honorable Barbara Boxer,

By this letter we are transmitting the Otay Water District Board of Director's support for the Helix Water District's plans to seek direct federal assistance for their El Monte Valley Groundwater Recharge Project (Project), located in San Diego County's El Monte Valley Basin along the dry riverbed of the San Diego River. Helix provides high-quality water to over 250,000 residents of San Diego's east county. When completed, this Project will provide between 10% and 15% of the District's overall raw water needs which will significantly reduce the need for imported water.

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On behalf of all the citizens in our area, we thank you for your past support and consideration for the support of this innovative project.

Sincerely

Gary Croucher,
President, Board of Directors

cc: Mark S. Weston, P.E.
Helix Water District General Manager
7811 University Avenue
La Mesa, CA 91941-4927



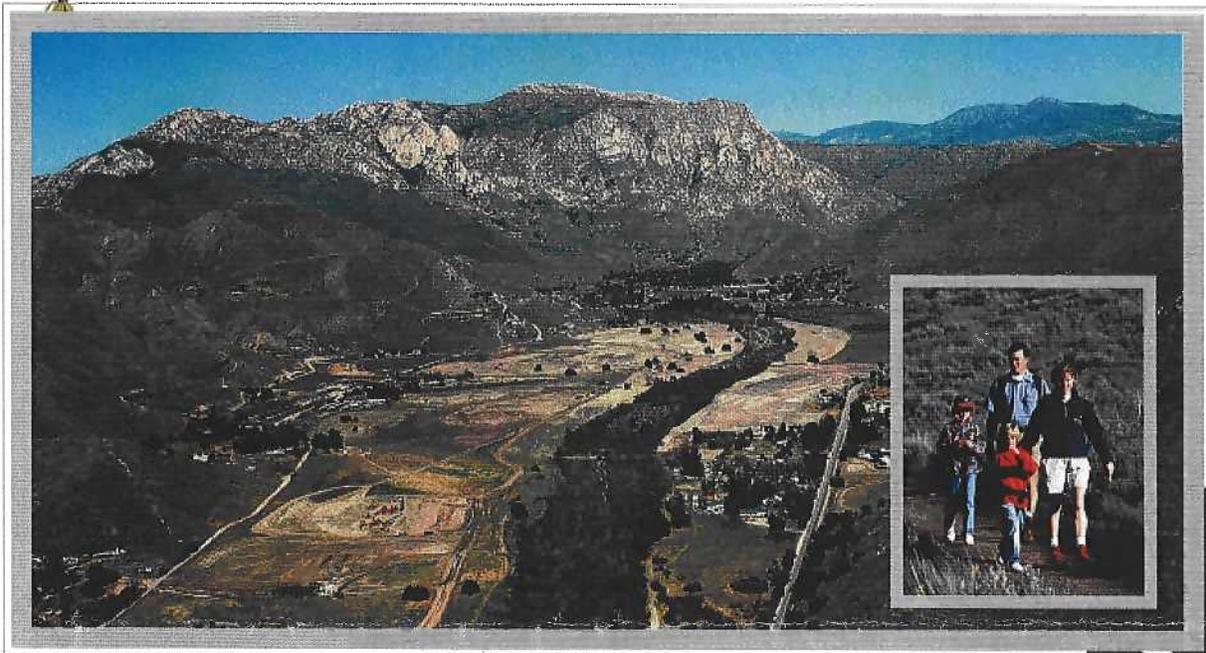
Helix Water District



San Diego River Restoration and Recharge Project in El Monte Valley

The Demand for **High-Quality Water** is On the Rise

In a semi-arid region with low rainfall, the need to create a new sustainable water supply is becoming urgent. Ninety percent of San Diego's water supply is imported from outside the area, making San Diego one of the largest counties in the United States dependent on imported water.



THE EL MONTE VALLEY Photo courtesy of The Embury Institute for Wildlife Conservation

To address this, Helix Water District is pursuing new, permanent, water supply sources. To realize this goal, the District is developing the *San Diego River Restoration and Recharge Project in El Monte Valley* to provide additional high-quality water to its service area and ensure a long-term water supply for the entire region. As an added benefit, this new source of water will also support the Endangered Habitats Conservancy's efforts with the San Diego River Restoration Project, which was created to protect and enhance the environment, and provide recreational opportunities for the public

Long Term Benefits

The revegetation project will provide many benefits for generations to come, including:

- A river park with trails for hiking, mountain biking and equestrians.
- Wildlife habitat • Flood protection • Educational resources

The river restoration element of the project is a new and visionary approach, combining a water supply solution with the additional benefits of habitat protection and community recreational use.

Project Model

A similar, much larger project is underway in Orange County. The Orange County Water District's Groundwater Replenishment System has been proven to produce safe, high-quality purified water. An interim project has been purifying five million gallons of water per day for use in the seawater barrier to keep the Pacific Ocean from mixing with the groundwater. The project is now complete and is producing up to 70 million gallons of high-quality water per day with half of that water being used for the seawater barrier and the other half being used for groundwater recharge.

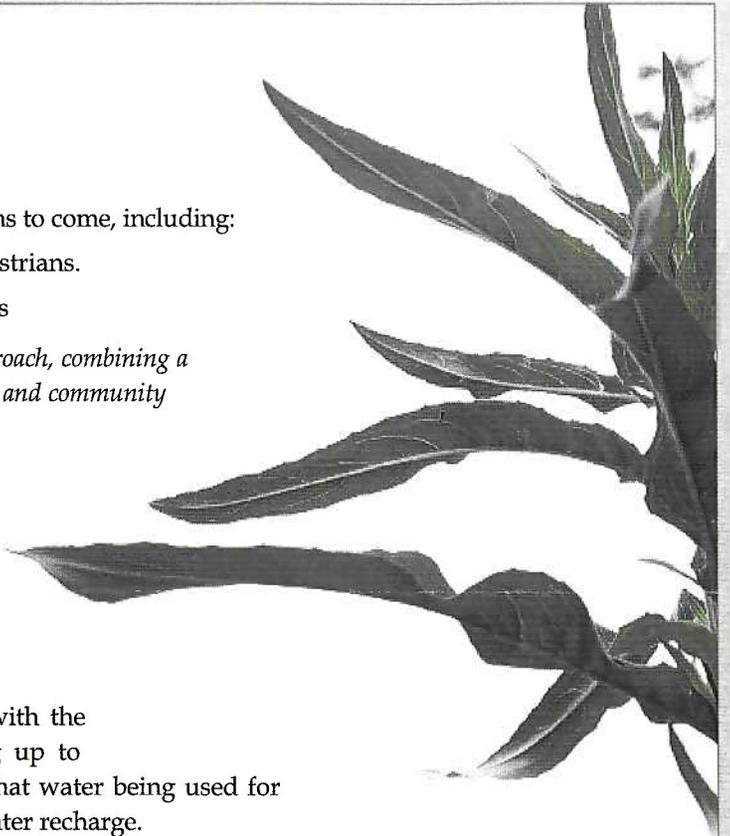
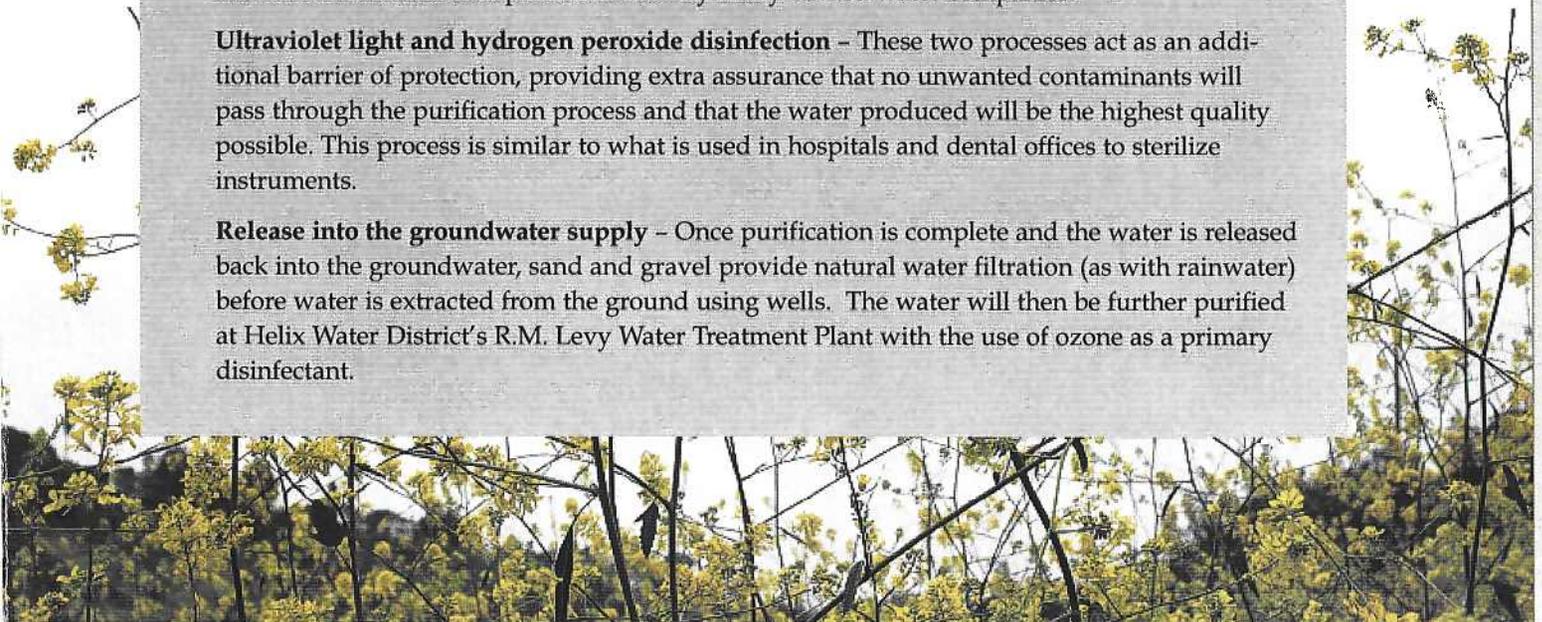
About Water Purification The high-quality purified water supplied through the San Diego River Restoration and Recharge Project in El Monte Valley will undergo a purification process proven to produce an extremely high-quality, safe water supply. This process includes:

Microfiltration – Microfiltration is a low-pressure membrane process that removes small suspended particles, protozoa, bacteria and viruses from the water. It is a process used today in “clean” computer chip manufacturing environments, to sterilize medicines that cannot be heated, and to process baby food, fruit juices and soda beverages.

Reverse osmosis – This is a high-pressure membrane process that forces water through a thin membrane to filter out minerals and contaminants, including salts, viruses, pesticides and other materials. This process is used by many bottled water companies.

Ultraviolet light and hydrogen peroxide disinfection – These two processes act as an additional barrier of protection, providing extra assurance that no unwanted contaminants will pass through the purification process and that the water produced will be the highest quality possible. This process is similar to what is used in hospitals and dental offices to sterilize instruments.

Release into the groundwater supply – Once purification is complete and the water is released back into the groundwater, sand and gravel provide natural water filtration (as with rainwater) before water is extracted from the ground using wells. The water will then be further purified at Helix Water District's R.M. Levy Water Treatment Plant with the use of ozone as a primary disinfectant.



The San Diego River Restoration and Recharge Project in El Monte Valley

The San Diego River Restoration and Recharge Project in El Monte Valley will purify recycled water to high-quality water that meets or exceeds drinking water standards. The purified water will then be spread over the riverbed to replenish the groundwater basin. The project will not only add to the region's water supply, but it will also aid in revegetation of the San Diego riverbed, which runs through District's property, by raising the water level to allow native plant growth. The revegetation project also includes a public river park for community recreational use.

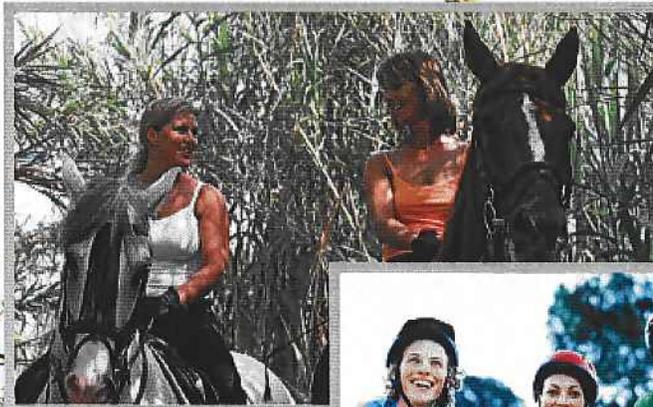
Prior to the current project, several options were considered for this site including a golf course. However, after extensive research that revealed the over saturation of golf courses in San Diego County, the District identified this alternate, more viable option for the land.

Benefits of the San Diego River Restoration and Recharge Project in El Monte Valley

- Provides five million gallons of purified water per day (5,000 acre-feet per year) – regardless of drought – to the District's service area, which includes La Mesa, Spring Valley, Lemon Grove, El Cajon, parts of Lakeside and some unincorporated areas of San Diego County. This amounts to 10% -15% of the District's total water demand.
- Raises the water level to enable revegetation of the San Diego riverbed and returns the area to a more natural habitat to support wildlife.
- Provides a more consistent water supply for local well users.
- Improves groundwater quality by adding high-quality purified water with groundwater.
- Reduces the need for water imported from the Colorado River and Northern California.
- Provides a reliable local source of water during times of crisis, including drought and aqueduct disruption.
- Reuses a precious resource and creates a new water supply.

Where We Are Today

Helix Water District researched and modeled the feasibility of the San Diego River Restoration and Recharge Project in El Monte Valley to determine if it will meet the needs of the region. In addition, the Endangered Habitats Conservancy studied the potential impact of the water restoration project on the river valley, including revegetation of native plants. Permitting for the project is in progress.





STAFF REPORT

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	February 6, 2008
SUBMITTED BY:	Mark Watton, General Manager	W.O./G.F. NO:	DIV. NO.
SUBJECT:	Board of Directors 2008 Calendar of Meetings		

GENERAL MANAGER'S RECOMMENDATION:

At the request of the Board, the attached Board of Director's meeting calendar for 2008 is being presented for discussion.

PURPOSE:

This staff report is being presented to provide the Board the opportunity to review the 2008 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.

General Manager

Attachments: Calendar of Meetings for 2008

**Board of Directors, Workshops
and Committee Meetings
2008**

Regular Board Meetings:

January 14, 2008
February 6, 2008
March 5, 2008
April 2, 2008
May 7, 2008
June 4, 2008
July 2, 2008
August 6, 2008
September 3, 2008
October 1, 2008
November 5, 2008
December 3, 2008

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

January 22, 2008
February 20, 2008
March 19, 2008
April 16, 2008
May 21, 2008
June 18, 2008
July 16, 2008
August 20, 2008
September 17, 2008
October 15, 2008
November 19, 2008
December 17, 2008

Board Workshops:

Budget Workshop, TBD
Board Retreat Workshop, TBD

AGENDA ITEM 8a



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	February 6, 2008
SUBMITTED BY:	James Cudlip, Finance Manager	W.O./G.F. NO:	DIV. NO. All
APPROVED BY:	Joseph R. Beachem, Chief Financial Officer (Chief)		
APPROVED BY:	German Alvarez, Assistant General Manager (Asst. GM):		
SUBJECT:	Banking Services Review		

GENERAL MANAGER'S RECOMMENDATION:

Information report only. No action required.

COMMITTEE ACTION: _____

See Attachment A.

PURPOSE:

In response to a recent Board request, this report provides information on the process developed by the Finance Department to review the District's current banking services, the results developed from completing that review, and recommendations for making this review a recurring business practice on a regularly scheduled basis.

SUMMARY:

Based on Board input, staff developed a formal process for reviewing pricing, services, and staff satisfaction with current banking financial services. It was concluded that the services currently provided by Union Bank of California are properly priced and meet the ongoing needs of the District. No change is recommended at this time.

BACKGROUND:

In January 2006, the Board approved staff's recommendation to change banks from California Bank & Trust (CB&T), to Union Bank of California (UBOC). The District had been using CB&T's bank services for seven years and it was determined that a formal review of banking services was appropriate. Proposals from several banks were received and UBOC was selected. The outcome of this change was both to improve the overall financial services available to the District, and also provide significant savings in total annual fees.

Recently the Board requested that staff review the current banking relationship to determine if the District is still receiving the best available financial package of fees and services, as well as whether District staff were satisfied with the ongoing service and responsiveness of the bank. The Board also expressed interest in developing a procedure to allow periodic review of these services.

To comply with the Board's recommendation, a review process was developed consisting of the following elements: 1) current services provided; 2) a financial industry review of new or additional services available; and 3) a comparative review of fees with other government agencies. If the results of this review indicated a need for significant change in banking fees or services, staff would then initiate a formal Request for Proposals from the banking community, similar to the procurement actions which were completed approximately two years ago. 4) At a minimum, staff will conduct a formal Request for Pricing from the banking community every five years.

Current UBOC banking services consist of five major areas: 1) general checking, savings, and manual deposits related to the District's operating and payroll accounts; 2) lockbox services for customer payments (approximately 32,000 per month); 3) processing of credit card payments (approximately 4,000 per month); 4) custodial services for investment securities; and 5) trustee services for the District's four bond issuances.

ANALYSIS:

CURRENT SERVICES PROVIDED: District staff who deal with the bank on a repetitive basis were asked if they had any problems or issues with the bank, and if they were satisfied with current banking services. This included Customer Services Section, Payroll, Accounts Payable, and Investments personnel. Responses

were positive. With the number of monthly transactions involved it will never be 100% free of mistakes, but problems or mistakes tend to be infrequent, minor in scope, and the bank has been quick to respond to all inquiries. Staff are very happy with the financial services provided and the personnel contacts involved at UBOC.

NEW OR ADDITIONAL SERVICES AVAILABLE: Finance Department staff are active in keeping current and knowledgeable of financial industry services. Actions include: 1) discussions with the District's outside auditors; 2) membership in professional financial organizations (GFOA, CMTA, CSMFO, AICPA); 3) attendance at financial seminars; 4) discussions with peers in the surrounding water districts, other government agencies, and other business entities. Staff are unaware of any necessary additional financial goods or services that are not also available from UBOC.

CURRENT FEES: The current banking contract includes five year fixed pricing on all services provided. During the bid review process staff noted that UBOC's pricing was very aggressive, resulting in the lowest total fees overall. Telephone calls were made to another agency that recently completed bidding for financial services and a comparison of current market pricing was obtained. While there may be slight differences in pricing for specific, individual line items or services, UBOC's total pricing was still lower than other banks reviewed for the total package of services utilized by the District.

ADDITIONAL CONSIDERATIONS:

Banking services are interwoven throughout many of the financial processes of the District and require significant effort to change. Any change creates a disruption for customers and vendors which should not be initiated without ample justification. Customers who utilize on-line bill payment services must proactively change their programs to reflect a new lockbox address, or their payments will continue to go to the old address. Credit card payments and vendors who send electronic payments to the District must also change their programs to reflect new bank account numbers, or the payments will continue to go to the old account. It typically takes several months and hundreds of hours of staff work to change all banking services.

Outside auditors and national financial credit rating agencies consider the stability of a business entity's banking

relationship as a positive factor in their overall analysis and review. The magnitude of change, as described above, is such that a change of banks is considered a required item for explanation and review prior to rendering a favorable opinion of the entity's business operations.

Conclusions:

Changing banks results in major operational changes that should only be initiated if there are problems with current services, or a potential for substantial financial savings. Neither situation currently exists, so staff recommends continuing with Union Bank of California at this time.

It is an excellent business practice to complete an evaluation of existing financial services such as this on a periodic basis. It is therefore recommended that staff conduct this financial services review every 2-3 years, and make a formal Request for Pricing from the banking community every 5 years, to assure the District continues to receive the best services for the best price. If a financial services review indicates that a Request for Pricing is needed sooner, staff will proceed with this action immediately.

FISCAL IMPACT:



None. The recommendation for no change in banking services will maintain current operations and financial projections.

STRATEGIC OUTLOOK:

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: Copy of Banking Services Review Presentation Slides



ATTACHMENT A

SUBJECT/PROJECT:	Banking Services Review
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COMMITTEE ACTION:

The Finance, Administration, and Communications Committee reviewed this item at a meeting held on January 22, 2008. The following comments were made:

- This item is presented in follow-up to the board's inquiry regarding banking services and if the District is happy with current services and if fees are still competitive with the market. In response, staff has developed a formal process for the periodic review of banking fees and services.
- Staff inquired with other agencies regarding their banking services and fee rates and if they have been pleased with the services provided by their current bank.
 - Staff received input from three agencies which included pricing comparisons of several other major banks. It was found that the District's fees were lower at a cost of \$8775/mo in comparison to the four other agencies, when adjusted for the same levels of activity. The City of Jurupa came in at \$10,200/mo, the City of Poway at \$9,100/mo, and South Coast Water District at \$9,400/mo.
 - It was noted that the District's fees may be lower due to the aggressive pricing given by UBOC. Governments seldom change banks and UBOC did not want to miss this opportunity to gain Otay's business.
- Staff also noted that when the District is considering making a banking change, there are other considerations to review. Such as the magnitude of the process to change banking services. The banking transfer to UBOC was a six-month process which took considerable staff time.

The change is also questioned by auditing firms and rating agencies. It is an audit standard to ask questions of

businesses which change banks to determine if there was anything negative in the previous relationship.

- Staff indicated that following the review process, staff found that the District's total bank fees are lower than other banks and will remain fixed for another three years.
- Staff also indicated they have been happy with UBOC's services and recommends that no change is required nor are any new or additional services needed at this time.
- Staff will conduct a bank review every two to three years and will distribute a request for pricing every five years to the banking community. It was noted that this request may not necessarily lead to a banking institution change.

The committee supported staffs' recommendation and presentation to the full board as an informational item.

BANKING SERVICES REVIEW

▪ Board Request

- Develop a formal process for the periodic review of banking fees and services.
- Complete the review and report staff findings & recommendations.



BANKING SERVICES REVIEW

- **Review Process**
 - Staff interviews of current services provided.
 - Financial industry review of all services available.
 - Comparative review of service fees.



BANKING SERVICES REVIEW

- **Additional Considerations**
 - Magnitude of change.
 - Staff time and disruption of current processes.
 - Audit & credit rating impacts.



BANKING SERVICES REVIEW

- **Analysis Results**

- Staff are happy with current services.
- No new or additional services are contemplated at this time.
- Total fees are lower than other banks & fixed for 3 more years.



BANKING SERVICES REVIEW

- **Recommendations**

- No changes needed.
- Continue with UBOC at this time.
- Conduct this review every 2 – 3 years.
- Full Request for Pricing from the banking community every 5 years.



AGENDA ITEM 8b

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	February 6, 2008
SUBMITTED BY:	Armando Buelna, <i>AB</i> Communications Officer	W.O./G.F. NO:	DIV. NO. All
APPROVED BY:			
SUBJECT:	Customer Service, Satisfaction and Awareness, and Call Center Surveys		

GENERAL MANAGER'S RECOMMENDATION:

This is an informational item.

COMMITTEE ACTION: _____

See Attachment A.

PURPOSE:

To provide an update to the Board of Directors regarding the selection of a consultant to conduct the annual Customer Service, Satisfaction, and Awareness, and Call Center Surveys.

BACKGROUND:

The Strategic Performance Plan calls for implementing a standardized potable and recycled water customer survey. It also emphasizes enhancing quality control in Finance Customer Service to ensure outstanding Call Center interaction with customers. To accomplish these Strategic Plan objectives, staff recommends retaining Rea & Parker Research to conduct the Customer Service, Satisfaction, and Awareness, and Call Center Surveys.

In accordance with district procedures, staff solicited bid proposals from six research firms to conduct the surveys. Two responses to the Invitation to Bid were received. Proposals were received from Rea & Parker Research, and Claritas Inc.

Upon review of the proposals, staff selected Rea & Parker Research. Staff supports retaining Rea & Parker Research based on their expertise, the timeliness, professionalism, their level of personalized service, as well as staff's positive experience working with this firm on the 2005 and 2006 surveys. Claritas' proposal was vague and staff was unable to gauge their qualifications, technical expertise, history with water agencies

history with water agencies or local government, or the quality of their service from their submittal.

FISCAL IMPACT: _____

The cost of conducting the two independent surveys is \$30,000. Funding for the surveys are included in the General Manager's Fiscal Outside Services budget (GL 11-1211-5261).

STRATEGIC GOAL:

This project is consistent with the following Strategic Plan goals:

- 1.A.1 Implement a standardized Potable and Recycled Water Customer Survey.
- 1.A.3 Expand a Quality Control/Audit program to ensure quality customer service.

LEGAL IMPACT: _____

None.



General Manager

Attachments:

- A - Committee Statement
- B - Rea & Parker Survey Proposal
- C - Invitation to Bid
- D - Customer Survey Proposal Highlights
- E - Research Firms



ATTACHMENT A

SUBJECT/PROJECT:	Customer Service, Satisfaction and Awareness, and Call Center Surveys
-------------------------	---

COMMITTEE ACTION:

The Finance, Administration, and Communications Committee reviewed this item at a meeting held on January 22, 2008. The following comments were made:

- This item is presented to update the Board on the status of the annual Customer Service, Satisfaction, and Awareness, and Call Center surveys.
- Two separate surveys will be conducted:
 - Customer Service, Satisfaction and Awareness Survey
 - Call Center Survey which will only include customers who have had contact with the District's call center
- An invite to bid was sent to six local firms. The firms were selected from the San Diego Business Journal's list of top San Diego research firms.
- Two proposals were received:
 - Rea & Parker Research
 - Claritas Inc.
- Claritas Inc.'s proposal was vague in terms of what they would do and staff was unable to gauge their qualifications, technical expertise, history with water agencies or local government or the quality of their services. Their proposed cost was \$46,800.
- Staff will retain Rea & Parker Research under the General Manager's contracting authority at a cost of \$30,000. Staff has worked with Rea & Parker Research on two previous surveys (2005 and 2006) and was very pleased with their work. Rea & Parker Research have demonstrated that they have the expertise, are timely, professional and are able to personalize their services to the client's needs.

- The committee suggested that the survey include:
 - Two to three questions on recycled water to gauge customer awareness and their openness to potable reuse.
 - Questions regarding customers' interest in utilizing recycled water in the northern portion of the District for irrigation. Responses would be cross-tabulated by zip code to indicate the views of those who reside in the north district.
 - Questions specifically directed to District sewer customers
 - Cross-tabulate the surveys for race, education level, etc. for those questions that such information would provide additional information.
 - Questions to gauge customer trust in the District of the safety of the potable water supply (in follow-up to the Fenton Business Center situation).

- It is expected that the surveys would be completed in approximately four to five months.

- It was inquired whether the surveys were helpful. It was noted that the surveys have revealed that there was not much conservation movement within the District's Hispanic population. In response, staff has translated conservation brochures in Spanish to help get the conservation message to this segment of the community.

This is being forwarded to the board as an information item only. This item will return to committee and the board when Rea & Parker have completed the survey drafts.

**Otay Water District
2008 Customer Service
and Residential
Customer Satisfaction/
Awareness Surveys**



OTAYWATERDISTRICT



Proposal to

**Mr. Armando Buelna
Communications Officer
Otay Water District
2554 Sweetwater Springs
Blvd.
Spring Valley, CA 91978**

Prepared by

**Rea & Parker Research
P.O. Box 421079
San Diego, CA 92142-1079**

858-279-5070

www.rea-parker.com

December 21, 2007

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December 21, 2007

Mr. Armando Buelna
Communications Officer
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA

Re: Otay Water District Survey Research Proposal
Survey I: General Residential Customer Survey
Survey II: Customer Service Survey

Dear Mr. Buelna:

Rea & Parker Research is a survey/market research and economic consulting firm based in San Diego, California, with facilities in Los Angeles and Orange County. It was founded by its present owners, Louis M. Rea, Ph.D., and Richard A. Parker, Ph.D., in 1984 and has grown into a well-respected, financially stable, and substantial research organization with clients throughout the State of California and the Southwest who will attest to the firm's ability to deliver a very high quality product to its clients, with practical recommendations and valuable, actionable findings.

Dr. Parker and Dr. Rea are professors in the School of Public Administration and Urban Studies at San Diego State University. Dr. Rea has also been Director of the School for 23 years. Dr. Parker and Dr. Rea are co-authors of a highly successful book, *Designing and Conducting Survey Research: A Comprehensive Guide*, published by Jossey-Bass Publishers of San Francisco in 1992, with a second edition published in 1997, and a third edition in 2005.

Drs. Parker and Rea have extensive experience in public and urban affairs regarding the collection of primary demographic, attitudinal, and market-related data through survey research and focus group analysis, particularly regarding transportation research and water research. Water related surveys have been conducted for the Otay Water District (baseline 2005 customer satisfaction survey and 2007 customer satisfaction survey/2007 baseline customer service survey), the San Diego County Water Authority (2000, 2003, 2004, 2005, and 2007 public opinion polls, 2003 and 2005 member agency surveys, and 2005 economic climate survey), the City of San Diego Water Department (2004 customer satisfaction survey), North County Co-Permittees Watershed survey (2004), and the San Diego County unincorporated watershed surveys (2004), among others that are detailed in the proposal.

Rea & Parker Research has a significant history of success in deriving marketing data from ethnic minority groups. Further, Dr. Parker and Dr. Rea and are highly regarded economic consultants, particularly in the areas of fiscal impact analysis, urban economic development, and site specific commercial, retail, and residential evaluation.

Mr. Armando Buelna
Otay Water District
page 2

Rea & Parker Research possesses significant expertise in issues pertaining to transportation and growth, along with vast experience in survey research and analysis, focus group research, data collection, and sampling design, all of which are detailed in the Proposal enclosed with this letter of interest.

Rea & Parker Research proposes to:

- design sampling plans and survey instruments,
- coordinate all field data-collection activities
- edit, code, weight, expand, and analyze survey data
- prepare written report of findings
- prepare graphical presentations of the data
- provide final computerized data files
- present the survey findings in person, using a PowerPoint slide presentation

Rea & Parker Research is pleased to respond to this Request for Proposals and to submit this Proposal and Statement of Qualifications in an effort to be selected as the consultant for the Otay Water District 2008 Customer Surveys.

Rea & Parker Research is committed to keeping the lines of communication open as the project moves forward. To that end, Rea & Parker Research will provide the Otay Water District Project Manager with frequent progress reports. By using key senior staff members to implement the tasks described above, Rea & Parker Research promises to provide consistent and efficient consulting services to its clients in general, and to Otay Water District, in particular, for this project.

We thank you for the opportunity to propose our services and sincerely hope that our response to your Request for Proposals meets with your satisfaction and approval.

Sincerely,

Richard A. Parker, Ph.D.
President

The Otay Water District wishes to conduct statistically reliable customer satisfaction and customer awareness telephone surveys among residential customers. The purpose of the surveys is twofold – first, to update baseline measurements of customer satisfaction (among those who have called for customer service help and among the general residential customer base with residency within the District of a minimum of one year) and second to provide information concerning customer awareness of and reaction to the communications, utility rates and costs, conservation activity, field service and overall opinions of quality and reliability.

The Otay Water District requests that consultants propose to conduct two distinct surveys, as follows:

Survey I: 300 randomly selected residential customers of the Otay Water District will be randomly sample surveyed.

The primary areas of interest are:

- Overall customer satisfaction
- Awareness of rates
- Awareness of formal/written communications
- Awareness of conservation activities/programs
- Awareness of water recycling activities
- Attitudes toward conservation
- Concerns about water supply
- Quality of water supply
- Reliability of water supply
- Awareness of sewer operations
- Demographic measures
- Areas of interest concerning water or district issues (open end)
- Other areas as may occur in planning discussions

Survey II: 300 randomly selected customers of Otay Water District who have contacted the District for information and/or customer service during the most recent 6 months.

The primary areas of interest are:

- Call Center interaction—specifics and outcomes of these interactions
- Courtesy of staff
- Clarity and accuracy of responses from staff
- Level of knowledge displayed by Call Center staff
- Experience with field staff
- Quality of service received
- Overall satisfaction with service received
- Use of online services
- Quality of online services
- Demographic measures

Richard A. Parker, Ph.D., Professor, School of Public Affairs—San Diego State University and Louis M. Rea, Ph.D., Professor, School of Public Affairs—San Diego State University are pleased to respond to the Otay Water District Request for Proposals to be the consultant selected to perform both of the surveys, including the overall development,

implementation, data tabulation, analysis, written report, and presentation of the knowledge, attitudes, and behaviors of the subject population, as more fully described in the Scope of Services section of this proposal that follows Qualifications and Related Experience.

This proposal applies to both surveys, with distinctions made, where appropriate throughout the proposal, and, in particular, with regard to the cost and price component of the proposal.

QUALIFICATIONS AND RELATED EXPERIENCE

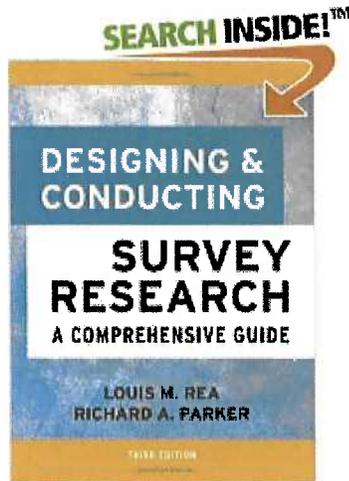
RICHARD A. PARKER, Ph.D. and LOUIS M. REA, Ph.D.
(Rea & Parker Research and San Diego State University)

Qualifications

Rea & Parker Research is a survey and market research and economic consulting firm based in San Diego, California, with facilities in Los Angeles and Orange County. Rea & Parker Research has been a significant research firm in public transportation for many years. It was founded by its present owners, Louis M. Rea, Ph.D., and Richard A. Parker, Ph.D., in 1984 and has grown into a well-respected, financially stable, and substantial research organization with clients throughout the State of California and the Southwest who will attest to the firm's ability to deliver a quality product within the originally designated budget and in accordance with the contracted time schedule.

Dr. Parker and Dr. Rea are professors in the School of Public Affairs at San Diego State University. Dr. Parker and Dr. Rea are co-authors of a highly successful book, *Designing and Conducting Survey Research: A Comprehensive Guide*, published by Jossey-Bass Publishers in 1992, with a second edition published in 1997, and a third edition in 2005.

Drs. Parker and Rea have extensive experience in public and urban affairs regarding the collection of primary demographic, attitudinal, and market-related data through survey research and focus group analysis. **Rea & Parker Research has conducted San Diego region water related awareness and satisfaction surveys for the Otay Water District, San Diego County Water Authority, Imperial Irrigation District, San Diego County, City of San Diego, City of Oceanside, Sweetwater Authority, and San Luis Rey Indian Water Authority—all of which are detailed in the attached letter of transmittal and list of clients and projects that follow.**



Rea & Parker Research has a significant history of success in deriving marketing data from ethnic minority groups. Further, they are highly regarded economic consultants, particularly in the areas of fiscal impact analysis, urban economic development, and site specific commercial, retail, and residential evaluation. Rea & Parker Research has conducted surveys and market research for a significant list of clients, including:

- State of California--Senate Rules Committee
- State of California--Senate Special Committee on Border Issues
- State of California--Office of the Auditor General
- State of California--Office of the Attorney General
- California Department of Transportation (CALTRANS)
- San Diego County Sheriffs Department
- San Diego County Water Authority
- Otay Water District
- San Diego Gas & Electric
- Imperial Irrigation District
- County of San Diego
- County of Orange
- City of San Diego
- City of San Diego Housing Commission
- City of Escondido
- City of Carlsbad
- City of Oceanside
- City of Poway
- City of Davis
- City of St. Helena
- City of Dana Point
- Los Angeles County Metropolitan Transportation Authority
- Southern California Regional Rail Authority (Metrolink)
- Orange County Transportation Authority
- Bay Area Rapid Transit
- Metropolitan Transit Development Board (San Diego Transit)

- Riverside Transit Authority
- Southern California Association of Governments
- SANDAG
- Sweetwater Authority
- Santa Clarita Transit
- Alhambra Community Transit
- Culver City Bus Lines
- Commerce Transit
- Pasadena ARTS
- Cerritos-On-Wheels (COW)
- Santa Monica Big Blue Bus
- Los Angeles Commuter Express
- Torrance Transit
- Carson Circuit
- El Monte Trolley
- Foothill Transit
- San Diego County Taxpayers Association
- San Diego County Law Library
- City Heights Community Development Corporation (City of San Diego)
- Centre City Development Corporation (City of San Diego)
- North Park Main Street Association (San Diego)
- San Luis Rey Indian Water Authority
- La Jolla Band of Mission Indians
- Viejas Enterprises
- Foxwoods Development/Pauma Casino
- Wallace, Roberts and Todd--Planners and Architects (San Francisco)
- Westec Services, Inc. (Salt Lake City)
- Joint Labor/Management Committee-Retail Food Industry
- San Diego/Imperial Counties Labor Council AFL-CIO
- Sweetwater Authority
- PRC Engineering
- RECON, Incorporated
- Christiansen and Wallace
- Stevens Planning Group
- Brian Mooney and Associates--Urban Planners
- Ault, Deuprey, Jones, Danielsen, & Gorman--Attorneys at Law
- Higgs, Fletcher & Mack--Attorneys at Law
- O'Neill, Huxtable & Abelson--Attorneys at Law
- Seyfarth Shaw—Attorneys at Law

Richard A. Parker, Ph.D. is a professor in the School of Public Affairs at San Diego State University where he teaches graduate and undergraduate courses in statistics, survey research, urban economic development, finance, and real estate. Dr. Parker possesses extensive analytical experience in statistical survey research, market analysis, land use, real estate development and valuation, and transportation issues. He will serve as the co-Project Director.

Dr. Parker has been a consultant to both the public and private sectors for almost 30 years. He has specialized in sample survey research for various governmental agencies and market research for retail, commercial, residential, and recreational development. Particular emphasis has been

placed upon market research conducted in the field of transportation, with a myriad of rider/on-board surveys, intercept surveys, telephone surveys, and focus group projects having been performed for several transportation agencies. Dr. Parker has further established his reputation with regard to fiscal impact studies, urban redevelopment, and environmental impact/socioeconomic and demographic analyses. Dr. Parker has also been involved on a consultative basis with a number of issues concerning economic and population growth impacts in Southern California and has published a variety of articles, monographs, and books on these subjects. He has further participated in various panel discussions, delivered expert testimony to legislatures and courts, and appeared on several radio and television programs on behalf of his clients.

Dr. Parker is a graduate of Brown University, the University of California at Berkeley, and UCLA. He possesses degrees in Business Administration from those institutions (B.S., MBA, and Ph.D.) plus a further graduate degree in City Planning (MCP) from San Diego State University.

Louis M. Rea, Ph.D. is Vice-President of Rea & Parker Research and professor of City Planning in the School of Public Affairs at San Diego State University. Dr. Rea teaches graduate courses in statistical analysis, transportation planning, survey research, and urban/fiscal problems. He has published a variety of articles, participated in panel discussions, and delivered numerous papers at professional conferences throughout the United States. He has extensive experience as a researcher and consultant in California and particularly in San Diego and the Los Angeles area for the past 30 years. Dr. Rea will be Co-Project Director for this study.

Dr. Rea has conducted and supervised numerous projects in the areas of transportation research and transit planning, including on-board bus/train surveys, ride checks, intercept surveys, and focus groups. He has also conducted Internet and telephone surveys in numerous consulting and research assignments for municipal jurisdictions and private businesses throughout Southern California. Dr. Rea has prepared environmental impact reports and market analyses for various commercial/recreational developments and has analyzed the feasibility of assessment districts and direct benefit financing. Dr. Rea has also prepared demographic and economic profiles and projections for various projects.

Dr. Rea is a graduate of Colgate University in New York, where he earned a BA. He received a Master of Regional Planning (MRP) and Ph.D in Social Science. from Syracuse University in Regional Planning.

Complete resumes are attached at the end of this proposal.

Selected Sample Survey Research Projects of Rea & Parker Research—references at end of section

Otay Water District

- 2007 residential customer satisfaction/awareness (n=300) and customer service surveys (n=200). Emphasis upon customer satisfaction, conservation measures, customer service needs, communications.

- 2005 customer satisfaction survey of 350 residential customers concerning behavior, opinion, customer service, desalination, water reclamation, and conservation practices.

San Diego County Water Authority

- 2007 San Diego County Water Authority Public Opinion Survey: 700 respondents concerning behavior, opinion, future needs assessment issues, desalination, water reclamation, fluoridation, and conservation practices.
- 2005 San Diego County Water Authority Public Opinion Survey: 725 respondents concerning behavior, opinion, future needs assessment issues, desalination, water reclamation, and conservation practices.
- 2005 Member Agency Survey: On-line survey of general managers, division managers, operating heads regarding SDCWA policies and programs
- 2005 Survey of 400 San Diego County public works contractors to identify issues pertaining to project labor agreements and other public works contracting issues, including satisfaction with working in association with SDCWA.
- 2004 Member Agency Survey was prepared, administered and analyzed regarding customer satisfaction. Project included a total revision of the instrument that had been used for many previous years in order to successfully discern possibilities for improved service by the Water Authority to its member agencies
- 2004 San Diego County Water Authority Telephone Public Opinion Survey: 710 respondents concerning behavior, opinion, future needs assessment issues, desalination, water reclamation, and conservation practices.
- 2004 Engineering Department Employee Satisfaction Survey: Survey of Engineering Department staff about employee satisfaction issues—compensation, benefits, advancement, working conditions, feedback, and others.
- 2003 San Diego County Water Authority Telephone Public Opinion Survey conducted among 600 telephone respondents in order to assess knowledge, behavior, opinions, and willingness to pay regarding water issues, including reliability.

City of San Diego Water Department

- Conducted 400 person survey of City Water Department customers regarding satisfaction, recycling, and water conservation.

San Diego County

- Public awareness survey of 1300 County residents regarding water quality and watershed protection, including level of knowledge, behavior, and opinion

components.

North County Co-Permittees

- Public awareness survey of 800 Carlsbad and San Luis Rey watershed residents, including level of knowledge, behavior, and opinion components.

Imperial Irrigation District

- Developed statistical models to predict daily power consumption based upon a variety of factors, including temperature, humidity, cloud cover, precipitation, vapor pressure, season, day of the week, and many more.

State of California (Senate Rules Committee, Senate Select Committee on Border Issues, and Office of the Auditor General)

- Analysis of fiscal impact of undocumented immigrants on public services in San Diego County, including criminal justice system, education, and public health. Further identified estimated number of undocumented residents and their contributions to State and local tax revenues. Also included in the analysis were federal revenues, false documentation issues, and macro economic impacts. Study included substantial primary data gathering techniques, including direct interviews with undocumented immigrant workers and INS returnees. Prepared, administered, and analyzed sample surveys of undocumented immigrants in San Diego County for purposes of determining employment characteristics, revenue generation, demographics, and migration patterns. Research included extensive face-to-face interviews and structured roundtable discussions.

City of Carlsbad

- Prepared, implemented, and analyzed citywide sample telephone survey of 600 respondents concerning future urban commercial development in this fast growing Northern San Diego County city. Extensive analysis of underlying values through conjoint analytical techniques was featured.

County of Orange

- Prepared, implemented, and analyzed 1,040 person telephone survey of unincorporated area (North Tustin) in order to assess level of service satisfaction issues and potential annexation/sphere of influence adjustments.

City of San Diego

- Prepared, implemented, and analyzed 400 person telephone survey of residents of three low income San Diego communities concerning issues such as crime, economic development, city services, and the success of the City's "Weed and Seed Program."
- Prepared, administered, and analyzed sample survey of San Diego County

residents for purposes of assessing utilization and demand factors for Mission Bay Park in San Diego. This survey of 850 persons served to inform the revision of the Park's Master Plan.

- Analysis of market for existing condominium developments in downtown San Diego. Detailed analysis included extensive survey and corresponding statistical and qualitative analysis including recommendations for future market composition.
- Consultant for the revitalization of an older commercial retail area in mid-city San Diego seeking to rejuvenate its retail base. Three surveys and a series of key participant discussions were performed in conjunction with this effort--existing retailers, potential retailers, and residents of the area--plus corresponding statistical and qualitative analysis. Final report included a recommended retail structure for the community that would be realistic, implementable, and sensitive to the diversity of ethnicity in this community.
- Conducted 600 person telephone survey in mid-city for purposes of establishing need for community court in the area populated by myriad low-income minority and immigrant groups. Also in-person interviews/surveys of 100 local business owners.
- Conducted 400 person customer satisfaction survey for City Water Department, with emphasis, in particular, on water recycling.

San Diego County

- Public awareness survey of 1300 County residents regarding water quality and watershed protection, including level of knowledge, behavior, and opinion components.
- Prepared, implemented, and analyzed 8 intercept surveys of law library users concerning classes offered, benefits, opportunities for improvement.
- Evaluated the San Diego Community Planning Process as viewed by planning group participants and informed parties (developed questionnaire, analyzed data, and prepared a final report).
- Two 600 person surveys for Office of Emergency Preparedness to gauge before and after publicity campaign knowledge and state of preparedness for emergencies or catastrophic disaster in county.

San Diego County Sheriff's Department

- Established sampling methodology for analysis by station (11) of workload and availability for calls for service among Sheriffs patrol deputies. Over 3,000 samples drawn and analyzed to establish manpower needs.
- Sample of Communications Center 911 and administrative calls to determine optimal workload shifts and total personnel required.

- Utilized scientific sample to analyzed time savings applicable to the conversion of arrest data to laptop computers from manual entry. Final report included specific determination of manpower hours saved and recommendations for software and operational policy changes in order to maximize technological advantages.

Orange County Transportation Authority

- Marketing program consultant including two 600 person surveys among Latino and senior residents of Orange County and 12 focus groups to identify market-enhancing opportunities for transit service.
- Conducted CenterLine Customer Profile for the Orange County Transportation Authority involving intercept surveys of 8,800 potential urban light rail users and 1,500 telephone survey interviews. Final analysis assessed likely ridership, preferred destinations, trip purposes, demographic and psychographic profiles of potential light Metro Rail ridership.
- Conducted 2,000 person rider/on-board bus survey for the Orange County Transportation Authority regarding monthly, weekly, and daily bus pass sales. Prepared questionnaire, administered survey, analyzed data in order to assess potential for expanding bus pass sales.
- Prepared Multi-Cultural Market Assessment Study for transportation services in Orange County. Formulated baseline data and marketing strategies for long- and short-term transportation related issues facing Orange County's diverse multi-cultural communities, with particular emphasis upon Hispanic and Vietnamese communities. Administered three different statistical surveys including intercept and rider/on-board formats, each in English, Spanish, and Vietnamese.
- Conducted Vietnamese ridership study, including in-person intercept survey, telephone sample survey, and focus group among Vietnamese community leaders regarding current bus service and future transit needs in the Vietnamese areas of Orange County.
- Sample survey of 400 bicycle commuters.
- Conducted 5 day intercept counts of passengers boarding and alighting Metrolink and Amtrak trains at Oceanside, San Clemente, San Juan Capistrano, Laguna Niguel/Mission Viejo, Tustin, Irvine, Santa Ana, Orange, Anaheim, Fullerton, Anaheim Hills, Norwalk, and Commerce rail stations, including detailed statistical analysis and analytical report.

Los Angeles County Metropolitan Transportation Authority (MTA)

- Rider/on-board 2002 Bus survey for Los Angeles County Metropolitan Transportation Authority, including 40,000 rider/on-board surveys, 2,500 follow-up telephone interviews, and 10 focus groups. Includes additional surveys for **Alhambra Community Transit, Culver City Bus Lines,**

Commerce Transit, Pasadena ARTS, Cerritos-On-Wheels (COW), Santa Monica Big Blue Bus, Los Angeles Commuter Express, Santa Clarita Transit, Torrance Transit, Carson Circuit, El Monte Trolley, and Foothill Transit.

- Rider/on-board 2002 Rail survey for Los Angeles County Metropolitan Transportation Authority, including 15,000 rider/on-board surveys, 1,000 follow-up telephone interviews, and 3 focus groups.

Southern California Regional Rail Authority (Metrolink)

- Obtained precise counts of passenger boardings and alightings at each station for each train in the Metrolink train system and conducted a 3,500 person rider/on-board sample survey regarding customer satisfaction for the Southern California Regional Rail Authority (Metrolink). Analysis included comparative data analysis of trends from the 1997 rider/on-board survey (also conducted by Rea & Parker Research) and from 1995.
- Computerized, analyzed, prepared final report, and presented findings for 6000 rider/on-board rail passenger surveys for the Southern California Regional Rail Authority (Metrolink) regarding customer satisfaction. Analysis included comparative data analysis of trends from previous rider/on-board surveys.
- Determined the requisite two-stage sample for Federal Transportation Agency requirements for annual passenger and mileage calculations.

San Diego Association of Governments (SANDAG)

- Consultant to All Congregations Together (ACT) -- a non-profit community organization that provides transportation service for individuals with special needs in Southeast San Diego. The purpose of the consulting assignment was to identify transportation issues and problems that were hampering the mobility of local residents. Rea & Parker Research organized and supervised intercept surveys at various locations in the area and conducted focus groups. Regarding the focus groups, Rea & Parker Research designed discussion guides, trained residents to conduct focus groups, assisted in that facilitation, and analyzed focus group data.

California Department of Transportation

- On-Line Survey and focus groups with CALTRANS engineers concerning internal job issues.

Riverside Transit Agency

- On-board customer satisfaction survey, passenger count, and ride check of 100% of system—weekdays and weekends

Southern California Association of Governments

- 800 person survey and 6 focus groups to determine desired route for high-speed rail from Northern California between Los Angeles and San Diego
- 5,000 respondent cross-border transportation survey at 3 Imperial County border checkpoints—24 hours (weekends and weekdays)

University of California-Berkeley

- Panel based survey of participants in pilot study of commute by rail with pooled rental car available at work location and rail station.
- Survey of riders of Metrolink between Riverside and Los Angeles re: location of new station and potential bus connection routes

North Park Main Street Association

- Conducted two intercept surveys--business owners and shoppers in San Diego Main Street National Historic Preservation Area in order to determine shopping needs and level of improvement or decline in area since the implementation of the Main Street program.

City of Davis

- Prepared, administered, and analyzed sample survey of 833 residents of Davis, California for purposes of assessing utilization, demand, and tax allocation factors for City of Davis Department of Parks and Recreation in concert with the preparation of the Master Plan.

City of St. Helena

- Prepared, administered, and analyzed sample survey of City of St. Helena, California residents for purposes of General Plan revisions.

City of Poway

- Prepared, administered, and statistically analyzed a mail survey of 800 Poway businesses regarding their needs and opinions concerning Poway's business climate and future opportunities. Final report included detailed analysis and exposition, including recommendations where appropriate.
- Prepared, administered, and statistically analyzed a mail survey of 6,000 Poway households concerning their opinions regarding a variety of issues of importance to the City for future planning. Final report included fully tabulated results with accompanying statistical reports.

City of Dana Point

- Prepared recreation and parks needs assessment survey for administration to general public.

City of Oceanside

- Public awareness survey of 800 Carlsbad and San Luis Rey watershed residents, including level of knowledge, behavior, and opinion components.

Sweetwater Authority

- Public awareness survey of 400 residents of the water agency, including level of knowledge, behavior, and opinion components.

Imperial Irrigation District

- Statistical modeling of power demand
- Instructed employees of Energy Supply and Trading division in statistical techniques

San Luis Rey Indian Water Authority

- Prepared and supervised administration of detailed census and opinion survey of 2,500 members of five Indian tribes. Particular emphasis was given to issues of importance to the tribes' members such as job opportunities, education, cultural issues, economic development opportunities and transportation access issues. Focus group sessions with each tribe were utilized to complement the survey findings. Final report included both census data and fully tabulated and statistically analyzed summary of the opinions of reservation residents.

City of Escondido

- Prepared, administered, and statistically analyzed telephone survey of 425 residents concerning library facilities.

Stoorza, Ziegus & Metzger — Public Relations

- Conducted city-wide (San Diego) survey of voter opinion (850 participants) concerning the initiative to change the name of Dr. Martin Luther King, Jr. Way to Market Street and related issues.

MNA Consulting, Inc.

- Prepared, administered, and analyzed sample survey of City of Poway, California citizens in order to assess demand factors for new public library facility.

San Diego Housing Commission

- In accordance with the City of San Diego SRO Preservation Ordinance, a survey/inventory of all existing guest rooms in the City of San Diego was performed in order to retroactively identify rooms that qualified as single room occupancy hotel rooms as of December 1985, December 1987 and May 1988.

The purpose of this survey was to identify a baseline number of such units for presentation purposes. Prepared survey instrument, SRO identification methodologies, computerization formats, statistical analyses, and final report with room-by-room breakdown.

San Diego County Department of Planning and Land Use

- Evaluated the San Diego Community Planning Process as viewed by planning group participants and informed parties (developed questionnaire, analyzed data, and prepared a final report).

San Diego County Law Library

- Prepared and implemented 5 specific survey research projects among law library course attendees, librarians, and non-attendees.

Stevens Planning Group, Inc.

- Conducted economic/marketing analysis of proposed 2500-acre resort development in East San Diego County. Analysis included examination of comparable projects plus administration of surveys to target Services groups of potential users of proposed resort activities. Surveys were tabulated and statistically analyzed and then combined with reconnaissance of comparable projects in formal report to client.

Higgs, Fletcher & Mack

- Analyzed and testified as expert witness regarding statistical survey concerning appraisal of commercial real estate subject to condemnation.

Seyfarth Shaw

- Testified as expert witness regarding adequacy of statistical survey sampling of employees in class action lawsuit

References:

Mr. John Liarakos, Media Relations
San Diego County Water Authority
4677 Overland Ave.
San Diego, CA 92123
Tel. 858-522-6703

Mr. Bernie Rhinerson
Mr. Christopher Wahl
Mr. Clint Carney
Southwest Strategies, LLC
6050 Santo Road
Suite 270
San Diego, CA 92124
Tel. 858-541-7800

Mr. John P. Kennedy
JP Kennedy & Associates
Viejas Enterprises
West Ash Street
San Diego, CA 92101
Tel. 619-296-0300

Mr. Dennis Wahl
IBI Group
701 B Street
Suite 1170
San Diego, CA 92101
Tel. 619-234-4110

SCOPE OF SERVICES

As indicated in the previous section, the Scope of Services that is presented below outlines the methodology to be used for both surveys. Where there is a difference between them, this difference is elaborated.

TASK 1: FINALIZE PROJECT WORK PROGRAM AND DEVELOP MANAGEMENT PLAN

Subtask 1.1: Kickoff Meeting with the OTAY WATER DISTRICT Project Team

Rea & Parker Research will meet with the Otay Water District Project Manager and other Otay Water District team members to: 1) review project objectives; 2) review the preliminary work program and make revisions recommended by the Otay Water District; 3) clarify and address any outstanding technical issues; 4) establish formal lines of communication between the Otay Water District and Rea & Parker Research; 5) determine content and format of routine progress reports; and 6) discussion of draft survey questions submitted by the Authority.

At this initial project (kick-off) meeting Rea & Parker Research will be interested in discussing the final use of the data in order to ensure that it is collected to achieve the overall objectives of the Otay Water District.

One of the primary purposes of the initial meeting is to guarantee that all parties fully understand all decisions and analyses that will be undertaken using the final data. Rea & Parker Research then will suggest which charts, tables, and analytical documentation would contribute to making these decisions and analyses and will design the specifics of the research process accordingly. This approach ensures that Otay Water District will receive from Rea & Parker Research actionable findings and recommendations that address all research objectives.

There will be at least 5 meetings between Rea & Parker Research and Otay Water District, of which this is to be the first. Subsequent meetings will include submittal of resulting draft questions for both surveys prepared by Rea & Parker Research and preliminary review of findings for each as a prelude to final report writing.

Subtask 1.1 Deliverable: (1) Conduct project kick-off meeting and provide written summary for Otay Water District Project Manager review within three days of the meeting

Subtask 1.2: Complete formal work plan within 5 days of initial meeting

Within 5 calendar days of the initial project meeting, Rea & Parker Research will make agreed upon changes to the work program (tasks, subtasks, and deliverables) and submit to Otay Water District Project Manager for review.

Subtask 1.2 Deliverables: (1) Final work program (project objectives tasks, subtasks, and deliverables)



Subtask 1.3: Review Background Materials

As detailed in the qualifications section of this proposal, Rea & Parker Research is extensively familiar with public and private market research, market segmentation, customer satisfaction, and attitude and awareness analyses, and, in particular, within the water utilities industry.

Rea & Parker Research will bring to bear upon the tasks at hand this knowledge and practical experience, beginning with a detailed review of the previous customer satisfaction and public awareness study/studies.

Subtask 1.3 Deliverable: (1) Technical Memorandum outlining key ideas and understanding of the project derived from these background materials.

Subtask 1.4: Sampling Plan for Customer Satisfaction/Public Awareness/Public Opinion Research

It has been initially suggested by the Otay Water District that one random sample telephone survey with an overall sample size of 300 qualified residents of the district (age 18 or older/suggestion: also screen for one year residence within district)—simply referred to as “qualified residents” for the balance of this proposal) be conducted (**margin of error +/- 5.7% @ 95% confidence**), the objective of which will be to determine public awareness and public opinions of water issues. A second sample survey is to be conducted with an overall sample size of 300 is to be conducted among customers who have contacted the Otay Water District within the past 6 months. Assuming approximately 15% of customers have been in contact with the District in this timeframe (based upon previous survey data) this 300 person sample would represent a **margin of error of +/- 5.6%**. These samples will be randomly drawn from clean,

current, and comprehensive lists of all Otay Water District customers and customers who have contacted the District within the most recent 6 months. These lists will be provided to Rea & Parker Research by the Otay Water District.

Subtask 1.4 Deliverable: Within 7 days of the execution of an Agreement and Project Kick-Off between Rea & Parker Research and Otay Water District, formal sampling plans will be prepared by Rea & Parker Research.

TASK 2: DESIGN SURVEY INSTRUMENTS

Subtask 2.1: Design Survey Instrument for Qualified Residents



Richard Parker and Louis Rea have strong professional and academic-related backgrounds in survey design, including the publication of a very successful textbook on the subject, *Designing and Conducting Survey Research* (authors: Richard Parker and Louis Rea), in 1992, 1997, and 2005.

Rea & Parker Research will work with Otay Water District staff in preparing the survey instruments. Rea & Parker Research is very conversant in all forms of survey instruments, including reasons for success and drawbacks. Rea & Parker Research will utilize this knowledge working with Otay Water District staff to prepare instruments that will facilitate computerization and will capitalize upon the key elements and findings from the baseline survey. The questionnaire will include questions sufficient to compare the results of the baseline survey with the current ones while simultaneously improving upon the previous survey in terms of information derived. To the maximum feasible extent, Rea & Parker Research will identify the methods necessary to measure changes from the baseline survey and to identify the causes of such changes.

Otay Water District and Rea & Parker Research are seeking to gain information from qualified district residents in order to specifically identify knowledge and opinions concerning:

Survey I: 300 customers of the Otay Water District will be randomly sample surveyed.

The primary areas of interest are:

- **Overall customer satisfaction**
- **Awareness of rates**
- **Awareness of formal/written communications**
- **Awareness of conservation activities/programs**
- **Awareness of water recycling activities**
- **Attitudes toward conservation**
- **Concerns about water supply**
- **Quality of water supply**
- **Reliability of supply**
- **Awareness of sewer operations**
- **Demographic measures**
- **Areas of interest concerning water or district issues (open end)**
- **Other areas as may occur in planning discussions**



Survey II: 300 randomly selected customers of Otay Water District who have contacted the District for information and/or customer service during the most recent 6 months.

The primary areas of interest are:

- **Specific Instances and Outcomes of Call Center interaction**
- **Courtesy of staff**
- **Clarity and accuracy of responses from staff**
- **Level of knowledge displayed by Call Center staff**
- **Experience with field staff**
- **Quality of service received**
- **Overall satisfaction with service received**
- **Use of online services**
- **Quality of online services**
- **Demographic measures**

- **Other areas that may occur in planning discussions, including the possibility of:**



- **Knowledge about sources of water**
- **Environmental considerations**
- **Statewide water issues**
- **Major sources, uses and users of water in San Diego County**
- **Drinking water safety issues**
- **Desalination**
- **Willingness to pay**



Rea & Parker Research will prepare draft questionnaires, according to the above criteria, that will entail approximately 10-12 minutes of interview time and submit them to the Otay Water District Project Manager for tentative approval.

A minimum of five meetings and/or conferences will be held among Rea & Parker Research and Otay Water District, including the Kick-Off meeting, in order to finalize the survey instrument, procedures, and final report format and guidelines.

Subtask 2.1 Deliverable (1) Draft copies of Otay Water District preliminary telephone surveys within 21 days of execution of Agreement

Subtask 2.2: Pre-Test Survey Instrument and Procedures and Recommend Changes

Rea & Parker Research will prepare draft questionnaires according to the above criteria and submit them to Otay Water District staff for tentative approval. Once each draft survey instrument

is approved, Rea & Parker Research will pre-test the survey instruments in the field among qualified customers. Rea & Parker Research will translate the surveys into Spanish and conduct additional pretests. The minimum sample sizes for the pretests are to be 20.

During the pre-testing phase of the project, Rea & Parker Research will ensure that the survey instruments and data collection procedures gather statistically valid knowledge, behavioral, and demographic data. The questionnaire design process and pre-test will seek to eliminate difficult levels of wording, non-specific and vague words and phrases, multi-purpose questions, inappropriate emphasis, and biasing words and phrases.

As part of this phase, Rea & Parker Research will 1) refine interview procedures and logistics; 2) highlight potential changes to question wording, sequencing, and formatting. Rea & Parker Research will make recommendations to improve the survey instrument or procedures based upon the results of the pre-test; 3) analyze survey length and respondent willingness to participate; 4) compare alternative approaches to gathering specific data needs; and 5) identify unexpected responses and respondent behavior. The ultimate objective is a clear, comprehensive, and realistically implementable survey instrument.

An Otay Water District representative will be able to attend the pretest session in order to help assess the achievement of these objectives if the District so chooses. In the alternative, Rea & Parker Research will also have the capability to provide access to the pretest by Otay Water District personnel from a remote location.

Rea & Parker Research uses the CATI (Computer Aided Telephone Interviewing) system for telephone interviewing (Sawtooth WinCATI, CI3). Telephone survey research facilities for Rea & Parker Research consist of 30 interviewing stations, equipped with a state-of-the-art CATI system. CATI increases interviewing accuracy, quality, and performance. CATI selects and dials telephone numbers from a randomly drawn sample of telephone numbers, tracks and tallies outcomes, captures response data, processes complex question skip patterns automatically, schedules and tracks call-back appointments, and screens invalid response codes.

Subtask 2.2 Deliverable: (1) Rea & Parker Research will provide a technical memorandum documenting results of pre-test and recommending changes, if appropriate.

TASK 3: CONDUCT TELEPHONE SURVEYS AMONG QUALIFIED CUSTOMERS

Subtask 3.1: Select Representative Sample of Residents

Rea & Parker Research will use random statistical sampling methods to obtain final samples of at least 300 qualified residents/customers in the Otay Water District region using random telephone numbers that have been cleaned and made current for the general survey (Survey I) and 300 qualified customers for the customer service survey (Survey II).

Subtask 3.1 Deliverable: (1) Technical memorandum detailing methods used to select telephone samples and validating that samples are representative of customer base.

Subtask 3.2: Conduct the Telephone Surveys



Once the final telephone survey instruments have been tested and approved, Rea & Parker Research will complete a minimum of 300 telephone surveys among qualified customers of the District and another 300 telephone surveys among customers who have contacted the District in past 6 months. Both of these surveys will be completed within a period not to exceed one month after survey approval by the Otay Water District.

Responses will be input directly into the computer data base, and these data be provided in frequency distributions to the Otay Water District Project Manager and staff by Rea & Parker Research.

Interviewers are selected for each project from a pool of approximately 50 experienced interviewers. Each interviewer is trained in proper techniques, obtaining respondent participation, accurately recording responses, and is further trained in the importance of confidentiality. A minimum of four callback attempts is made in the case of a busy signal, an unanswered phone, or an answering machine. These callbacks are made on different days and at different times to maximize the chance of reaching an eligible respondent. All telephone interviews are conducted with a supervisor present at all times. Interviews are normally conducted from 4:00 to 9:00 p.m. on weekdays, and from 12:00 to 5:00 p.m. on Saturdays and Sundays.

Rea & Parker Research employs bilingual (Spanish/English) and (Vietnamese/English) interviewers because of the significant proportion of Latinos and Vietnamese residing within California. Bilingual Tagalog, Chinese, Mung, and Korean interviewers are also employed, as necessary.

Quality control procedures are employed throughout the interviewing and data reduction phases. Custom data entry screens are created that filter valid code ranges and accommodate automatic skip and fill patterns. Interviews in progress are selectively and unobtrusively monitored by supervisors using a special digital telephone system. Ten percent of completed interviews that are not directly monitored are selected for verification by recontacting the respondents. As with the pretest, Rea & Parker Research will have the capability to allow Otay Water District personnel to monitor calls, at the Otay Water District discretion, from a remote location.

- Subtask 3.2 Deliverables:*
- (1) *“Raw” frequencies from the telephone survey*
 - (2) *Final report on disposition of all call attempts and sample characteristics*

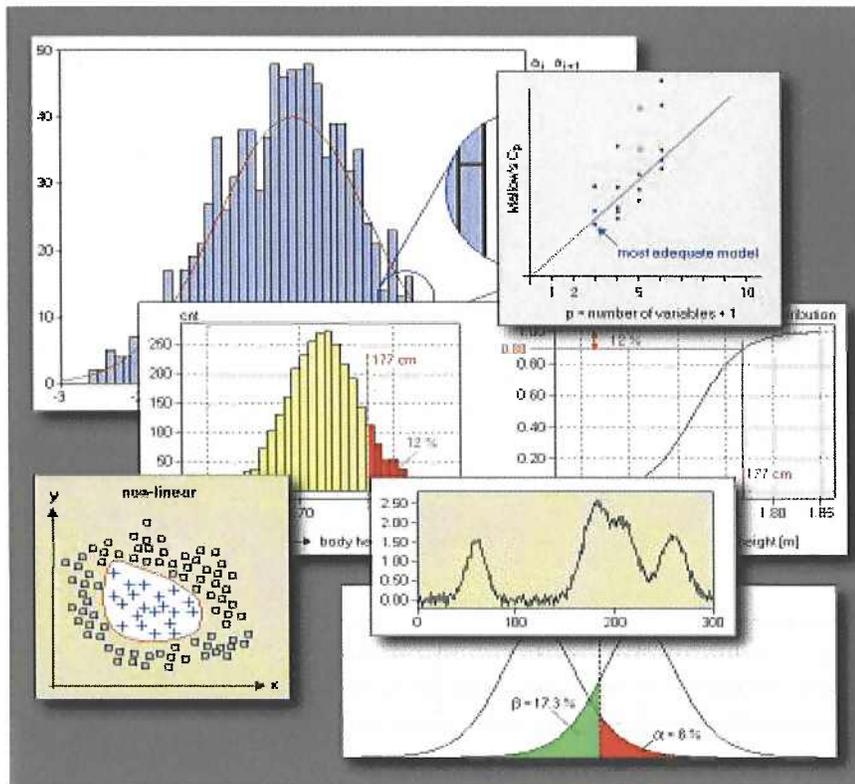
TASK 4: CODE, ANALYZE, AND WEIGHT SURVEY DATA

Subtask 4.1: Code all numeric and string survey data

Survey questions will be pre-coded into pre-defined categories for ease of data input and will be post-coded into these or other numerically defined categories when responses require such additional consideration. Survey data will be statistically compiled for analysis by the Statistical Package for the Social Sciences (SPSS) software. Each survey will be entered as its own individual record after it is thoroughly checked for inconsistent entries and omissions of key survey questions. For the purposes of this study, a valid survey will be one that is defined as “completed”—suggested to be at least 90% complete (with the exception of screened/filtered questions) and including all questions identified by Otay Water District and Rea & Parker Research as critical to the study. The data will be input in such a manner as to assure Otay Water District that invalid responses will be identified and corrected. Rea & Parker Research will provide to Otay Water District a detailed list of all codes and coding instructions in addition to the survey data in the electronic formats discussed above.

Rea & Parker Research will code all categorical data using numeric coding to facilitate subsequent analyses using SPSS. Rea & Parker Research will code any (non-address) open-ended responses to a given question into a discrete set of categories. Rea & Parker Research will input address and other alphabetic (string) data in a readable format.

- Subtask 4.1 Deliverables:*
- (1) *Preliminary set of frequencies.*



Subtask 4.2: Weight/Expand Survey Data

The data collected as part of the surveys may be expanded to the universe from which the samples were drawn, depending upon the ultimate sample population distribution and analytical requirements agreed upon by Rea & Parker Research and Otay Water District. The weights will consist of a determination of the proportionate sample size per characteristic chosen for weighting, divided by the actual sample size achieved per characteristic and will be applied to the unweighted data in SPSS.

Subtask 4.2 Deliverable: (1) Technical memorandum documenting data expansion methods used to create sample weights including the actual sample weights that were developed

Subtask 4.3: Analyze Data from Telephone Surveys

Rea & Parker Research will analyze the data compiled during the telephone surveys. Rea & Parker Research will consider the appropriateness of regression analysis, factor analysis, various statistical significance procedures (Chi-Square, Independent Samples t-test, Analysis of Variance), and measures of association to model these determinants and draw defensible, policy-oriented conclusions about the knowledge, opinions, and behaviors of District residents.

Initial analysis of the data will be completed within 20 working days of survey interview completion. Analysis will continue throughout report preparation as additional issues arise from the reporting process itself or from questions/requests from the Otay Water District.

Subtask 4.3 Deliverable: (1) Technical memorandum documenting methods used to analyze the survey data within 20 working days of completion of interviews.

TASK 5: PREPARE FINAL REPORTS OF FINDINGS

Subtask 5.1: Prepare Final Reports Summarizing Opinions, Satisfaction, Water-Related Behavior, Demographics, and Other Characteristics

Commencing simultaneously with data analysis, Rea & Parker Research will begin preparation of the final reports concerning the telephone surveys that will combine, contrast, and compare such information as demographics, awareness, behavior, and opinions for the samples of qualified customers. The data are to be weighted and presented in the form of frequency distributions and graphical depictions of the data. Crosstabulations, factor analyses, regression and correlation will be used for statistical analyses. Key issues and characteristics that require attention AND that can significantly enhance Otay Water District policies will be identified through the use of the above referenced techniques. "Stand-alone" executive summaries will also be included. Spanish language interviews will be separately tabulated and combined into the overall data presentations, including copies of both the Spanish and English language versions of the surveys.

The analysis will include not only basic crosstabulations but also segmentation analysis that will identify, with specificity, those groups that represent the greatest deviations from the norm. The reports will include color graphical presentations of the findings. A tabulation of the outcome of all calls made during the course of both surveys (number of refusals, business and disconnected numbers, numbers that were busy or not answered after four attempts and language and age problems) shall be part of the overall report to the Otay Water District.

Initially, draft reports for each survey will be prepared and submitted for review. The draft reports will include all components of the final reports including full methodological section, description of survey administration, and an elaboration of analytical techniques utilized and findings resultant therefrom. The project team will review the draft reports and will suggest edits to Rea & Parker Research.

Rea & Parker Research will incorporate the suggestions and produce final reports that will include the color graphical components. Rea & Parker Research will provide ten (10) bound, "hard" copies of the report and frequency tables to the Otay Water District, and electronic copies of the reports and data, using Microsoft Word/Excel and SPSS for Windows formats.

Subtask 5.1 Deliverable: (1) Ten copies of the completed research report and frequency tables plus 1 electronic copy

Subtask 5.2: Delivery of Data Sets and Key Crosstabulations

Once the data sets have been coded, weighted, and verified, Rea & Parker Research will recommend banner points to be used in preparing crosstabulations in SPSS format. Rea & Parker Research will provide data dictionaries and glossaries, coding handbooks, field configurations, and file layouts for the data set. The District may also request several data printouts, with various questions crosstabulated by other items

- Subtask 5.2 Deliverable:*
- (1) *SPSS case file containing telephone survey results*
 - (2) *Ten sets of data and "several" agreed upon crosstabulations of survey questions*

Subtask 5.3: Presentation of Survey Findings

Richard A. Parker, Ph.D. and Louis M. Rea, Ph.D. will be available to personally make formal presentations of the findings and recommendations from the surveys to the Otay Water District board, management, and other interested parties using PowerPoint visual presentation aids and written handout materials derived from the PowerPoint slides.

- Subtask 5.3 Deliverables:*
- (1) *PowerPoint presentation aids in electronic and "hard copy" formats*
 - (2) *In-person presentations by Dr. Richard A. Parker and Dr. Louis M. Rea*

PROPOSED PROJECT SCHEDULE

Task/Subtask	Commencement Date	Completion Date
1. Kick-Off Meeting	Week 1	Week 1
Formal Work Plan	Week 1	Week 1
Review Background Materials	Week 1	Week 1
Sampling Plans	Week 1	Week 1
2. Design Surveys (incl. approval)	Week 1	Week 3
Pretest Surveys	Week 4	Week 4
3. Select Telephone Samples	Week 3	Week 4
Conduct Telephone Surveys	Week 4	Week 8
4. Code Survey Data	Week 5	Week 9
Weight Survey Data	Week 9	Week 9
Analyze Survey Data	Week 9	Week 11
5. Draft Reports	Week 9	Week 12
Final Reports	Week 13	Week 14
Presentations	Week 15	Week 16

COMMITMENT FROM REA & PARKER RESEARCH

Rea & Parker Research is committed to keeping the lines of communication open as the project moves forward. To that end, Rea & Parker Research will provide the Otay Water District Project Manager with frequent progress reports. By using key senior staff members to implement the tasks described above, Rea & Parker Research promises to provide consistent and efficient consulting services to its clients in general, and to the Otay Water District, in particular, for this project.

COST AND PRICE PROPOSAL

Rea & Parker Research proposes to perform all tasks described in the Scope of Work (questionnaire design, sample design, data input, analysis, presentation of findings and various consultations) for each survey for full, fixed prices of **\$15,000 for Survey I** (general) and **\$15,000 for Survey II** (customer service). This price includes 10-12 minute telephone surveys with interviews of 300 qualified residential customers and 300 customer service contacts of the Otay Water District (+/-5.7% @ 95% confidence and +/- 5.6% @ 95% confidence, respectively), including Spanish version.

Richard A. Parker, Ph.D.

Education

Ph.D.	University of California, Los Angeles (Los Angeles, California)
M.B.A.	University of California, Berkeley (Berkeley, California)
M.C.P.	San Diego State University (San Diego, California)
B.S.	Brown University (Providence, Rhode Island)
	University of California, Berkeley (Berkeley, California) (Phi Beta Kappa, Cum Laude)

Selected Related Professional Experience

1985- Professor, School of Public Affairs, San Diego State University, San Diego, California.

1982- President/Project Director, Rea & Parker Research

San Diego County Water Authority and City of San Diego Public Opinion Surveys

- Prepared, implemented, and analyzed 2003, 2004, 2005, and 2006 Public Awareness Survey of 600 telephone respondents in 2003 and 710 in 2004 and 725 in 2005 concerning behavior, opinion, rate tolerance, future needs assessment issues, desalination, water reclamation, conservation practices.
- Prepared, implemented, and analyzed survey of General Managers and Department Heads of 23 member agencies about satisfaction, effectiveness, usefulness of services and programs provided by Water Authority in 2003 and 2005
- Prepared, implemented, and analyzed employee satisfaction survey of Engineering Department.
- Prepared, implemented, and analyzed 400 respondent survey among San Diego County contractors regarding project labor agreements and public works contracting.

City of Oceanside/North County Co-permittees—Water Pollution Awareness Survey

- Prepared implemented, and analyzed telephonic survey of 803 residents of Northern San Diego County concerning awareness, behavior, and opinions about water runoff pollution.

San Diego County--Water Pollution Awareness Survey

- Prepared, implemented, and analyzed 1,305 person telephonic survey of unincorporated area residents concerning awareness, behavior, and opinions about water runoff pollution.

Otay Water District—Customer Satisfaction and Awareness Surveys

- Prepared, implemented and analyzed customer awareness surveys in 2006 and 2007 concerning water conservation and recycling.
- Prepared, implemented and analyzed customer service satisfaction survey in 2007.

Los Angeles County Metropolitan Transportation Authority: 2002 On-Board and Telephone Bus Survey

- Satisfaction, travel patterns, fare media, and demographics of 35,000 bus riders on LACMTA buses and those of 12 municipal transit operators within Los Angeles County (**Alhambra Community Transit, Culver City Bus Lines, Commerce Transit, Pasadena ARTS, Cerritos-On-Wheels (COW), Santa Monica Big Blue Bus, Los Angeles Commuter Express, Santa Clarita Transit, Torrance Transit, Carson Circuit, El Monte Trolley, and Foothill Transit**).

- Detailed follow-up telephone survey of 2,500 weekday riders of MTA and 12 municipal operators expanding upon demographics, satisfaction, problem occurrence, importance/concern, travel behavior, use of MTA website, customer service, and marketing media and messages.

Los Angeles County Metropolitan Transportation Authority: 2002 On-Board and Telephone Rail Survey

- **Satisfaction, travel patterns, fare media, and demographics for 15,000 urban rail users**
- Detailed follow-up telephone survey of 1,000 weekday and weekend riders of Metro Rail expanding upon demographics, satisfaction, problem occurrence, importance/concern, travel behavior, use of MTA website, customer service, and marketing media and messages.

Orange County Transportation Authority

- Two 600-person telephone surveys among Latino and senior residents of Orange County, including media usage, television programs watched, community cable programming information, and so forth in a quantitative mode that permits tracking and trend analysis over time. Detailed analysis using crosstabulations, analyses of variance, correlations, and regression, and factor analysis were undertaken as a part of the segmentation effort.
- Conducted the CenterLine Customer Profile for the **Orange County Transportation Authority** involving intercept surveys of 8,800 potential urban light rail users, 1,500 telephone survey interviews, and 12 focus group/roundtables. Final analysis assessed likely ridership, preferred destinations, trip purposes, public support, demographic and psychographic profiles of potential light rail ridership. Followed-up by detailed 18-minute telephone interviews of randomly selected residents of central Orange County and western Riverside and San Bernardino Counties. Detailed analysis using crosstabulations, analyses of variance, correlations, and regression, and factor analysis were undertaken as a part of the segmentation effort.
- Conducted 2,000 person rider/on-board bus survey for the **Orange County Transportation Authority** regarding monthly, weekly, and daily bus pass sales. Prepared questionnaire, administered survey, analyzed data in order to assess potential for expanding bus pass sales.
- Prepared **Multi-Cultural Market Assessment Study** for transportation services in Orange County. Formulated baseline data and marketing strategies for long- and short-term transportation related issues facing Orange County's diverse multi-cultural communities, with particular emphasis upon Hispanic and Vietnamese communities. Administered three different statistical surveys including intercept and rider/on-board formats, each in English, Spanish, and Vietnamese.
- Conducted Vietnamese ridership study, including in-person intercept survey, telephone sample survey, and focus group among Vietnamese community leaders regarding current bus service and future transit needs in the Vietnamese areas of Orange County.

City of Carlsbad Development Scenario Survey

- Prepared, implemented, and analyzed citywide sample telephone survey of 600 respondents concerning future urban commercial development in this fast growing Northern San Diego County city. Extensive analysis of underlying values through various development scenarios and conjoint analytical techniques was featured.

State of California (Senate Rules Committee, Senate Select Committee on Border Issues, and Office of the Auditor General)

- Analysis of fiscal impact of undocumented immigrants on public services in San Diego County and California, including criminal justice system, education, and public health. Study included substantial primary data gathering techniques,

including direct interviews with undocumented immigrant workers and INS returnees. Prepared, administered, and analyzed sample surveys of undocumented immigrants in San Diego County for purposes of determining employment characteristics, revenue generation, demographics, and migration patterns.

County of San Diego

- Prepared, implemented, and analyzed 8 intercept surveys of law library users concerning classes offered, benefits, opportunities for improvement
- Prepared, implemented and analyzed two 600 person surveys of County residents concerning emergency preparedness before and after public information campaign

City of San Diego

- Prepared, implemented, and analyzed 400 person telephone survey of residents of three low income San Diego communities concerning issues such as crime, economic development, city services, and the success of the City's "Weed and Seed Program."
- Prepared, administered, and analyzed sample survey of San Diego County residents for purposes of assessing utilization and demand factors for Mission Bay Park in San Diego. This survey of 850 persons served to inform the revision of the Park's Master Plan.
- Analysis of market for existing condominium developments in downtown San Diego. Detailed analysis included extensive survey and corresponding statistical and qualitative analysis including recommendations for future market composition.
- Consultant for the revitalization of an older commercial retail area in mid-city San Diego seeking to rejuvenate its retail base. Three surveys and a series of key participant discussions were performed in conjunction with this effort--existing retailers, potential retailers, and residents of the area--plus corresponding statistical and qualitative analysis. Final report included a recommended retail structure for the community that would be realistic, implementable, and sensitive to the diversity of ethnicity in this community.
- Conducted 600 person telephone survey in mid-city for purposes of establishing need for community court in the area populated by myriad low-income minority and immigrant groups. Also in-person interviews/surveys of 100 local business owners.
- Conducted 400 person survey of City Water Department customers regarding satisfaction, recycling, and water conservation.

San Diego County Sheriffs Department

- Established sampling methodology for analysis by station (11) of workload and availability for calls for service among Sheriffs patrol deputies. Over 3,000 samples drawn and analyzed to establish manpower needs.

Riverside Transit Agency

- 10,000 on-board surveys of Riverside Transit Agency and contractor operated bus lines regarding origin-destination, transfer pattern, and satisfaction. Also included counts.

County of Orange

- Prepared, implemented, and analyzed 1,040 person telephone survey of unincorporated area (North Tustin) in order to assess level of service satisfaction issues and potential annexation/sphere of influence adjustments

San Luis Rey Indian Water Authority

- Prepared and supervised administration of detailed census and opinion survey of 2,500 members of five Indian tribes. Particular emphasis was given to issues of importance to the tribes' members such as job opportunities, education, cultural issues, economic development opportunities and transportation access issues. Focus group sessions with each tribe were utilized to complement the survey findings. Final report included both census data and fully tabulated and statistically analyzed summary of the opinions of reservation residents.

City of Poway, California

- Prepared, administered, and statistically analyzed a mail survey of 800 Poway businesses regarding their needs and opinions concerning Poway's business climate and future opportunities. Final report included detailed analysis and exposition, including recommendations where appropriate.
- Prepared, administered, and statistically analyzed a mail survey of 6,000 Poway households concerning their opinions regarding a variety of issues of importance to the City for future planning. Final report included fully tabulated results with accompanying statistical reports

North Park Main Street Association

- Conducted two intercept surveys--business owners and shoppers in San Diego Main Street National Historic Preservation Area in order to determine shopping needs and level of improvement or decline in area since the implementation of the Main Street program.

City of Dana Point, California

- Prepared recreation and parks needs assessment survey for administration to general public.

City of Davis

- Prepared, administered, and analyzed sample survey of 833 residents of Davis, California for purposes of assessing utilization, demand, and tax allocation factors for City of Davis Department of Parks and Recreation in concert with the preparation of the Master Plan.

City of St. Helena

- Prepared, administered, and analyzed 400 respondent sample survey of City of St. Helena, California residents for purposes of General Plan revisions.

Southern California Regional Rail Authority (Metrolink)

- Conducted a 3,500 person rider/on-board sample survey on 7 Metrolink lines regarding customer satisfaction, importance, problem occurrences, travel behavior, marketing strategies, and demographics. Also undertaken were precise counts of passenger boardings and alightings at each station for each train in the Metrolink train system.
- Conducted a 6,000 person rider/on-board sample survey on 6 Metrolink lines regarding customer satisfaction, importance, problem occurrences, travel behavior, marketing strategies, and demographics.

California Department of Transportation

- Conducted focus groups and web-based survey of CALTRANS engineers regarding job satisfaction and staff morale.
- Eight surveys among pilot study riders of combined commuter train/rental car system of commuting.

Southern California Association of Governments

- 5,200 survey participants in cross border origin-destination, trip purpose study at

3 Imperial County border crossings, including passenger vehicles, pedestrians, and commercial trucks northbound and southbound. Also included complete cross-border counts.

- 800 person survey and 6 focus groups to determine desired route for high-speed rail from Northern California between Los Angeles and San Diego.

University of California PATH/SANDAG

- Six Month panel for focus groups and surveys at start and end concerning new transit plan that utilizes rental cars at either end of transit trip.

City of Escondido

- Prepared, administered, and statistically analyzed telephone survey of 425 residents concerning library facilities.

Seyfarth & Shaw—Attorneys at Law

- Expert witness in lawsuit that involved sampling and survey issues regarding class action employment dispute

Selected Publications

Books

Designing and Conducting Survey Research: A Comprehensive Guide (with Louis M. Rea, Ph.D., 1992 (2nd edition 1997—3rd edition 2005). Jossey-Bass, Inc., Publishers, San Francisco.

The Economics of Environmental Restrictions on the Use of Urban Land, Institute of Urban and Regional Development, University of California, Berkeley, California (with Leonard Merewitz, Ph.D.), 1973, 79 pp.

Articles

"Water Supply for Urban Southern California: An Historical and Legal Perspective," Glendale University Law Review, Vol. 8, Nos. 1-2, 1988.

Selected Public Testimony/Formal Speeches

Panelist, "San Diego Clean Water Summit," San Diego, CA July, 2005

"Fiscal and Economic Impact of Multiple Species Conservation Program." Speech delivered at San Diego Association of Governments Board of Directors meeting, September, 1995.

Panelist, "Criminal Justice Impact of Undocumented Immigration," at Criminal Justice Research Association, San Diego, California, October 15, 1993.

"Undocumented Immigrants in San Diego County." Testimony before California State Senate Special Committee on Border Issues, Sacramento, California, August 5, 1992.

"Undocumented Immigrants in San Diego County." Testimony before California State Joint Legislative Audit Committee, Sacramento, California, August 11, 1992.

"Undocumented Immigrants in San Diego County." Testimony before California State Assembly, Sacramento, California, October, 1992.

Various radio and television appearances (Roger Hedgecock, These Days-KPBS, KNX-Los Angeles, Univision, KFMB-TV, KSO-San Francisco, among others).

LOUIS M. REA

EDUCATION

- Ph.D. Economics, Public Management (Social Science), The Maxwell School, Syracuse University, 1975
- M.R.P. Masters in Regional Planning, The Maxwell School, Syracuse University, 1973
- B.A. Economics, Colgate University, Hamilton, New York 1971
(Phi Beta Kappa, Cum Laude, Honors in Economics)

PROFESSIONAL EMPLOYMENT

Vice President and Principal Consultant: *Rea and Parker Research, Inc., 1984-present.*

- Provide professional consulting services to client agencies (both public and private) seeking research data and studies for executive decision making. Provide services in the areas of economic impact, market research, program evaluation, customer satisfaction, and public policy (including transportation, land use, housing, immigration, and tourism.)
- Conduct studies in the following areas: economic and fiscal impact analysis, program evaluation, survey research and focus group analysis, and demographic, attitudinal, and market research.

Visiting Professor: *University of California, San Diego, Graduate School of International Relations and Pacific Studies, 2006-present.*

Professor: *School of Public Administration and Urban Studies (SPAUS), San Diego State University, 1983-present.* (Coordinator: Master of Public Administration Program, 2006-present.)

Director: *School of Public Administration and Urban Studies (SPAUS), San Diego State University, 1983-2006.*

- Responsible for the management and direction of the School of Public Administration and Urban Studies, consisting of 60 employees, including 50 full-time and part-time faculty, and 10 support and research staff.
- Responsible for managing the School's resources valued at approximately \$4.0 million, consisting of funds in the areas of personnel, supplies and services, computer hardware, scholarships, endowments, and SDSU Foundation accounts.
- Provide supervision of all personnel matters, including recruitment and hiring of full and part-time faculty as well as staff positions; oversee reappointment, tenure, and promotion process; and schedule School classes.

Director: *School of Public Administration and Urban Studies (SPAUS), San Diego State University, 1983-2006.* (Continued)

- Prepare and implement School's academic strategic plan, business plan, student learning goals and objectives, and faculty hiring priorities.
- Serve as School's primary community contact and representative including liaison with federal, state, and local agencies, other university campuses, private sector organizations, and universities in Mexico.
- Coordinate community forums by facilitating discussion and debate on public policy issues, such as Immigration, the Patriot Act, Social Security, and Assisted Suicide.
- Responsible for fundraising and development including endowments nearing \$1 million.

Associate Professor: *School of Public Administration and Urban Studies, San Diego State University, 1979-1983* (Coordinator: Master of City Planning Program, 1980-1983.)

Assistant Professor: *School of Public Administration and Urban Studies, San Diego State University, 1975-1979* (Master of City Planning Program)

GENERAL EXPERTISE

- market research
- survey research
- program evaluations
- focus group analysis
- fiscal/community impact
- demographic/economic analysis
- government relations/public policy analysis
- statistical analysis

INSTRUCTIONAL EXPERTISE

- Seminar in Urban and Regional Planning Analysis (graduate)
- Program Design and Evaluation (graduate)
- Seminar in Urban Transportation Planning (graduate)
- Quantitative Techniques in Urban Planning (graduate)
- Methods of Analysis in Public and Urban Affairs (graduate)
- Seminar in Urban and Fiscal Issues (graduate)
- Principles of Survey Research (graduate)
- Introduction to Urban Planning (undergraduate)
- Applied Planning Research, and Program Evaluation in Criminal Justice Administration (undergraduate)

PUBLICATIONS (other publications available upon request)

Book

- Designing and Conducting Survey Research: A Comprehensive Guide: Jossey-Bass, Inc., San Francisco, 1992 (with Richard A. Parker) – 2nd edition, 1997; 3rd edition, 2005.

Selected Projects (PRINCIPAL CONSULTANT, 1984 - present)

- **Otay Water District**: Responsible for survey research and analysis associated with the District's customer base to evaluate the effectiveness of the customer services division. A second survey provided an overall customer opinion and awareness study, (2006-2007).
- **San Diego County Water Authority**: Responsible for a countywide survey and associated analysis to determine public opinion and resident perception regarding major issues associated with water use, including conservation and recycling, (2006-2007).
- **San Diego County Office of Emergency Services**: Served as Principal Investigator in conducting two countywide surveys to determine level of preparedness of residents for responding to potential disasters and emergencies (2006-2007).
- **Riverside Transit Authority (RTA)**: Performed survey and demographic research and customer satisfaction study. Conducted extensive on-board bus survey of entire Riverside County bus system, including a rider count and time check (2006-2007).
- **CALTRANS and University of California, Berkeley**: Principal Investigator on a project that determined the feasibility of combining bus transit and rental cars to facilitate the travel needs of commuters in San Diego. Supervised the interviewing process involving travel diaries and telephone surveys, and conducted focus groups (with Dr. Sherry Ryan and SANDAG, 2004-2005).
- **All Congregations Together (ACT)**: Served as consultant to ACT – a non-profit San Diego Community organization that provides transportation service for individuals with special needs; Designed survey instruments and trained survey interviewers; also trained focus group facilitators and analyzed survey and focus group data (2004-2005).
- **San Diego County Law Library**: Conducted formal evaluation (through surveys and interviews) of short courses provided by the Law Library. These courses are intended to train self-represented litigants in the courtroom process as well as train them to conduct legal research (2004).
- **San Diego City Attorney's Office**: Conducted a sample survey of residents and a sample survey of businesses in Mid City. The purpose of these surveys was to determine the level of interest for a community court in the Mid City area (2002-2003).

- **CALTRANS:** This project is a study of job satisfaction among senior transportation engineers in CALTRANS. Conducted and analyzed two focus groups (Irvine and Sacramento) as well as supervised a web-based sample survey (2001-2002).
- **Los Angeles County Metropolitan Transportation Authority**
 - Conducted 30,000 person on-board bus survey and telephone survey of bus riders to determine transit patterns and attitudes toward the bus service; similar on-board surveys conducted for 13 municipal bus systems throughout Los Angeles County; conducted eight focus groups throughout Los Angeles County for purposes of informing the survey instruments (2001-2002).
 - Conducted 15,000 person on-board rail survey of the Red, Blue, and Green Lines in Los Angeles and telephone survey of rail riders; conducted eight focus groups throughout Los Angeles County for purposes of informing the survey instruments (2001-2002).
- **San Diego County Taxpayers Association** (1990-2002)
 - Prepared economic and financial analysis of San Diego County Multiple Species Conservation Program for presentation to Planning Commission, City Council, and Board of Supervisors.
 - Prepared analysis of economic effects of proposed San Diego development impact fee program. Study included both academic, theoretical analysis and practical fiscal impact considerations.
 - Prepared fiscal impact analysis regarding the establishment of the USS Midway aircraft carrier museum on San Diego Bay.
 - Prepared Economic Impact Analysis of proposed all-cargo airport at Brown Field, including job creation and related industrial/commercial/visitor development.
 - Prepared analysis of San Diego mayoral candidates' economic platforms for purposes of public information during campaign.
 - Prepared economic Impact of super center retail development upon California jobs, health and welfare expenditures, and general economic conditions. Prepared written analysis and critique of Planned Growth and Taxpayer Relief Initiative for consideration before San Diego City Council.
- **Southern California Regional Rail Authority (METROLINK):** Conducted, analyzed, prepared final report, and presented findings for 6,000 on-board rail passenger surveys regarding customer satisfaction; analysis included comparative data analysis of trends from previous on-board surveys (2000).
- **Orange County Transportation Authority**
 - Prepared Multi-Cultural Market Assessment Study for transportation services in Orange County. Formulated baseline data and marketing strategies for long and short-term transportation related issues facing Orange County's diverse multi-cultural communities, with particular emphasis upon Hispanic and Vietnamese communities. Conducted 13 focus groups in ethnic communities and administered statistical surveys in English, Spanish, and Vietnamese (1994).
 - Conducted public participation portion of Orange County Bus Improvement Project (BUSLINK). Prepared report based upon 12 focus group discussions with bus users and non-users, employee transportation coordinators, real estate developers, senior citizens, students, transportation advocates, Orange County employers and members of ethnic

minority communities throughout the County. Final report summarized the perceptions of focus group participants concerning potential improvements to the bus system (1994).

- **State of California (Senate Rules Committee):** Analyzed costs and benefits of undocumented immigrants in San Diego County. This report was an expansion upon and verification of the previous report sponsored by the California Office of the Auditor General including federal revenues, false documentation issues, and macro-economic impacts (1993).
- **State of California (Office of the Auditor General):** Analyzed the fiscal impact of undocumented immigrants on public services in San Diego County, including criminal justice systems, education, and public health. Further identified estimated number of undocumented residents and their contributions to State and local tax revenues. Study included substantial primary data gathering techniques, including direct interviews with undocumented immigrant workers and INS returnees (1992).
- **San Diego Housing Commission:** In accordance with the City of San Diego SRO Preservation Ordinance (November 1987), conducted a survey/inventory of all existing guest rooms in the City of San Diego in order to retroactively identify rooms which qualify as single room occupancy hotel rooms as of December 1987 and May 1988 in order to assess current status vis-à-vis the baseline. Prepared survey instrument, SRO identification methodologies, computerization formats, statistical analyses, and final report with room-by-room breakdown (1989).
- **San Luis Rey Indian Water Authority:** Prepared and supervised administration of detailed census and opinion survey of members of five Indian tribes. Particular emphasis was given to issues of importance to the tribes' members such as job opportunities, education, cultural issues, and economic development opportunities. Final report included both census data and fully tabulated and statistically analyzed summary of the opinions of reservation residents (1988).
- **City Heights Community Development Corporation, San Diego, California:** Analyzed alternatives for the revitalization of an older commercial retail area in mid-city San Diego seeking to rejuvenate its retail base. Three surveys were performed in conjunction with this effort – existing retailers, potential retailer, and residents of the area – as well as corresponding statistical analysis. The final report included a recommended retail structure of the community (1984).

OTHER ADMINISTRATIVE ROLES AND RESPONSIBILITIES

- Director, Institute of Public and Urban Affairs (research arm of the School of Public Administration and Urban Studies, 1983-2006).
- Coordinator, School's Working Adult Programs through the College of Extended Studies, 1988- present.
- Co-Program Coordinator, Master's Program in Transborder Governance and Public Administration (joint international program between SDSU and The Autonomous University of Baja California, 2002-2006).
- Graduate Advisor and Coordinator, Master of Public Administration Program
Program Producer, assisted in the organization and production of the Current Issues Forums of San Diego in the College of Professional Studies and Fine Arts, 2003-2006.



MEMORANDUM

TO: Marketing Research Vendors

FROM: Armando Buelna, Communications Officer

SUBJ: Invitation to Bid - Survey Research

File No.

Date 12/4/07

The Otay Water District (the district) wishes to conduct two statistically reliable telephone surveys of residential customers. The purpose of the surveys will be to build upon baseline data from surveys conducted in 2005 and 2006.

Survey I - N=300, to be selected from a random sample of customers. The primary areas of interest are:

- Overall customer satisfaction
- Awareness of rates
- Awareness of formal/written communications
- Awareness of conservation activities/programs
- Awareness of water recycling activities
- Concerns about water supply
- Reliability of service
- Reliability of supply
- Awareness of sewer operations
- Demographic measures

Survey II - N=300, selected from customers who have contacted the district within the last 6 months. Areas of interest include:

- Specific Call Center interaction
- Courtesy of staff
- Clarity and accuracy of responses from staff
- Knowledge of Call Center staff
- Experience with field staff
- Quality of service received
- Overall satisfaction with service received
- Use of online services
- Quality of online services

The successful vendor will be responsible for questionnaire development, fieldwork, data tabulation, and presentation of topline results.

The vendor should expect to consult with the district regularly on the questionnaire development and be prepared to provide up to three site presentations of the results.

Bids should include costs for all services and fieldwork (including translating surveys into Spanish and conducting some of the survey to Spanish speaking customers) and any and all miscellaneous expenses.

The district would like 10 copies of both the data and the report.

The district may also request several data printouts with various questions cross-tabbed by other items.

The district can provide names, telephone numbers, zip codes of survey respondents. All data and questionnaires should be returned to the district upon completion of the survey.

Please submit your proposals by December 21st, 2007, via mail or e-mail to:

Armando Buelna, Communications Officer
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978
abuelna@otaywater.gov

Questions about this project may be directed to abuelna@otaywater.gov or (619) 670-2256.

Customer Survey Proposal Highlights

(Telephone Survey)

	Name Principals	Cost	Sample/ Error Rate	Water Agency/ Other Local Exp.	Length of Survey	Mtgs. w/ Otay	Other Comments
a	Rea and Parker Research Richard Parker, P.D. Douglas Coe, MA	\$15,000	N=300 +/- 5.6%	Yes. CWA, Sweetwater Authority, SD County, Oceanside etc.	10 to 12 minutes	5 – Kick-Off Finalize Survey Final Reports	Knowledge of the district. Excellent reputation. Estimate four months, or sixteen weeks, to complete.
		\$15,000	N=300 +/- 5.6%				
b	Claritas	\$46,800	N=300 +/- 5.6%	Not stated in proposal.	No more than 13 minutes	3 meetings.	Their proposal was vague. Estimate eight weeks to complete.
			N=300 +/- 5.6%				

Luth Research
1365 Fourth Avenue
San Diego, CA 92101

Claritas Inc.
5375 Mira Sorrento Place, #400
San Diego, CA 92121

CIC Research Inc.
8361 Hornblend Street, Ste G.
San Diego, CA 92109

Flagship Research
2840 Executive Square, #850
La Jolla, CA 92037

Directions Research
7676 Hazard Center Dr. #1300
San Diego, CA 92108

Rea and Parker Research
P. O. Box 421079
San Diego, CA 92124

AGENDA ITEM 9



STAFF REPORT

TYPE	Regular Board Meeting	MEETING	February 6, 2008		
MEETING:		DATE:			
SUBMITTED	Mark Watton,	W.O./G.F.	N/A	DIV.	N/A
BY:	General Manager	NO:	NO.		
SUBJECT:	General Manager's Report				

GENERAL MANAGER:

Update on the design of the 36-Inch Potable Water Pipeline from FCF #14 to Regulatory Site for the month of December 2007:

- Staff received 60% design drawings. Managers' review is scheduled for the end of January.
- The Mitigated Negative Declaration (MND) is back from the public notice period and ready for adoption in March. The consultant, HDR, is working on a low effect Habitat Conservation Plan (HCP) for this project.

Update on the 640-1 and 640-2 Reservoirs Project for the month of December 2007:

- SDG&E and AT&T utilities relocations have been completed.
- Tank #1 - First of two cable wrappings is complete.
- Tank #2 - Completed last concrete pour for the roof slab.
- Vault #3 is complete.
- 90% of storm drain utility is complete.
- Contractor continued cleaning up the project site and re-establishing all BMPs on site.

Project is on budget and 75% complete.

ADMINISTRATIVE SERVICES AND FINANCE:

Administrative Services:

- There were two new hires in the month of January: Sr. Engineering Technician and an Engineering Intern.
- The District held our annual Employee Recognition Program at the San Diego Country Club on January 23, 2008. Many employees were nominated for the various awards and recipients were recognized at the event. We received positive feedback from many who attended the event.
- As part of the Strategic Plan, the District requested quotes from several consultants to develop and implement an ongoing repeatable employee survey program. After a review and selection process, the District selected Rea & Parker to assist the District with this project. The project will begin in early February and is anticipated to conclude by June.
- Safety and Risk Administration is working with Tracer Environmental Services to audit and update the following programs: Process Safety Management (PSM), Risk Management Program (RMP), and the California Accidental Release Prevention Program (CalARP).
- Donovan Correctional Facility submitted their application to MET as part of their Process Improvement Program. Donovan's process improvement (involving electronic flush controls) would save approximately 270 acre-feet a year. The project is expected to begin in March, 2008. The District and the Water Authority co-funded a commercial water audit for Donovan late in FY 2005.
- The District mailed 6,500 postcards to its top 15% single family customers promoting the \$350 smart controller rebate in mid-January. The rebate was also highlighted in the *Pipeline*.
- Three school tours were conducted at the Water Conservation Garden, involving a total of 135 third

graders and 16 adults. Two of the schools involved students at Avondale Elementary School and the third involved students from Avocado Elementary School. In addition, 80 third graders from Avocado Elementary also borrowed the District's water cycle kit. Staff sent another letter to the Principals of the District's 31 elementary schools promoting the school program. Letters, flyers, and applications for the photo contest were also sent to art and photography teachers at the District's nine high schools.

- Rancho San Diego Home Owners Association completed their replacement of approximately 15,000 square feet of turf grass with water-wise plants through the District's Cash for Plants program. Estimated water saved is 281,000 gallons per year. Through the end of January, over 55,000 square feet of irrigated turf grass have been replaced through this program. Estimated water saved since the start of the program is 7.14 acre feet.
- The District's High Efficiency Clothes Washer (HEW) voucher activity through the end of January (769 vouchers redeemed) was nearly equal to the number of vouchers redeemed in FY 06 and FY 07. Based upon current activity levels, by the end of this fiscal year, we will exceed the District's record level of 1,044 redeemed HEW vouchers in FY 04.
- There were 126 purchase orders in January 2008 for a total amount of \$257,225.91

Information Technology and Strategic Planning:

- Strategic Plan FY09-FY11: Staff has completed the first two stages of the Strategic Planning Process for FY 09 - FY 11. One-on-one interviews are complete. Staff input from all managers and supervisors has been incorporated. The draft final plan has been developed and circulated to the Senior Management Team. The senior staff will now take about four to five weeks to fully evaluate the draft plan, evaluate performance measures into the plan and draft project plans for strategic plan objectives. The next stage is for the Senior Management Team to review and provide feedback on the draft plan. The project is on track to provide the revised plan to the Board prior to the FY 09 budget cycle.

- Performance Measurement: Staff will present the results of the mid-year report of the 2007 Strategic Plan to the Finance, Administration & Communications Committee and the Engineering, Operations & Water Resources Committee in February and to the full Board in March. We will also update the Board on the latest Benchmark comparisons from Qualserve.
- Emergency Preparedness: IT is in the final stages of the creation of a co-location data center in the Operations Building. In the event of a catastrophic failure of the Data Center in the Administration Building, we will be able to maintain computer support on a limited basis from this back-up data center. It should be fully operational in April or May.
- Continuous Improvement Teams: District staff has formed three cross functional teams to evaluate and implement process and innovation improvements in the areas of records management, remote field operations, and physical and data security improvements. Teams have met and appointed co-chairmen and sub-teams to pursue specific objectives outlined in the current strategic plan. The goals of the groups are to improve efficiency in implementing technology improvements and to gain understanding of how these technologies like GPS, routing software, high speed data links, or paperless payment processes can save time and money for the District. See newsletter attached.

Finance:

- Staff and counsel are reviewing the various policies and code sections that relate to the signature authority of the General Manager in order to provide greater consistency and avoid confusion. Recently, staff inadvertently entered into four deferral agreements for payment of individual water meters, within the General Manager's \$50,000 authority outlined in section 2.01 of the Code of Ordinance. Two of these contracts have since been terminated because the parties failed to comply with the terms of the agreement. Unfortunately, staff failed to notice that Policy No. 7, requires these types of agreements to be brought to the Board for final approval even though the amount of the agreement is within the General Manager approval authority of \$50,000. In addition to rewriting Policy No. 7 for

consistency, it can be improved by providing greater definition to the two allowable approval processes. General Manager approval is authorized in an "emergency" situation and Board approval is required in a routine situation, but the policy fails to give any definition to what would qualify as an emergency. In order to avoid these types of confusion in the future, we will be reviewing these and any other similar policies to ensure they are consistent and expect to bring forward recommendations in the next two months.

- Bond Insurance - The sub prime lending troubles have a potential to affect the District by way of our 2007 debt issuance. With the 2007 debt issuance, the District purchased insurance through Ambac, one of the few large bond insurance companies. By doing this, the District's bonds became more attractive to the bond markets, saving the District from a higher interest cost. The other benefit of using bond insurance is that the District does not need to fund an insurance reserve with approximately \$2.5M. On January 18th the Fitch Rating Agency downgraded Ambac from AAA to AA- due the Ambac's insurance exposure to sub prime lending. If the situation were to deteriorate significantly, there is the possibility that the District would need to fund the insurance reserve. The District would earn interest on these reserve funds but would not be able to use the money in the reserve for any other purpose until the Bonds are paid off. If this scenario were to come to pass, the District would issue a slightly higher amount of debt on the next debt issue and by doing so would relieve the District's general fund from this unanticipated burden. The impact of the additional debt on the District's rates would be very modest.

The financial reporting for December 2007 is as follows:

- For the six months ended December 31, 2007, there are total revenues of \$32,681,946 and total expenses of \$32,863,241. The expenses exceeded revenues by \$181,295.

The financial reporting for investments for December 2007 is as follows:

- The market value shown in the Portfolio Summary and in the Investment Portfolio Details as of December 31, 2007 total \$97,614,602.79 with an average yield to maturity of 4.657%. The total earnings year-to-date are \$2,590,376.19.

ENGINEERING AND WATER OPERATIONS:

Engineering:

- Construction continues on the Olive Vista Drive Utility Relocation Project. The highline is operational. A scheduled shutdown is set for the end of January.
- The Water Resources Master Plan Project is on schedule. This is a two year project and will be complete in FY 2009. PBS&J is continuing to refine and calibrate the potable water and recycled water models with updated meter information.
- Staff is continuing to work with representatives from FEMA and the California Office of Emergency Services (OES) regarding the fire damage to the HMA. FEMA staff made two site visits to the HMA to assess the extent of the damages for the identified projects. Project worksheets are prepared for the identified losses and submitted to FEMA and OES for reimbursement. For the HMA, three project worksheets are being prepared, covering the tree removal, the damage to the irrigation piping, and the damage to fencing and signage.
- For the month of December 2007, Staff received three improvement plans from developers which included: one recycled plan check, one potable plan check, and one fire service plan check.
- For the month of December 2007, the District sold 16 meters (21 EDUs) generating \$113,635 in revenue. Accumulated sales through December 31, 2007 are \$1,417,192. Projected for this period were 429 meters (130.5 EDUs) with a budgeted revenue of \$620,633.33 and projected revenue from July 1, 2007 through December 31, 2007 was \$3,723,800.
- Approximately 1,771 linear feet of both CIP and developer project pipelines were installed in December 2007. The Construction Division performed quality control for these pipelines.

- The public notice periods for the 36-Inch Pipeline Project and the 1296-3 Reservoir are complete. The MNDs are ready for adoption in February 2008.
- The following table summarizes purchases and change orders issued during the period of December 1, 2007 thru December 31, 2007 that are within Staff signatory authority:

Date	Action	Amount	Contractor/ Consultant	Project
12/6/07	P.O.	\$2,165.78	OCB Reprographics	458-1 Reservoir Interior Coating (P1077)

Water Operations:

County Water Authority Shutdown:

Between January 6, 2008 and January 15, 2008 the District experienced a complete ten-day treated water shutdown on Pipeline 4. The District supplied its customers with flows from Helix Water District through the La Mesa Sweetwater Extension, from the City of San Diego through the District's Lower Otay Pump Station, and from District's reservoirs. This event was uneventful since demands during this period were considerably lower than expected and Helix and the City were able to supply our needs through our connection with these agencies. Last year, during the same time period, District-wide demands were 66.18% higher (30.61 MGD). This period demands averaged 18.42 MGD. This reduction was mostly attributed to the rainfall that occurred between January 4 through January 7 as well as customers' conservation.

- Water purchased for the month of December was 2084.8 acre-feet. Beginning FY 07/08 to date, July 1, 2007 to December 31, 2007 there has been 21,324.90 acre-feet of water purchased. This is a -0.8 percent decrease from the same period last year, July 1, 2006 to December 31, 2006.
- In the month of December, 2007 there were nine (9) new Automated Meter Reading (AMR) meters installed and 207 meters were retrofitted to AMR meters.

- As of December 31, 2007 there was a total of 15,370 radio-read meters installed.

Total number of potable water accounts is 47,776; this is an increase of 12 accounts from last month, November, 2007.

- Recycled water consumption for the month of December is as follows:

Total flow was 180.8 acre-feet or 65,070,764 gallons and the average daily flow was 2,099,057 gallons per day.

Total number of recycled water accounts is 602; this is an increase of 1 from last month, November, 2007.

- Wastewater flows for the month of December were as follows:

Total basin flow, gallons per day: 2,114,000.
Total Otay flow, gallons per day: 1,413,000.
Flow Processed at the Ralph W. Chapman Water Recycling Facility, gallons per day: 854,000.
Flow to Metro from Otay Water District, gallons per day: 559,000.

Total number of sewer connections is 6,069; this is an increase of six connections from last month, November, 2007.



General Manager

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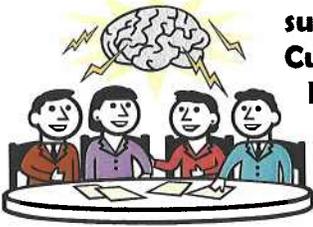


CIT Newsletter January 2008

Welcome back to the New Year everyone!
Here's your monthly update for the CIT teams...

CIT 1: Field Automation

CIT 1 welcomed this first meeting in the New Year with a brainstorming session. The team looked at different departments that could benefit from GPS and Air-Trak implementation, and by the end of the meeting decided that each department wanting to learn more about the potentials of GPS and Air-Trak would each hold an individual meeting with Ming and her team to discuss such prospects. Geoff Stevens has also taken the liberty of inviting Greg White, CEO of Air-Trak, to speak at the group's next meeting about GPS technologies the company will be implementing in the future. Possible ideas the group suggested for future use of GPS and Air-Trak were: Locks and unlocks in Customer Service; Temporary meter permit identification for hydrants in Engineering; Customer calls and dispatching of workers; and communication systems in Operations vehicles.



CIT 2: Remote Facility Operations

Jim Gerber invited guest speaker Ken Vandever of Sage Design, Inc. to give a demonstration of their new product, PureActive, at the team's 3rd meeting. Ken's suggestion for the District was a broadband radio called Firetide which is a system that recognizes video, data and voice. Members of the team were quite impressed with his demonstration of live video feed from Phoenix. They also discussed how Otay can save money from converting existing cameras into smart cameras. Because the presentation went longer than expected, Dale Kreinbring will present his ideas for the Treatment plant at the group's next meeting.



CIT 3: Document Automation

CIT 3 really kicked off the New Year into fifth gear. After a delayed meeting due to the Holidays in December of 2007, Sean Prendergast lead and presided over his first meeting as chairman (his group's second meeting). Making his first executive decision, the team has decided to meet on a weekly basis until they feel caught up due to the missed meeting. The team also decided to make an exciting addition to their team, appointing Jim Cudlip as their newest member. Currently, the group's main focus is the Records Management process, led by Bill Jenkins. The project's target date for all scanning our existing records is set for June 31, 2008. This task will be outsourced to a third party yet to be determined. The team's main goal for this process is to create a set of standards to address any problems concerning



classification and entry of data. The team is also looking at additional uses for the records system, so if you have any suggestions, let them know.

CIT ROSTERS

CIT 1

Alice Mendez-Schomer (Co-chair)
Allan Raymundo
Bill Poulin
Cyndi Alcantara
David Charles
Doug Rahders
Jenny Diaz (Notetaker)
Jim Gerber
Ming Zhao
Ronald Ripperger
Theresa Nakatani
Tim Keeran (Chair)

CIT 2

Bill Poulin
Bruce Trites
Dale Kreinbring
Don Anderson
Gene Palop
Hossein Juybari
Jim Gerber
Jolene Fielding (Notetaker)
Rita Bell (Chair)
Ronald Ripperger (Co-chair)
William Granger

CIT 3

Bill Jenkins
Bill Poulin
David Charles
Diane Ander (Notetaker)
Gary Stalker
James Cudlip
Jim Gerber
Patricia Duran
Rick Acuna
Rosemary Dries
Sean Prendergast (Chair)
Shamala Kodukula
Steve Dobrawa (Co-chair)





AGENDA ITEM 9

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	February 6, 2008
SUBMITTED BY:	Sean Prendergast, Finance <i>SP</i> Supervisor, Payroll & AP	W.O./G.F. NO:	DIV. NO.
APPROVED BY: (Chief)	Joseph Beachem, Chief Financial Officer		
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager		
SUBJECT:	Accounts Payable Demand List		

PURPOSE:

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

FISCAL IMPACT:

SUMMARY	NET DEMANDS
CHECKS (2009719-2010245)	\$3,935,288.96
WIRE TO:	
CITY OF CHULA VISTA - BI-MONTHLY SEWER CHARGES	\$2,541,234.76
CITY TREASURER - RECLAIMED WATER PURCHASE - NOV 07	\$84,288.12
CREATIVE BENEFITS - FLEX CLAIMS	\$47,000.00
DELTA HEALTH SYSTEMS - HEALTH INS & FLEX CLAIMS	\$5,000.00
LANDESBANK - CERTIFICATES OF PARTICIPATION	\$51,836.88
PLAN HANDLERS - MEDICAL CLAIMS	\$85,579.02
SAN DIEGO COUNTY WATER AUTHORITY - NOV 07	\$1,698,597.60
SAN DIEGO COUNTY WATER AUTHORITY - 2ND QTR CAP FEES	\$164,412.00
SPEC DIST RISK MGMT AUTH - INSURANCE PREM - FEB 08	\$179,413.31
UNION BANK - PAYROLL TAXES	\$304,260.74
TOTAL CASH DISBURSEMENTS	\$9,096,911.39

RECOMMENDED ACTION:

That the Board receive the attached list of demands.

Jb/Attachment

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2009719 THROUGH 2010245
RUN DATES 1/3/2008 TO 1/30/2008

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2010120	01/30/08	02097	3E COMPANY	3EINV0010825	10/25/07	ANNUAL SUBSCRIPTION BILLING	977.50	977.50
2009719	01/03/08	04469	A COPY WORLD	00019706	12/11/07	BINDING FY 2007 CAFR	130.22	130.22
2009720	01/03/08	01910	ABCANA INDUSTRIES	815204 815205	12/10/07 12/10/07	BULK SODIUM HYPOCHLORITE BULK SODIUM HYPOCHLORITE	1,253.32 757.16	2,010.48
2009776	01/09/08	01910	ABCANA INDUSTRIES	815389	12/17/07	BULK SODIUM HYPOCHLORITE	757.16	757.16
2009934	01/16/08	01910	ABCANA INDUSTRIES	815810 815812 815811	12/26/07 12/26/07 12/26/07	BULK SODIUM HYPOCHLORITE BULK SODIUM HYPOCHLORITE BULK SODIUM HYPOCHLORITE	1,143.75 1,121.58 512.16	2,777.49
2010022	01/24/08	01910	ABCANA INDUSTRIES	816006	01/02/08	BULK SODIUM HYPOCHLORITE	789.17	789.17
2010121	01/30/08	01910	ABCANA INDUSTRIES	816098 816099	01/07/08 01/07/08	BULK HYPOCHLORITE SOLUTION BULK HYPOCHLORITE SOLUTION	636.51 531.86	1,168.37
2009777	01/09/08	00179	ACRO SALES COMPANY INC	7526	12/17/07	CALIBRATE TANK LEVEL GAUGES	140.00	140.00
2009778	01/09/08	00847	AD MAIL DIRECT LLC	016474	01/03/08	POSTAGE	1,365.00	1,365.00
2009779	01/09/08	07907	ADRIANA NAVARRETE	Ref002381362	01/07/08	UB Refund Cst #0000087299	43.86	43.86
2010023	01/24/08	07951	AHLEE BACKFLOW SERVICE INC	9152	10/31/07	FIRE SERVICE INSTALLATION	4,850.00	4,850.00
2009780	01/09/08	07904	AIDE ROBLES	Ref002381359	01/07/08	UB Refund Cst #0000085179	63.40	63.40
2010024	01/24/08	07732	AIRGAS SPECIALTY PRODUCTS INC	131062621 131064953	12/12/07 01/04/08	BULK AQUA AMMONIA BULK AQUA AMMONIA	996.14 918.06	1,914.20
2010025	01/24/08	00132	AIRGAS WEST	103195308	12/31/07	BREATHING AIR - TREATMENT PLANT	23.93	23.93
2010191	01/30/08	07969	ALBERTO BLANCHET	Ref002382057	01/28/08	UB Refund Cst #0000079548	51.68	51.68
2009781	01/09/08	07887	ALDO J ARELLANO	Ref002381342	01/07/08	UB Refund Cst #0000041118	55.00	55.00
2009935	01/16/08	01498	ALEXANDER HAMILTON INSTITUTE	36162048	01/08/08	SUBSCRIPTION RENEWAL	137.76	137.76
2009782	01/09/08	07900	ALICE PINO-MARINA	Ref002381355	01/07/08	UB Refund Cst #0000079261	36.54	36.54
2009936	01/16/08	02362	ALLIED WASTE SERVICES #509	0509002983286 0509002984761 0509002985717	12/26/07 12/26/07 12/26/07	TRASH REMOVAL SERVICES ASBESTOS DISPOSAL CONTAINER RENTAL TRASH REMOVAL SVCS - TREATMENT PLANT	643.87 177.26 106.74	927.87
2010122	01/30/08	02572	ALVAREZ, GERMAN F	016542	01/24/08	LIFE INSURANCE POLICY REIMBURSEMENT	105.48	105.48
2010192	01/30/08	08002	AM ORTEGA CONSTRUCTION	Ref002382091	01/28/08	UB Refund Cst #0000123889	585.74	585.74

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2010123	01/30/08	02922	AMERICAN BACKFLOW PREVENTION	016543	01/29/08	TESTER CERTIFICATE APPLICATION	85.00	85.00
2009937	01/16/08	01326	AMERICAN BATTERY SUPPLY	B6336	12/26/07	BATTERIES	735.29	735.29
2010026	01/24/08	01326	AMERICAN BATTERY SUPPLY	A6906	01/11/08	BATTERY	367.64	367.64
2009938	01/16/08	07471	AMERICAN EAGLE REAL ESTATE	RF250868819 RF625510302	01/14/08 01/14/08	CUSTOMER REFUND CUSTOMER REFUND	159.24 27.41	186.65
2009939	01/16/08	02966	AMERICAN INDUSTRIAL SUPPLY INC	97121	12/21/07	ANTI-SIEZE COMPOUND	414.85	414.85
2009783	01/09/08	06166	AMERICAN MESSAGING	L1109570IA	01/01/08	PAGER SERVICES	551.95	551.95
2010027	01/24/08	00107	AMERICAN WATER WORKS	2000610127	10/30/07	MEMBERSHIP RENEWAL	71.00	71.00
2010193	01/30/08	07981	ANDREA BIRMINGHAM	Ref002382069	01/28/08	UB Refund Cst #0000092111	70.62	70.62
2009784	01/09/08	07925	ANGEL PEREZ	Ref002381380	01/07/08	UB Refund Cst #0000094934	43.48	43.48
2009785	01/09/08	07872	ANGELICA MULLER	Ref002381326	01/07/08	UB Refund Cst #0000123080	12.62	12.62
2009786	01/09/08	00002	ANSWER INC	016462	01/01/08	TELEPHONE ANSWERING SERVICES	1,000.00	1,000.00
2010124	01/30/08	00002	ANSWER INC	016522	01/22/08	TELEPHONE ANSWERING SERVICES	1,000.00	1,000.00
2009787	01/09/08	03357	APEX ADVERTISING INC	331179 331280	12/18/07 12/19/07	T-SHIRTS SWEATSHIRTS/T-SHIRTS	3,442.68 1,803.05	5,245.73
2010028	01/24/08	03357	APEX ADVERTISING INC	331281	12/19/07	SWEATSHIRTS/T-SHIRTS	327.94	327.94
2010125	01/30/08	02829	APPLIED TECHNOLOGY GROUP INC	183812	01/07/08	ETHERNET RADIO INSTALL	361.15	361.15
2009788	01/09/08	07919	ARACELY ZUNIGA	Ref002381374	01/07/08	UB Refund Cst #0000092172	43.20	43.20
2009721	01/03/08	01509	ARC ERGONOMICS	21176	12/07/07	ROLLER MOUSE	200.36	200.36
2010194	01/30/08	07956	ARMANDO R AGUILAR	Ref002382043	01/28/08	UB Refund Cst #0000024460	107.56	107.56
2010195	01/30/08	07989	ASSETLINK	Ref002382077	01/28/08	UB Refund Cst #0000120507	60.55	60.55
2009789	01/09/08	00501	AT&T	016452	12/12/07	PHONE SERVICE	104.42	104.42
2009790	01/09/08	05758	AT&T	016478	01/07/08	PHONE SERVICE (HIGH HEAD PS/SCADA)	32.96	32.96
2009940	01/16/08	07785	AT&T	000000077354	01/02/08	PHONE SERVICES	4,694.67	4,694.67
2010029	01/24/08	05758	AT&T	016491	01/07/08	PHONE SERVICE (HI HEAD P/S-SCADA)	32.67	32.67
2010126	01/30/08	07785	AT&T	000000077618	01/02/08	PHONE SERVICES	94.54	

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				000000077736	01/02/08	PHONE SERVICES	63.24	157.78
2010127	01/30/08	06272	AT&T/MCI	T7464230	12/17/07	PHONE SERVICES	2,629.99	2,629.99
2009791	01/09/08	05420	AWBREY COOK MCGILL ARCHITECTS	0543300071031	10/31/07	METER SHOP & TREATMENT PLANT REMODEL	1,023.26	1,023.26
2010030	01/24/08	07730	AZTEC FENCE CO	AZ2811	01/04/08	SWING GATE	14,380.00	14,380.00
2010031	01/24/08	07939	BARNEY & BARNEY LLC	294635	09/12/07	BENEFIT CONSULTING SERVICES	2,500.00	2,500.00
2009792	01/09/08	03595	BENHAM, WALES	016482	01/08/08	REIMBURSE HEALTH CARE FLEX DED	58.00	58.00
2009941	01/16/08	03763	BERGE'S GOVERNOR SERVICE	13571	12/21/07	REPAIR PARTS	495.53	495.53
2009793	01/09/08	07899	BERSABE PRECIADO	Ref002381354	01/07/08	UB Refund Cst #0000079047	84.79	84.79
2009794	01/09/08	04806	BJ'S RENTALS	147222	12/20/07	CONCRETE	148.70	
				146916	12/18/07	CONCRETE	132.53	281.23
2010032	01/24/08	04806	BJ'S RENTALS	148532	01/02/08	CONCRETE	132.53	132.53
2010196	01/30/08	07980	BLAIR HERWEHE	Ref002382068	01/28/08	UB Refund Cst #0000091309	24.53	24.53
2009795	01/09/08	07877	BLANCA ROBLES	Ref002381331	01/07/08	UB Refund Cst #000002106	86.81	86.81
2009942	01/16/08	02197	BLUE CROSS OF CALIFORNIA	40624	12/17/07	EMPLOYEE ASSISTANCE PROGRAM	473.96	473.96
2009722	01/03/08	02342	BOOT WORLD INC	1041767IN	12/10/07	SAFETY BOOTS	126.63	126.63
2009723	01/03/08	00559	BOYLE ENGINEERING CORPORATION	050649	12/05/07	RECYCLED WATER PLAN CHECKING SERVICES	13,038.40	
				050634	12/05/07	P1438 - PLAN CHECKS & INSPECTION SERVICE	4,599.60	17,638.00
2010128	01/30/08	00559	BOYLE ENGINEERING CORPORATION	051801	01/09/08	P1438 - PLAN CHECKS & INSPECTION SERVICE	10,234.36	
				051744	01/07/08	AS NEEDED PLAN CHECK SERVICES	8,020.53	18,254.89
2010129	01/30/08	03458	BREITFELDER, LARRY	70131207	01/23/08	EXPENSE REIMBURSEMENT	40.85	40.85
2009796	01/09/08	07889	BRENDA CHRISTENSEN	Ref002381344	01/07/08	UB Refund Cst #0000058877	97.62	97.62
2010033	01/24/08	03679	BRG CONSULTING INC	07111518	11/30/07	CONSULTANT CONTRACT	6,765.39	6,765.39
2010130	01/30/08	03679	BRG CONSULTING INC	07121613	12/31/07	CONSULTANT CONTRACT	1,155.00	1,155.00
2009797	01/09/08	07920	BRIAN BARBER	Ref002381375	01/07/08	UB Refund Cst #0000092424	38.53	38.53
2010034	01/24/08	01232	BRODING'S BATTERY WAREHOUSE	55026		CREDIT MEMO	(158.39)	
				55024		CREDIT MEMO	(47.00)	
				56032	01/02/08	REPAIR PARTS	178.72	
				55529	12/17/07	AUTOMOTIVE BATTERIES	133.50	106.83

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2010197	01/30/08	07962	BROOKFIELD SHEA OTAY LLC	Ref002382050	01/28/08	UB Refund Cst #0000066122	1,392.54	1,392.54
2010198	01/30/08	07983	BROWNFIELD BUSINESS PARK LP	Ref002382071	01/28/08	UB Refund Cst #0000094303	688.56	688.56
2009798	01/09/08	03721	BULLET LOGISTICS INC	12150703350	12/15/07	COURIER SERVICES FOR TREATMENT PLANT	455.40	455.40
2010035	01/24/08	00906	C & M CRANE RENTAL INC	27016	01/03/08	CRANE RENTAL	640.00	640.00
2009799	01/09/08	00223	C W MCGRATH INC	27855 27893	12/10/07 12/13/07	CRUSHED ROCK CRUSHED ROCK	659.54 371.09	1,030.63
2010131	01/30/08	00223	C W MCGRATH INC	28086 28105	01/08/08 01/09/08	CRUSHED ROCK CRUSHED ROCK	405.83 365.51	771.34
2009943	01/16/08	02401	CAJON VALLEY UNION SCHOOL DIST	8227	01/04/08	FIELD TRIP BUS FUNDING	71.00	71.00
2009800	01/09/08	02920	CALIFORNIA COMMERCIAL	75157	12/18/07	ASPHALT	1,002.88	1,002.88
2009944	01/16/08	02970	CALIFORNIA LAND SURVEYORS	016491	01/14/08	MEMBERSHIP DUES	397.50	397.50
2010132	01/30/08	00245	CALIFORNIA STAMP COMPANY	760127	01/09/08	DATE STAMP	69.71	69.71
2009801	01/09/08	04657	CALIFORNIA WATER ENVIRONMENT	016473	01/03/08	MEMBERSHIP RENEWAL	110.00	110.00
2009945	01/16/08	02972	CALIFORNIA WATER ENVIRONMENT	016483	01/07/08	MEMBERSHIP RENEWAL	110.00	110.00
2010036	01/24/08	00192	CALIFORNIA WATER ENVIRONMENT	016512	01/17/08	CERTIFICATE RENEWAL	171.00	171.00
2010037	01/24/08	00192	CALIFORNIA WATER ENVIRONMENT	016510	01/17/08	CERTIFICATE RENEWAL	61.00	61.00
2010038	01/24/08	02972	CALIFORNIA WATER ENVIRONMENT	016508	01/17/08	MEMBERSHIP RENEWAL	110.00	110.00
2010133	01/30/08	01243	CALIFORNIA-NEVADA SECTION	016544	01/29/08	TESTER CERTIFICATION APPLICATION	140.00	140.00
2009724	01/03/08	01004	CALOLYMPIC SAFETY	032267	12/14/07	REPAIR GAS DETECTORS	177.79	177.79
2009802	01/09/08	01004	CALOLYMPIC SAFETY	032534	12/20/07	3M MULTI-PURPOSE RESPIRATOR CARTRIDGE	57.46	57.46
2010134	01/30/08	01004	CALOLYMPIC SAFETY	032268	12/14/07	REPAIR GAS DETECTORS	100.87	100.87
2009803	01/09/08	03684	CANON BUSINESS SOLUTIONS-WEST	3888258 3888258A	12/01/07 12/01/07	COPIER MAINTENANCE COPIER MAINTENANCE	1,094.34 665.06	1,759.40
2010039	01/24/08	03684	CANON BUSINESS SOLUTIONS-WEST	3911095 3911095A	01/01/08 01/01/08	COPIER MAINTENANCE COPIER MAINTENANCE	1,008.54 109.66	1,118.20
2010135	01/30/08	03684	CANON BUSINESS SOLUTIONS-WEST	142002837	01/08/08	OFFICE SUPPLIES	135.59	135.59

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2010040	01/24/08	04071	CAPITOL WEBWORKS LLC	20054	10/31/08	ELECTRONIC FILING FEE	45.00	45.00
2009725	01/03/08	03572	CARLTON DISANTE &	46872	12/20/07	LEGAL SERVICES - OCT 2007	950.43	950.43
2009946	01/16/08	02758	CARMEL BUSINESS SYSTEMS INC	6672	01/11/08	TEMPORARY SERVICES - IT DEPT	1,122.90	1,122.90
2010041	01/24/08	02758	CARMEL BUSINESS SYSTEMS INC	6671 6670	01/01/08 01/01/08	STORAGE & DESTRUCTION OF DOCUMENTS SCANNING ENGINEERING DRAWINGS	745.33 107.21	852.54
2009947	01/16/08	04653	CARO, PATTY	016492	01/15/08	EDUCATION/TUITION REIMBURSEMENT	397.80	397.80
2009726	01/03/08	04204	CASA DEL MAR	22692	12/13/07	RECOGNITION SAMPLE SHIRTS	231.50	231.50
2009948	01/16/08	03232	CDW GOVERNMENT INC	HWB1181 HWB7436	12/21/07 12/22/07	NETWORK DRIVES FOR SCADA BACKUP NETWORK DRIVES FOR SCADA BACKUP	643.61 643.60	1,287.21
2010042	01/24/08	03232	CDW GOVERNMENT INC	HXP5309	01/04/08	ETHERNET LAN SWITCH	264.48	264.48
2010199	01/30/08	07966	CECILIA OROZCO	Ref002382054	01/28/08	UB Refund Cst #0000074513	59.89	59.89
2009804	01/09/08	07876	CEMENT CUTTING INC	Ref002381330	01/07/08	UB Refund Cst #0000123565	642.33	642.33
2010200	01/30/08	07997	CENTURY 21	Ref002382085	01/28/08	UB Refund Cst #0000123094	59.15	59.15
2010201	01/30/08	07998	CENTURY 21	Ref002382086	01/28/08	UB Refund Cst #0000123128	59.15	59.15
2009727	01/03/08	04349	CHAMBERS, JONATHAN	016463	12/20/07	EDUCATION/TUITION REIMBURSEMENT	133.41	133.41
2010202	01/30/08	07964	CHESTER MCGUIRE	Ref002382052	01/28/08	UB Refund Cst #0000068423	61.46	61.46
2009805	01/09/08	07916	CHRISTOPHER MENNEL	Ref002381371	01/07/08	UB Refund Cst #0000091991	50.34	50.34
2010043	01/24/08	02026	CHULA VISTA ELEMENTARY SCHOOL	016515	01/15/08	REFUND SPEC'L ASSESSMENT #644-241-01-00	344.70	344.70
2010136	01/30/08	02026	CHULA VISTA ELEMENTARY SCHOOL	80429	01/22/08	FIELD TRIP BUS FUNDING	490.00	490.00
2010137	01/30/08	02306	CHULA VISTA HILLS ELEMENTARY	016535	01/28/08	SCIENCE MOBILE LAB FUNDING	255.00	255.00
2009806	01/09/08	06519	CHULA VISTA POLICE DEPT	0728320	12/31/07	TRAFFIC COLLISION REPORT	10.00	10.00
2009949	01/16/08	06519	CHULA VISTA POLICE DEPT	0727566	12/20/07	TRAFFIC COLLISION REPORT	10.00	10.00
2010044	01/24/08	06519	CHULA VISTA POLICE DEPT	0800464	01/15/08	TRAFFIC COLLISION REPORT	10.00	10.00
2009807	01/09/08	07923	CITY MORTGAGE	Ref002381378	01/07/08	UB Refund Cst #0000094749	56.83	56.83
2009808	01/09/08	03334	COMPUTER MASTERS	69896	12/17/07	DIGITAL CAMERA	183.16	183.16
2009950	01/16/08	04398	CONSTRUCTION MANAGEMENT	14307	01/14/08	SEMINAR REGISTRATION	55.00	55.00

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2010045	01/24/08	04398	CONSTRUCTION MANAGEMENT	016518	01/17/08	SEMINAR REGISTRATION	55.00	55.00
2010046	01/24/08	03774	CONSTRUCTION RESIDUE RECYCLING	974680 974671	12/31/07 11/30/07	DUMPING SERVICES DUMPING SERVICES	120.00 60.00	180.00
2009728	01/03/08	03706	CONSUMERS PIPE & SUPPLY CCS	S1052448001 S1052448002	12/11/07 12/13/07	WAREHOUSE SUPPLIES WAREHOUSE SUPPLIES	538.51 163.61	702.12
2009809	01/09/08	03706	CONSUMERS PIPE & SUPPLY CO	S1053877001 S1053877002	12/19/07 12/19/07	OPS PARTS OPS PARTS	194.60 60.80	255.40
2009951	01/16/08	02612	COUNCIL OF WATER UTILITIES	016488	01/10/08	MEETING REGISTRATION	50.00	50.00
2009952	01/16/08	00184	COUNTY OF SAN DIEGO	HK18205346	01/03/08	HAZ WASTE MATERIALS PERMIT	317.00	317.00
2010047	01/24/08	07944	COUNTY OF SAN DIEGO	016513	01/18/08	REGISTRATION FEES	150.00	150.00
2010138	01/30/08	00184	COUNTY OF SAN DIEGO	DEH080244D11 DEH080245D11 DEH080250D11 DEH080251D11 DEH080249D11	01/17/08 01/17/08 01/17/08 01/17/08 01/17/08	INSPECTION BILLING INSPECTION BILLING INSPECTION BILLING INSPECTION BILLING INSPECTION BILLING	1,121.25 1,035.00 805.00 805.00 690.00	4,456.25
2009953	01/16/08	00099	COUNTY OF SAN DIEGO - DPW	71835	11/07/07	EXCAVATION PERMITS	3,681.72	3,681.72
2010048	01/24/08	07601	CREATIVE BENEFITS INC	59618	12/15/07	FLEXIBLE SPENDING ACCT ADMINISTRATION	528.00	528.00
2009810	01/09/08	03354	DATAPROSE INC	46108 46107	12/18/07 12/18/07	POSTAGE BILLING PRINT SERVICES	15,733.16 8,209.63	23,942.79
2010049	01/24/08	04550	DATATREE	900340127	12/31/07	MAP PURCHASING SERVICE	99.00	99.00
2010203	01/30/08	07954	DEBBIE CLAGETT	Ref002382040	01/28/08	UB Refund Cst #0000009784	26.84	26.84
2010050	01/24/08	00852	DEC CONSULTANTS INC	10448	12/31/07	CATHODIC PROTECTION SERVICES	1,045.92	1,045.92
2009954	01/16/08	03428	DEL MAR OFFICE PRODUCTS	10179220	12/27/07	OFFICE SUPPLIES	214.96	214.96
2010139	01/30/08	03428	DEL MAR OFFICE PRODUCTS	10201460	01/10/08	OFFICE SUPPLIES	52.73	52.73
2010140	01/30/08	01797	DELL ENTERPRISES	183039	01/08/08	RECOGNITION PLAQUE	117.99	117.99
2010141	01/30/08	07680	DELTA HEALTH SYSTEMS	P080110 P080110 25401000	01/30/08 01/10/08 01/30/08	BROKER FEES EMPLOYEE HEALTH ADMIN SERVICES BANK SUPPLIES FEE	2,628.00 1,384.79 63.32	4,076.11
2009811	01/09/08	02733	DEPARTMENT OF CONSUMER AFFAIRS	016476	01/03/08	LICENSE RENEWAL	200.00	200.00

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2009812	01/09/08	03589	DEPARTMENT OF HEALTH SERVICES	016472	01/03/08	CERTIFICATION RENEWAL	80.00	80.00
2010142	01/30/08	03744	DEPARTMENT OF JUSTICE	661604	01/09/08	FINGERPRINT ANALYSIS SERVICES	64.00	64.00
2009955	01/16/08	00319	DEPARTMENT OF PUBLIC HEALTH	0720080	12/07/07	PWS-ID RECYCLED WATER FEES	7,196.69	7,196.69
2010051	01/24/08	00319	DEPARTMENT OF PUBLIC HEALTH	016511	01/17/08	CERTIFICATE RENEWAL	60.00	60.00
2009956	01/16/08	00497	DEPT OF GENERAL SERVICES	466691	10/01/07	GPS MAPPING EQUIPMENT	795.41	795.41
2009813	01/09/08	07924	DEUTSCHE BANK NATIONAL TRUST	Ref002381379	01/07/08	UB Refund Cst #0000094923	162.16	162.16
2009814	01/09/08	07937	DEUTSCHE NATIONAL BANK	625481703	01/08/08	CUSTOMER REFUND	13.54	13.54
2009729	01/03/08	03417	DIRECTV	696074672	12/19/07	SATELLITE TV SERVICE	4.99	4.99
2009957	01/16/08	03417	DIRECTV	705638572	01/05/08	SATELLITE TV SERVICE	46.96	46.96
2010143	01/30/08	03417	DIRECTV	714714234	01/19/08	SATELLITE TV SERVICE	447.87	447.87
2009815	01/09/08	07886	DON FERRIOLO	Ref002381341	01/07/08	UB Refund Cst #0000038825	84.97	84.97
2009958	01/16/08	03152	DRIES, ROSEMARY F	016495	01/15/08	EDUCATION/TUITION REIMBURSEMENT	397.80	397.80
2009959	01/16/08	01926	EAST COUNTY URGENT CARE	016426	12/04/07	DMV HEALTH EXAMS	215.00	215.00
2010144	01/30/08	01926	EAST COUNTY URGENT CARE	016528	01/15/08	DMV HEALTH EXAMS	301.00	301.00
2010204	01/30/08	07984	EASTLAKE COMMUNITY CHURCH OF C	Ref002382072	01/28/08	UB Refund Cst #0000094503	686.87	686.87
2009816	01/09/08	07905	ED ALAMERI	Ref002381360	01/07/08	UB Refund Cst #0000086866	6.11	6.11
2009817	01/09/08	02447	EDCO DISPOSAL CORPORATION	016469	12/31/07	RECYCLING SERVICES	85.00	85.00
2009960	01/16/08	06525	ELECTRIC MOTOR SPECIALISTS INC	2161	12/20/07	REPAIR SUMP	299.05	299.05
2009818	01/09/08	07930	ELIDA RODRIGUEZ	Ref002381385	01/07/08	UB Refund Cst #0000120499	54.47	54.47
2009819	01/09/08	07861	ELMORE, JIMMY	016470	12/20/07	COMPUTER LOAN PROGRAM	1,455.38	1,455.38
2009820	01/09/08	06813	EMPLOYMENT TRAINING	016480	01/07/08	TRAINING FEES	90.00	90.00
2010052	01/24/08	07596	ENVIRONMENTAL EXPRESS INC	1000147229	01/02/08	FILTERS FOR VOLATILES	1,294.46	1,294.46
2009821	01/09/08	07918	ERIC SANCHEZ	Ref002381373	01/07/08	UB Refund Cst #0000092026	13.03	13.03
2009822	01/09/08	07917	ESTERLLITA EDMONDS	Ref002381372	01/07/08	UB Refund Cst #0000091999	46.45	46.45
2009961	01/16/08	02639	EW TRUCK & EQUIPMENT	31934	12/21/07	EMISSIONS TEST	45.00	

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Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
				31926	12/21/07	EMISSIONS TEST	45.00	
				31936	12/21/07	EMISSIONS TEST	45.00	
				31937	12/21/07	EMISSIONS TEST	45.00	
				31931	12/21/07	EMISSIONS TEST	45.00	
				31927	12/21/07	EMISSIONS TEST	45.00	
				31947	12/21/07	EMISSIONS TEST	45.00	
				31928	12/21/07	EMISSIONS TEST	45.00	
				31935	12/21/07	EMISSIONS TEST	45.00	
				31925	12/21/07	EMISSIONS TEST	45.00	
				31922	12/21/07	EMISSIONS TEST	45.00	
				31920	12/21/07	EMISSIONS TEST	45.00	
				31933	12/21/07	EMISSIONS TEST	45.00	
				31924	12/21/07	EMISSIONS TEST	45.00	
				31923	12/21/07	EMISSIONS TEST	45.00	
				31932	12/21/07	EMISSIONS TEST	45.00	
				31921	12/21/07	EMISSIONS TEST	45.00	
				31930	12/21/07	EMISSIONS TEST	45.00	
				31949	12/26/07	EMISSIONS TEST	45.00	
				31948	12/21/07	EMISSIONS TEST	45.00	900.00
2010053	01/24/08	03650	EXPRESS PRINTING INFORMATION	63622	01/02/08	TAGS	616.54	616.54
2009823	01/09/08	07910	EZEQUIEL LUJAN	Ref002381365	01/07/08	UB Refund Cst #0000090246	9.63	9.63
2010205	01/30/08	07974	FABIAN PEREZ	Ref002382062	01/28/08	UB Refund Cst #0000088193	100.00	100.00
2010054	01/24/08	03757	FANDEL ENTERPRISES	1280	01/02/08	TELECOMMUNICATION CONSULTING SERVICES	1,560.00	1,560.00
2009824	01/09/08	04986	FARR, STEVEN	016475	01/04/08	REIMBURSEMENT FOR CERT RENEWAL	80.00	80.00
2009730	01/03/08	03546	FERGUSON WATERWORKS	0246429	12/07/07	INVENTORY	3,430.33	3,430.33
2009825	01/09/08	07867	FIRST AMERICAN LOANSTAR TRUSTE	Ref002381321	01/07/08	UB Refund Cst #0000122180	46.08	46.08
2009826	01/09/08	07927	FIRST AMERICAN REO SERVICING	Ref002381382	01/07/08	UB Refund Cst #0000099359	52.29	52.29
2010055	01/24/08	02470	FIRST BANKCARD	016525	01/22/08	DISTRICT EXPENSES	5,842.58	
				16505	01/09/08	DISTRICT EXPENSES	74.56	
				016505	01/09/08	DISTRICT EXPENSES	69.98	5,987.12
2009731	01/03/08	04066	FIRST CHOICE SERVICES - SC	290146	12/07/07	COFFEE SUPPLIES	177.79	177.79
2009827	01/09/08	04066	FIRST CHOICE SERVICES - SD	290384	12/20/07	COFFEE SUPPLIES	304.38	304.38
2010145	01/30/08	04066	FIRST CHOICE SERVICES - SD	290996	01/09/08	COFFEE SUPPLIES	295.58	295.58
2009962	01/16/08	00035	FISHER SCIENTIFIC	1998014	12/20/07	LABORATORY SUPPLIES	26.38	26.38
2010056	01/24/08	00035	FISHER SCIENTIFIC	5063700	12/26/07	LABORATORY SUPPLIES	29.08	29.08

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2009828	01/09/08	07874	FJ WILLERT CONTRACTING CO INC	Ref002381328	01/07/08	UB Refund Cst #0000123377	85.79	85.79
2010206	01/30/08	07963	FRANK KRUEGER	Ref002382051	01/28/08	UB Refund Cst #0000067025	113.80	113.80
2010057	01/24/08	02028	FT INTERACTIVE DATA CORP	05523127	12/31/07	DIAL-UP SERVICE FOR INVESTMENTS	85.00	85.00
2010207	01/30/08	07959	GABRIEL EDDY	Ref002382046	01/28/08	UB Refund Cst #0000036153	20.36	20.36
2009829	01/09/08	07892	GABRIEL SANCHEZ-ALDANA	Ref002381347	01/07/08	UB Refund Cst #0000066025	59.89	59.89
2009830	01/09/08	05626	GAME 7 CONSULTING	1659	12/26/07	CONSULTING SERVICES - IS DEPT	3,000.00	
				1665	01/02/08	CONSULTING SERVICES - IS DEPT	1,800.00	4,800.00
2009963	01/16/08	05626	GAME 7 CONSULTING	1645	12/04/07	CONSULTING SERVICES - IS DEPT	3,000.00	
				1669	01/08/08	CONSULTING SERVICES - IS DEPT	1,500.00	4,500.00
2009964	01/16/08	06291	GARCIA CALDERON & RUIZ LLP	1545	01/08/08	LEGAL SERVICES - NOV 2007	42,093.75	42,093.75
2010058	01/24/08	07950	GARCIA TRUCKING	016523	01/17/08	METER REFUND	3,310.00	
				016521	01/17/08	WORK ORDER REFUND D0367-XX6366	1,358.61	4,668.61
2009831	01/09/08	07898	GERARDO OLIVARRIA	Ref002381353	01/07/08	UB Refund Cst #0000075135	57.11	57.11
2009732	01/03/08	03537	GHA TECHNOLOGIES INC	464499	12/12/07	PRINTER	365.16	
				464078	12/07/07	CABLE	7.54	372.70
2009832	01/09/08	03537	GHA TECHNOLOGIES INC	466076	12/20/07	HP LAPTOP WITH VISTA OS	1,883.27	
				465224	12/17/07	REPLACEMENT PARTS	102.39	1,985.66
2009965	01/16/08	03537	GHA TECHNOLOGIES INC	461957CM		CREDIT MEMO	(123.91)	
				466507	12/26/07	WIRELESS HEADSET	191.80	67.89
2010059	01/24/08	03537	GHA TECHNOLOGIES INC	464485	12/12/07	APC POWER DISTRIBUTION UNITS	238.30	238.30
2010146	01/30/08	03537	GHA TECHNOLOGIES INC	468218	01/10/08	TONER CARTRIDGES	725.03	
				468483	01/10/08	TONER	275.80	1,000.83
2009966	01/16/08	06276	GIFFORD ENGINEERING INC	3550	12/27/07	TWO-WAY RADIO REPAIR	187.00	187.00
2010208	01/30/08	07968	GLENN STEELE	Ref002382056	01/28/08	UB Refund Cst #0000076114	59.30	59.30
2009733	01/03/08	03753	GRAPHIC CONTROLS LLC	JC8804	12/10/07	CIRCLE CHARTS	479.71	479.71
2009833	01/09/08	07868	GREEN RIVER CAPITAL	Ref002381322	01/07/08	UB Refund Cst #0000122546	96.11	96.11
2009834	01/09/08	02187	GREENSCAPE	1757	12/01/07	LANDSCAPING SERVICES	5,800.00	5,800.00
2009835	01/09/08	07883	GREGORY MORRIS	Ref002381338	01/07/08	UB Refund Cst #0000028442	67.38	67.38

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2009967	01/16/08	00174	HACH COMPANY	5413952	12/27/07	CHLORINE & AMMONIA ANALYZER	1,958.36	1,958.36
2010060	01/24/08	00174	HACH COMPANY	5416103	12/28/07	HACH ANALYZER PARTS FOR PM	1,380.66	1,380.66
2010147	01/30/08	00174	HACH COMPANY	5543630	01/08/08	AUTOCAT CHLORINE ANALYZER REAGENTS	145.04	145.04
2010148	01/30/08	02255	HACKETT, DARRYL T	016533	01/28/08	COMPUTER LOAN PROGRAM	2,632.97	2,632.97
2009734	01/03/08	00201	HARRINGTON INDUSTRIAL PLASTICS	00485155	12/11/07	GAS CHLORINE POLYETHYLENE TUBING	191.02	191.02
2009735	01/03/08	03639	HARRIS & ASSOCIATES INC	402120104	12/07/07	CIP P2009 - 36 INCH PIPELINE VALVE ENGG	5,350.00	5,350.00
2009736	01/03/08	04217	HATCH & PARENT	419025	12/19/08	LEGISLATIVE ADVOCACY SVCS - NOV 2007	2,475.00	2,475.00
2009737	01/03/08	06640	HD SUPPLY WATERWORKS LTD	6500211	12/14/07	INVENTORY	4,591.19	4,591.19
2009836	01/09/08	06640	HD SUPPLY WATERWORKS LTD	6520401	12/19/07	INVENTORY	2,044.18	
				6520583	12/19/07	INVENTORY	91.59	2,135.77
2009968	01/16/08	06640	HD SUPPLY WATERWORKS LTD	5985422	09/18/07	INVENTORY	3,437.92	
				6339945	11/15/07	INVENTORY	1,762.66	5,200.58
2010061	01/24/08	06640	HD SUPPLY WATERWORKS LTD	6538982	12/28/07	INVENTORY	2,348.41	
				6510366	12/28/07	REPAIR CLAMP	962.21	
				6520507	12/21/07	INVENTORY	213.35	3,523.97
2010149	01/30/08	06640	HD SUPPLY WATERWORKS LTD	6538934	01/07/08	INVENTORY	4,906.03	
				6573062	01/07/08	NO OXIDE GREASE	362.04	
				6559179	01/07/08	INVENTORY	315.17	5,583.24
2010150	01/30/08	04472	HECTOR I MARES-COSSIO	34	12/01/07	BI-NATIONAL CONSULTANT SERVICES	3,000.00	3,000.00
2010209	01/30/08	07990	HERIBERTO LANGARICA	Ref002382078	01/28/08	UB Refund Cst #0000120695	805.84	805.84
2009969	01/16/08	01109	HOME DEPOT CREDIT SERVICES	8192323	01/03/08	BUILDING MAINT SUPPLIES	196.77	196.77
2010062	01/24/08	01109	HOME DEPOT CREDIT SERVICES	41570010	01/02/08	FLUORESCENT BULBS	212.81	212.81
2010151	01/30/08	06540	HORIZON CRANE SERVICE LLC	4281	01/10/08	CRANE RENTAL	725.00	725.00
2009837	01/09/08	07893	HUNT PALMER	Ref002381348	01/07/08	UB Refund Cst #0000067645	70.57	70.57
2010063	01/24/08	01088	HYDRO-SCAPE PRODUCTS INC	0529800000	12/28/07	PLUMBING SUPLIES	132.60	132.60
2010152	01/30/08	03743	HYDROTEX	545346	01/04/08	OIL	473.88	473.88
2009838	01/09/08	02943	INDUSTRIAL METAL SUPPLY CO	247559	12/19/07	WELDING SUPPLIES	1,731.85	
				2475471	12/19/07	WELDING SUPPLIES	1,243.19	

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				247569	12/19/07	WELDING SUPPLIES	699.85	3,674.89
2009970	01/16/08	02943	INDUSTRIAL METAL SUPPLY CO	247496	12/21/07	WELDING SUPPLIES	640.04	
				2475591	12/21/07	WELDING SUPPLIES	215.51	855.55
2009839	01/09/08	03280	INFRASTRUCTURE ENGINEERING	3206	11/30/07	CONST CONSULTANTS/640-1 RESERVOIR	2,562.90	2,562.90
2010064	01/24/08	03280	INFRASTRUCTURE ENGINEERING	3207	11/30/07	PROFL DESIGN & ENV SVCS - 36" PIPELINE	127,303.28	127,303.28
2009971	01/16/08	01982	INTEGRATED OFFICE SYSTEMS	2559	12/27/07	FUSER ASSEMBLY	280.10	280.10
2010065	01/24/08	01982	INTEGRATED OFFICE SYSTEMS	2578	12/31/07	DRUM KIT	91.59	91.59
2010066	01/24/08	02372	INTERIOR PLANT SERVICE INC	26538	12/31/07	PLANT SERVICE	169.00	169.00
2009766	01/09/08	02267	INTERNAL REVENUE SERVICE	Ben2381524	01/10/08	PAYROLL DEDUCTION	50.00	50.00
2009767	01/09/08	04077	INTERNAL REVENUE SERVICE	Ben2381534	01/10/08	PAYROLL DEDUCTION	64.00	64.00
2010010	01/23/08	02267	INTERNAL REVENUE SERVICE	Ben2381926	01/24/08	PAYROLL DEDUCTION	50.00	50.00
2010011	01/23/08	04077	INTERNAL REVENUE SERVICE	Ben2381936	01/24/08	PAYROLL DEDUCTION	64.00	64.00
2009840	01/09/08	03812	INTERNATIONAL DIARIES	801583	01/09/08	CALENDARS FOR 2008	39.80	39.80
2009841	01/09/08	03250	INTERNATIONAL PUBLIC	016474	01/02/08	REGISTRATION FEE	30.00	30.00
2009972	01/16/08	01500	IRRIGATION ASSOCIATION	016489	01/14/08	CERTIFICATION RENEWAL	50.00	50.00
2009842	01/09/08	07926	ISSAM HAMAMA	Ref002381381	01/07/08	UB Refund Cst #0000095072	19.77	19.77
2010153	01/30/08	06630	J C HEDEN AND ASSOCIATES INC	OWD015	01/10/08	AS NEEDED ENGINEERING DRAFTING SERVICE:	5,554.50	5,554.50
2009843	01/09/08	03077	JANI KING OF CA INC - SDO	SDO12070359	12/01/07	OFF-SITE JANITORIAL SERVICES	1,000.00	1,000.00
2010154	01/30/08	03077	JANI KING OF CA INC - SDO	SDO01080353	01/01/08	OFF-SITE JANITORIAL SERVICES	966.54	966.54
2009844	01/09/08	07863	JASON SHORT	Ref002381317	01/07/08	UB Refund Cst #0000121639	6.98	6.98
2009845	01/09/08	07865	JEFF RUVALCABA	Ref002381319	01/07/08	UB Refund Cst #0000121946	34.79	34.79
2009846	01/09/08	07896	JENNIFER HUNT	Ref002381351	01/07/08	UB Refund Cst #0000074442	30.45	30.45
2010210	01/30/08	07965	JESSICA PERDOMO	Ref002382053	01/28/08	UB Refund Cst #0000069949	65.15	65.15
2009847	01/09/08	02533	JOHNSON, ERIC J	016479	01/07/08	EDUCATION/TUITION REIMBURSEMENT	133.41	133.41
2009738	01/03/08	03172	JONES & STOKES ASSOCIATES	0048579	12/11/07	HABITAT MGMT ENVIRONMENTAL SVCS	13,983.77	
				0048588	12/11/07	PROFL ON-CALL ENVIRONMENTAL SVCS	6,233.66	

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				0048578	12/11/07	PROFL ON-CALL ENVIRONMENTAL SVCS	1,275.00	
				0048591	12/11/07	REVEGETATION MONITORING & MAINT SVCS	405.15	21,897.58
2010211	01/30/08	07971	JOSE LOPEZ	Ref002382059	01/28/08	UB Refund Cst #0000084290	93.63	93.63
2009848	01/09/08	07902	JOSE NETRO	Ref002381357	01/07/08	UB Refund Cst #0000079529	67.64	67.64
2009849	01/09/08	07928	JOSEPH AGUIRRE	Ref002381383	01/07/08	UB Refund Cst #0000119361	14.40	14.40
2009850	01/09/08	07901	JOSEPHINE LEDESMA	Ref002381356	01/07/08	UB Refund Cst #0000079471	8.34	8.34
2010212	01/30/08	07993	JOSEPHINE WILLIAMS	Ref002382081	01/28/08	UB Refund Cst #0000122072	75.11	75.11
2009851	01/09/08	07906	JOYCE JACOB	Ref002381361	01/07/08	UB Refund Cst #0000087004	18.47	18.47
2009852	01/09/08	07911	KANE DEVELOPMENT INC	Ref002381366	01/07/08	UB Refund Cst #0000090770	824.38	824.38
2009853	01/09/08	05840	KIRK PAVING INC	3833	12/10/07	AS NEEDED PAVING SERVICES	4,354.00	4,354.00
2009854	01/09/08	04996	KNOX ATTORNEY SERVICE INC	276447	12/17/07	DELIVERY OF BOARD & COMMITTEE PACKETS	27.50	
				276434	12/17/07	DELIVERY OF BOARD & COMMITTEE PACKETS	27.50	
				276433	12/17/07	DELIVERY OF BOARD & COMMITTEE PACKETS	27.50	82.50
2009739	01/03/08	04996	KNOX ATTORNEY SERVICES INC	275900	12/12/07	DELIVERY OF BOARD & COMMITTEE PACKETS	27.50	
				275899	12/12/07	DELIVERY OF BOARD & COMMITTEE PACKETS	27.50	
				275901	12/12/07	DELIVERY OF BOARD & COMMITTEE PACKETS	27.50	82.50
2010067	01/24/08	06497	LAKESIDE LAND COMPANY	205546	01/02/08	ASPHALT	90.00	90.00
2009855	01/09/08	07935	LAWRENCE DURBIN	Ref002381390	01/07/08	UB Refund Cst #0000121321	14.69	14.69
2010213	01/30/08	07961	LESLIE LANCASTER	Ref002382048	01/28/08	UB Refund Cst #0000047693	10.81	10.81
2009856	01/09/08	06273	LIEBERT CASSIDY WHITMORE	84159	11/30/07	LABOR RELATIONS CONSULTING SERVICES	2,000.00	2,000.00
2010155	01/30/08	06273	LIEBERT CASSIDY WHITMORE	84699	12/31/07	LABOR RELATIONS CONSULTING SERVICES	2,000.00	2,000.00
2010156	01/30/08	06263	LINTNER, JERRY	016543	01/29/08	EDUCATION/TUITION REIMBURSEMENT	258.25	258.25
2009857	01/09/08	07864	LISA SCHACHTSCHNEIDER	Ref002381318	01/07/08	UB Refund Cst #0000121879	22.55	22.55
2009858	01/09/08	07932	LITTON	Ref002381387	01/07/08	UB Refund Cst #0000120710	85.61	85.61
2010214	01/30/08	07988	LITTON LOAN SERVICING	Ref002382076	01/28/08	UB Refund Cst #0000119226	79.19	79.19
2009973	01/16/08	03784	LIVESCAN SAN DIEGO	07583	12/18/07	FINGERPRINTING SERVICES	20.00	20.00
2010157	01/30/08	03784	LIVESCAN SAN DIEGO INC	08631	01/16/08	FINGERPRINTING SERVICES	20.00	
				08613	01/05/08	FINGERPRINTING SERVICES	20.00	40.00

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2010068	01/24/08	05220	LOGICALIS INTEGRATION SOLUTION	S817097	12/31/07	IT DATA CENTER SERVICES	3,314.96	3,314.96
2009859	01/09/08	07921	LONI MACHLUS GRINSHFAN	Ref002381376	01/07/08	UB Refund Cst #0000092924	17.69	17.69
2010069	01/24/08	03019	LOPEZ, JOSE A	70101107	11/30/07	REIMBURSE MILEAGE EXPENSE	146.45	146.45
2010215	01/30/08	05783	LUCIO SALAS	Ref002382049	01/28/08	UB Refund Cst #0000058840	11.87	11.87
2009860	01/09/08	07879	M V ROTHMAN	Ref002381334	01/07/08	UB Refund Cst #000009666	436.64	436.64
2009861	01/09/08	07591	MA, DONGXING	016481	01/08/08	REIMBURSE HEALTH CARE FLEX DED	31.25	31.25
2009974	01/16/08	01464	MAG SYSTEMS INC	156904809	12/21/07	DUAL ISOLATOR	601.95	601.95
2010216	01/30/08	07967	MAGGIE KEMPLE	Ref002382055	01/28/08	UB Refund Cst #0000075702	24.74	24.74
2009862	01/09/08	07903	MANAGING GP INC	Ref002381358	01/07/08	UB Refund Cst #0000083156	78.05	78.05
2009975	01/16/08	00628	MANHATTAN NAT'L LIFE INS CO	016486	01/14/08	VOLUNTARY LIFE INSURANCE	445.07	445.07
2010070	01/24/08	06665	MANUEL CHAVEZ WHOLESALE	016519	01/22/08	RECOGNITION LUNCHEON CENTER PIECES	499.10	499.10
2010217	01/30/08	07978	MARGARITA BUTTS	Ref002382066	01/28/08	UB Refund Cst #0000090393	113.81	113.81
2010218	01/30/08	08001	MARIA J MENDOZA	Ref002382090	01/28/08	UB Refund Cst #0000123766	47.67	47.67
2010219	01/30/08	07976	MARISELA CARDENAS	Ref002382064	01/28/08	UB Refund Cst #0000090089	7.49	7.49
2010220	01/30/08	07972	MARLITH AUSTIN	Ref002382060	01/28/08	UB Refund Cst #0000085821	108.44	108.44
2010071	01/24/08	02902	MARSTON+MARSTON INC	20081	01/01/08	PUBLIC RELATIONS SERVICES	4,028.50	4,028.50
2009863	01/09/08	03792	MARTINEZ, STEPHEN V	016471	12/28/07	COMPUTER LOAN PROGRAM	896.20	896.20
2010072	01/24/08	03792	MARTINEZ, STEPHEN V	016503	01/16/08	EDUCATION/TUITION REIMBURSEMENT	120.00	120.00
2009864	01/09/08	07866	MARYHELEN AYARZA	Ref002381320	01/07/08	UB Refund Cst #0000122111	6.59	6.59
2009865	01/09/08	07914	MASTER DEVELOPMENT CORP	Ref002381369	01/07/08	UB Refund Cst #0000091416	438.31	438.31
2010158	01/30/08	00282	MCGRAW-HILL CONSTRUCTION/ENR	016530	01/25/08	SUBSCRIPTION RENEWAL	82.00	82.00
2009740	01/03/08	01183	MCMaster-CARR SUPPLY CO	77677013	12/12/07	PUMP PARTS	337.80	337.80
2009866	01/09/08	01183	MCMaster-CARR SUPPLY CO	77344256 78070367	12/06/07 12/19/07	REPLACEMENT VALVES COTTONWOOD REPAIR PART	204.38 132.44	336.82
2010073	01/24/08	01183	MCMaster-CARR SUPPLY CO	78664188	01/04/08	STOP SIGN	127.92	127.92

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2010159	01/30/08	01183	MCMASTER-CARR SUPPLY CO	78522613	01/02/08	SUPPLIES	422.82	
				78922026	01/09/08	METER GAUGES	392.64	
				78996470	01/10/08	WAREHOUSE SUPPLY	345.67	
				78823513	01/08/08	WWTP SUMP PUMP PIPING REPAIR	256.55	1,417.68
2009867	01/09/08	07880	MCMILLIN	Ref002381335	01/07/08	UB Refund Cst #0000015711	441.78	441.78
2010221	01/30/08	07880	MCMILLIN	Ref002382042	01/28/08	UB Refund Cst #0000015711	333.06	333.06
2010222	01/30/08	07960	MCMILLIN	Ref002382047	01/28/08	UB Refund Cst #0000039294	543.91	543.91
2009868	01/09/08	07862	MERCADO, SONNY	016471	12/28/07	COMPUTER LOAN PROGRAM	3,000.00	3,000.00
2010223	01/30/08	07977	MICHAEL PIERCE	Ref002382065	01/28/08	UB Refund Cst #0000090304	11.91	11.91
2010074	01/24/08	07943	MICHAEL SPURGEON	016514	01/15/08	REFUND SPEC'L ASSESSMENT #600-030-23-00	30.42	30.42
2010224	01/30/08	07975	MICHELLE TAYLOR	Ref002382063	01/28/08	UB Refund Cst #0000089162	7.45	7.45
2009869	01/09/08	07881	MICHIKO TAKAI	Ref002381336	01/07/08	UB Refund Cst #0000020116	97.13	97.13
2009870	01/09/08	07915	MIKE MILLER	Ref002381370	01/07/08	UB Refund Cst #0000091646	30.37	30.37
2010075	01/24/08	02835	MIL-RAM TECHNOLOGY INC	981392	01/04/08	SENSOR CIRCUIT BOARD	341.00	341.00
2009741	01/03/08	01577	MINARIK CORPORATION	I0524137DD	12/12/07	ETHERNET MODULE	966.18	966.18
2010076	01/24/08	01577	MINARIK CORPORATION	I0528526DD	12/28/07	TREATMENT PLANT DHS PERMIT REQUIREMEN	1,917.44	1,917.44
2009742	01/03/08	00887	MIRAMAR TRUCK CENTER-SAN DIEGO	222637	12/11/07	REPAIR PART	325.62	325.62
2009976	01/16/08	03393	MOBILE MINI LLC - CA	904089905	12/23/07	RENTAL 40' METERS STORAGE CONTAINER	164.90	164.90
2010077	01/24/08	03393	MOBILE MINI LLC - CA	904092124	01/01/08	RENTAL 40' METERS STORAGE CONTAINER	170.88	170.88
2010225	01/30/08	07991	MONIQUE SANCHEZ	Ref002382079	01/28/08	UB Refund Cst #0000121591	62.81	62.81
2009743	01/03/08	02503	MORGAN COMPANY	14532	11/28/07	REPAIR PART	893.09	893.09
2009977	01/16/08	02503	MORGAN COMPANY	14599	12/26/07	TIMER/RELAY	119.43	119.43
2010160	01/30/08	03623	MWH AMERICAS INC	1158253	12/30/07	PROFESSIONAL SERVICES RENDERED	3,089.98	3,089.98
2009744	01/03/08	02037	MWH LABORATORIES	222489LI	12/07/07	LABORATORY ANALYSES	512.00	512.00
2010078	01/24/08	02037	MWH LABORATORIES	224053LI	12/28/07	MONTHLY REGULATORY ANALYSES	518.00	518.00
2010226	01/30/08	07973	NADINE MENDOZA	Ref002382061	01/28/08	UB Refund Cst #0000087700	27.29	27.29

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2009872	01/09/08	04676	NAPA AUTO PARTS	093962		CREDIT MEMO	(151.12)	
				092441		CREDIT MEMO	(124.93)	
				098916		CREDIT MEMO	(94.73)	
				096106		CREDIT MEMO	(92.65)	
				098915		CREDIT MEMO	(79.74)	
				096107		CREDIT MEMO	(60.37)	
				092379		CREDIT MEMO	(56.03)	
				093963		CREDIT MEMO	(36.55)	
				092776		CREDIT MEMO	(18.07)	
				098008		CREDIT MEMO	(12.52)	
				095745		CREDIT MEMO	(11.84)	
				092442		CREDIT MEMO	(11.84)	
				096229	11/30/07	REPAIR PARTS	439.94	
				098165	12/19/07	REPAIR PARTS	310.86	
				096494	12/03/07	REPAIR PARTS	225.88	
				097218	12/10/07	REPAIR PARTS	137.54	
				096837	12/06/07	REPAIR PARTS	116.61	
				096445	12/03/07	REPAIR PARTS	116.15	
				098192	12/19/07	REPAIR PARTS	110.64	
				096720	12/05/07	REPAIR PARTS	98.61	
				097992	12/17/07	REPAIR PARTS	87.11	
				090536	10/08/07	REPAIR PARTS	70.61	
				098238	12/19/07	REPAIR PARTS	65.80	
				097727	12/14/07	REPAIR PARTS	53.50	
				097523	12/12/07	REPAIR PARTS	53.27	
				097185	12/10/07	REPAIR PARTS	45.02	
				098378	12/20/07	REPAIR PARTS	44.31	
				096743	12/05/07	REPAIR PARTS	40.65	
				098048	12/18/07	REPAIR PARTS	29.95	
				096437	12/03/07	REPAIR PARTS	29.51	
				098356	12/20/07	REPAIR PARTS	29.38	
				098357	12/20/07	REPAIR PARTS	29.38	
				096574	12/04/07	REPAIR PARTS	16.98	
				096957	12/06/07	REPAIR PARTS	16.46	
				098271	12/19/07	REPAIR PARTS	15.06	
				098241	12/19/07	REPAIR PARTS	13.12	
				096731	12/05/07	REPAIR PARTS	12.52	
096575	12/04/07	REPAIR PARTS	8.49					
096742	12/05/07	REPAIR PARTS	6.79					
098223	12/19/07	REPAIR PARTS	6.79					
096492	12/03/07	REPAIR PARTS	4.73					
096564	12/04/07	REPAIR PARTS	4.73					
098187	12/19/07	REPAIR PARTS	2.14					
097648	12/13/07	REPAIR PARTS	1.64	1,493.78				
2009978	01/16/08	04676	NAPA AUTO PARTS	098464	12/21/07	REPAIR PARTS	60.25	
				098799	12/26/07	REPAIR PARTS	52.67	
				098716	12/26/07	REPAIR PARTS	25.73	

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				098470	12/21/07	REPAIR PARTS	13.12	151.77
2010079	01/24/08	04676	NAPA AUTO PARTS	097207	12/10/07	REPAIR PARTS	18.06	18.06
2009768	01/09/08	03523	NATIONAL DEFERRED COMPENSATION	Ben2381520	01/10/08	DEFERRED COMP PLAN	12,881.25	12,881.25
2010012	01/23/08	03523	NATIONAL DEFERRED COMPENSATION	Ben2381922	01/24/08	DEFERRED COMP PLAN	12,421.25	12,421.25
2009979	01/16/08	03733	NEC UNIFIED SOLUTIONS INC	VSH10250703	12/26/07	LABOR FOR PHONE SVCS	112.00	112.00
2010227	01/30/08	07958	NELIA PARANAL	Ref002382045	01/28/08	UB Refund Cst #0000030545	75.00	75.00
2009873	01/09/08	03487	NETWORK INSIGHT	NINMS200700753	12/17/07	NETWORK MONITORING SERVICES	315.00	315.00
2010080	01/24/08	03487	NETWORK INSIGHT	NINMS200800786	12/31/07	NETWORK MONITORING SERVICES	688.50	688.50
2010228	01/30/08	07995	NEUMAN & NEUMAN REAL ESTATE	Ref002382083	01/28/08	UB Refund Cst #0000122942	13.21	13.21
2009980	01/16/08	05494	NEXTEL COMMUNICATIONS	901500243016	01/12/08	GIS (AIR-TRAK) CELLULAR SERVICE	3,547.61	3,547.61
2009874	01/09/08	03571	NEXTLEVEL INTERNET INC	14488	12/14/07	INTERNET WEB HOSTING	416.00	416.00
2010229	01/30/08	07987	NICHOLE MISCHO	Ref002382075	01/28/08	UB Refund Cst #0000095369	35.53	35.53
2009875	01/09/08	07922	NICOLE HENDRIX	Ref002381377	01/07/08	UB Refund Cst #0000094357	77.25	77.25
2010230	01/30/08	07953	NOEL RAMOS	Ref002382039	01/28/08	UB Refund Cst #0000009618	93.25	93.25
2010231	01/30/08	07986	NORBERTO TORRES	Ref002382074	01/28/08	UB Refund Cst #0000095021	14.40	14.40
2010232	01/30/08	07970	NORMA CORTEZ	Ref002382058	01/28/08	UB Refund Cst #0000083551	10.79	10.79
2009981	01/16/08	02669	NORTHERN TOOL & EQUIPMENT CO	17294217	12/19/07	REPAIR PARTS	209.97	209.97
2009745	01/03/08	03299	OCB REPROGRAPHICS	5071579 5060728	11/20/07 11/13/07	REPROGRAPHICS SERVICES REPROGRAPHICS SERVICES	435.82 163.54	599.36
2010081	01/24/08	03299	OCB REPROGRAPHICS	5077591 5086735	11/27/07 11/30/07	20" PIPELINE CONVERSION, CIP R2081 458-1 RESERVOIR INTERIOR COATING	876.58 10.78	887.36
2009746	01/03/08	00510	OFFICE DEPOT INC	411711700001	12/12/07	OFFICE SUPPLIES	409.78	409.78
2009876	01/09/08	00510	OFFICE DEPOT INC	412559450001 412732971002 412559450002 412732971001 413231371001	12/19/07 12/19/07 12/19/07 12/19/07 12/19/07	OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES	409.32 89.17 56.89 33.74 15.51	604.63
2009982	01/16/08	00510	OFFICE DEPOT INC	413062467001	12/26/07	OFFICE SUPPLIES	1,351.90	

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				413363878001	12/26/07	OFFICE SUPPLIES	251.59	
				413559739001	12/26/07	OFFICE SUPPLIES	223.92	
				413515228001	12/26/07	PACKING TAPE	69.69	
				413559877001	12/26/07	OFFICE SUPPLIES	43.58	
				414229925001	01/09/08	OFFICE SUPPLIES	15.01	1,955.69
2010161	01/30/08	00510	OFFICE DEPOT INC	414814459001	01/09/08	OFFICE SUPPLIES	250.42	
				414636125001	01/09/08	OFFICE SUPPLIES	137.33	387.75
2010082	01/24/08	07945	OLIN CORPORATION	980541	01/02/08	CHLORINE	1,458.37	1,458.37
2010083	01/24/08	03149	ON SITE LASER	40351	12/20/07	PRINTER REPAIR	103.48	103.48
2009877	01/09/08	02721	ORTIZ CORPORATION	4	12/01/07	P2459 - OLIVE VISTA UTILITY RELOCATIONS	29,081.43	29,081.43
2010084	01/24/08	02721	ORTIZ CORPORATION	5	01/01/08	P2459 - OLIVE VISTA UTILITY RELOCATIONS	63,778.59	63,778.59
2009878	01/09/08	02334	OTAY LANDFILL	005841	12/15/07	WASTE DISPOSAL SERVICES	453.64	453.64
2010085	01/24/08	02334	OTAY LANDFILL	005893	12/31/07	WASTE DISPOSAL SERVICES	1,158.36	1,158.36
2010233	01/30/08	07957	OTAY PROJECT LP	Ref002382044	01/28/08	UB Refund Cst #0000028397	850.00	850.00
2009879	01/09/08	07894	OTAY R8/9 LLC	Ref002381349	01/07/08	UB Refund Cst #0000068075	762.16	762.16
2009769	01/09/08	03101	OTAY WATER DISTRICT	Ben2381522	01/10/08	PAYROLL DEDUCTION - ASSN DUES	819.00	819.00
2010013	01/23/08	03101	OTAY WATER DISTRICT	Ben2381924	01/24/08	PAYROLL DEDUCTION - ASSN DUES	826.00	826.00
2010086	01/24/08	07499	PACIFIC BUILDING MAINTENANCE	15260	01/01/08	JANITORIAL SERVICE	2,795.00	2,795.00
2009880	01/09/08	06646	PACIFIC HYDROTECH CORPORATION	11	11/30/07	CONSTRUCTION SERVICES	1,566,835.00	
				9R1	09/30/07	CONSTRUCTION SERVICES	647,921.26	2,214,756.26
2009983	01/16/08	03017	PACIFIC SAFETY COUNCIL	16484	01/09/08	TRAINING COURSE REGISTRATION	495.00	
				016490	01/14/08	SAFETY TRAINING CLASS REGISTRATION	155.00	
				016485	01/09/08	TRAINING COURSE REGISTRATION	50.00	700.00
2010087	01/24/08	07737	PARADISE CANYON SYSTEMS INC	122007922	12/28/07	PROFESSIONAL SERVICES	5,148.83	5,148.83
2009881	01/09/08	07913	PATRICIA RODRIGUEZ	Ref002381368	01/07/08	UB Refund Cst #0000091139	12.58	12.58
2010088	01/24/08	05497	PAYPAL INC	1319220	12/31/07	ON-LINE PAYMENT SERVICES	365.10	365.10
2010089	01/24/08	03308	PBS&J	355600	12/19/07	CIP P2089-RECYCLED WATER CONCEPT STUDY	2,086.55	
				0352002	11/30/07	OWD WASTE DISCHARGE PERMIT REV	809.54	2,896.09
2010162	01/30/08	03308	PBS&J	356443	12/27/07	2009 MASTER PLAN UPDATE	17,973.00	17,973.00

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2009747	01/03/08	00138	PEARSON FORD CO	843176	12/12/07	RIGHT TAILLIGHT ASSEMBLY	83.13	83.13
2009882	01/09/08	00138	PEARSON FORD CO	845003	12/20/07	REPAIR PARTS	226.33	226.33
2009984	01/16/08	00138	PEARSON FORD CO	846247	12/27/07	REPAIR PART	226.33	226.33
2010090	01/24/08	00138	PEARSON FORD CO	847684	01/04/08	REPAIR PARTS	32.54	32.54
2009883	01/09/08	00593	PEPPER OIL COMPANY INC	605221	12/20/07	DIESEL FUEL LOPS	10,442.40	10,442.40
2009985	01/16/08	00593	PEPPER OIL COMPANY INC	605515 605259 605437 605481	01/10/08 12/27/07 01/03/08 01/03/08	DIESEL FUEL DIESEL FUEL DIESEL FUEL DIESEL FUEL	9,962.23 7,636.19 7,227.94 5,915.97	30,742.33
2010091	01/24/08	00593	PEPPER OIL COMPANY INC	605265	12/21/07	UNLEADED FUEL	15,273.26	15,273.26
2009748	01/03/08	03180	PERFORMANCE METER INC	0013738IN	12/10/07	TEMP METER REPAIR PARTS	667.04	667.04
2009884	01/09/08	07891	PERLA MUCINO	Ref002381346	01/07/08	UB Refund Cst #0000064548	136.42	136.42
2010092	01/24/08	02932	PESTICIDE APPLICATORS	016509	01/17/08	MEMBERSHIP RENEWAL	40.00	40.00
2010014	01/23/08	00137	PETTY CASH CUSTODIAN	016507	01/18/08	PETTY CASH REIMBURSEMENT	857.42	857.42
2009885	01/09/08	01744	PHILLIPS, MICHAEL B	016473	01/03/08	REIMBURSEMENT FOR LICENSE RENEWAL	60.00	60.00
2009749	01/03/08	06419	PLANT SOUP INC	442	12/11/07	COMMUNITY RELATIONS ARTICLE	589.50	589.50
2009886	01/09/08	07161	POULIN, BILL	016472	12/28/07	COMPUTER LOAN PROGRAM	1,544.52	1,544.52
2009887	01/09/08	00622	PRACTITIONERS PUBLISHING CO	10146632 10094617	12/18/07 11/27/07	PPC NON-PROFIT GAAP/PPC GAAS GUIDE CD PPC GAAP CD	293.62 151.39	445.01
2010163	01/30/08	00622	PRACTITIONERS PUBLISHING CO	9903456	07/26/07	PPC GASB CD	855.00	855.00
2009888	01/09/08	05499	PRAXAIR DISTRIBUTION INC	28122283	12/20/07	WELDING SUPPLIES & EQUIPMENT	581.30	581.30
2009986	01/16/08	05499	PRAXAIR DISTRIBUTION INC	28208474	12/27/07	WELDING SUPPLIES & EQUIPMENT	424.18	424.18
2009750	01/03/08	02976	PRE-PAID LEGAL SERVICES INC	016468	12/27/07	VOLUNTARY PRE-PAID LEGAL SERVICES	73.75	73.75
2010093	01/24/08	02976	PRE-PAID LEGAL SERVICES INC	016523	01/24/08	LEGAL SERVICES	73.75	73.75
2009751	01/03/08	06410	PRISM S C SYSTEMS INC	1210074	12/10/07	SURVEY EQUIPMENT	225.09	225.09
2010094	01/24/08	06410	PRISM S C SYSTEMS INC	1228071	12/28/07	MEASURING WHEEL	126.34	126.34
2010164	01/30/08	07860	PROTECTIVE LIFE INSURANCE CO	016534	01/28/08	ANNUAL LIFE INSURANCE RENEWAL	5,422.50	5,422.50

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2009890	01/09/08	06641	PRUDENTIAL OVERALL SUPPLY	7396524	11/08/07	UNIFORMS	461.62	
				7485997	11/29/07	UNIFORMS	324.07	
				7364447	11/01/07	UNIFORMS	307.38	
				7456378	11/22/07	UNIFORMS	304.07	
				7426662	11/15/07	UNIFORMS	303.02	
				7545306	12/13/07	UNIFORMS	271.55	
				7515692	12/06/07	UNIFORMS	267.55	
				7574868	12/20/07	UNIFORMS	263.20	
				7332372	10/25/07	MATS, TOWELS & SUPPLIES	140.73	
				7364446	11/01/07	MATS, TOWELS & SUPPLIES	140.73	
				7396523	11/08/07	MATS, TOWELS & SUPPLIES	140.73	
				7426661	11/15/07	MATS, TOWELS & SUPPLIES	132.73	
				7456377	11/22/07	MATS, TOWELS & SUPPLIES	107.73	
				7485996	11/29/07	MATS, TOWELS & SUPPLIES	107.73	
				7515691	12/06/07	MATS, TOWELS & SUPPLIES	107.73	
				7545305	12/13/07	MATS, TOWELS & SUPPLIES	107.73	
				7574867	12/20/07	MATS, TOWELS & SUPPLIES	107.73	
				7332374	10/25/07	MATS, TOWELS & SUPPLIES	107.50	
				7364448	11/01/07	MATS, TOWELS & SUPPLIES	107.50	
				7396525	11/08/07	MATS, TOWELS & SUPPLIES	107.50	
				7426663	11/15/07	MATS, TOWELS & SUPPLIES	107.50	
				7293625	10/17/07	MATS, TOWELS & SUPPLIES	93.95	
				7325794	10/24/07	MATS, TOWELS & SUPPLIES	93.95	
				7357891	10/31/07	MATS, TOWELS & SUPPLIES	93.95	
				7389989	11/07/07	MATS, TOWELS & SUPPLIES	93.95	
				7420600	11/14/07	MATS, TOWELS & SUPPLIES	93.95	
				7450323	11/21/07	MATS, TOWELS & SUPPLIES	93.70	
				7456379	11/22/07	MATS, TOWELS & SUPPLIES	88.00	
				7485998	11/29/07	MATS, TOWELS & SUPPLIES	88.00	
				7515693	12/06/07	MATS, TOWELS & SUPPLIES	88.00	
				7545307	12/13/07	MATS, TOWELS & SUPPLIES	88.00	
				7574869	12/20/07	MATS, TOWELS & SUPPLIES	88.00	
				7479924	11/28/07	MATS, TOWELS & SUPPLIES	81.50	
				7509607	12/05/07	MATS, TOWELS & SUPPLIES	81.50	
				7539252	12/12/07	MATS, TOWELS & SUPPLIES	81.50	
				7568851	12/19/07	MATS, TOWELS & SUPPLIES	81.50	
				7389988	11/07/07	UNIFORMS	81.00	
				7515694	12/06/07	UNIFORMS	80.68	
				7325793	10/24/07	UNIFORMS	74.64	
				7539251	12/12/07	UNIFORMS	71.11	
				7420599	11/14/07	UNIFORMS	69.11	
				7450322	11/21/07	UNIFORMS	69.11	
				7479923	11/28/07	UNIFORMS	69.11	
				7509606	12/05/07	UNIFORMS	69.11	
				7568850	12/19/07	UNIFORMS	69.11	
				7364449	11/01/07	UNIFORMS	64.68	
				7396526	11/08/07	UNIFORMS	64.68	
				7426664	11/15/07	UNIFORMS	64.68	

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				7456380	11/22/07	UNIFORMS	64.68	
				7485999	11/29/07	UNIFORMS	64.68	
				7545308	12/13/07	UNIFORMS	64.68	
				7574870	12/20/07	UNIFORMS	64.68	
				7357890	10/31/07	UNIFORMS	64.13	6,525.35
2009987	01/16/08	06641	PRUDENTIAL OVERALL SUPPLY	7604263	12/27/07	UNIFORMS	263.20	
				7604262	12/27/07	MATS, TOWELS & SUPPLIES	107.73	
				7604264	12/27/07	MATS, TOWELS & SUPPLIES	88.00	
				7598268	12/26/07	MATS, TOWELS & SUPPLIES	81.50	
				7598267	12/26/07	UNIFORMS	69.11	
				7604265	12/27/07	UNIFORMS	64.68	674.22
2010095	01/24/08	06641	PRUDENTIAL OVERALL SUPPLY	7633792	01/03/08	UNIFORMS	263.20	
				7633791	01/03/08	MATS, TOWELS & SUPPLIES	108.73	
				7633793	01/03/08	MATS, TOWELS & SUPPLIES	89.00	
				7633794	01/03/08	UNIFORMS	65.48	526.41
2009752	01/03/08	00078	PUBLIC EMPLOYEES RETIREMENT	Ben2381170	12/27/07	PERS CONTRIBUTION	116,652.09	116,652.09
2009988	01/16/08	00078	PUBLIC EMPLOYEES RETIREMENT	Ben2381516	01/10/08	PERS CONTRIBUTION	119,660.07	119,660.07
2010234	01/30/08	00078	PUBLIC EMPLOYEES RETIREMENT	Ben2381918	01/24/08	PERS CONTRIBUTION	117,292.74	117,292.74
2009891	01/09/08	07882	R ARMADO RODRIGUEZ	Ref002381337	01/07/08	UB Refund Cst #0000023460	52.90	52.90
2009989	01/16/08	01342	R J SAFETY SUPPLY CO INC	24459501	12/21/07	SAFETY SUPPLIES	172.61	
				24499700	12/21/07	SAFETY JACKETS	157.32	
				24503400	12/27/07	SMOKE FIT TEST KIT	60.88	390.81
2010165	01/30/08	01342	R J SAFETY SUPPLY CO INC	24546200	01/10/08	SAFETY JACKET	78.66	78.66
2010166	01/30/08	08004	RANCHO SAN DIEGO HOA	016535	01/28/08	REIMBURSEMENT - CASH FOR PLANTS	14,966.00	14,966.00
2009990	01/16/08	00766	RANROY PRINTING COMPANY	092344	12/24/07	BUSINESS CARDS	48.49	48.49
2010235	01/30/08	07955	RAY ROBINSON	Ref002382041	01/28/08	UB Refund Cst #0000010835	23.52	23.52
2009892	01/09/08	07909	RAYMIE OCHOA	Ref002381364	01/07/08	UB Refund Cst #0000088847	35.29	35.29
2009893	01/09/08	02041	RBF CONSULTING	7100024	11/30/07	CIP P2185 - CONST MGMT SVCS	48,325.00	48,325.00
2010167	01/30/08	02041	RBF CONSULTING	7110855	12/21/07	CIP P2185 - CONST MGMT SVCS	44,430.00	44,430.00
2009894	01/09/08	06645	RELIABLE ELEVATOR INC	11012	12/01/07	ELEVATOR SERVICE & MAINTENANCE	390.00	390.00
2010168	01/30/08	06645	RELIABLE ELEVATOR INC	11279	01/01/08	ELEVATOR SERVICE & MAINTENANCE	390.00	390.00
2009895	01/09/08	07869	REMAX ASSOCIATES	Ref002381323	01/07/08	UB Refund Cst #0000122650	52.96	52.96

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2009896	01/09/08	07895	REYES AREBALO	Ref002381350	01/07/08	UB Refund Cst #0000073232	13.76	13.76
2010236	01/30/08	07979	RICARDO LUKEN GALAZ	Ref002382067	01/28/08	UB Refund Cst #0000090578	38.83	38.83
2009897	01/09/08	07878	RICHARD LEO	Ref002381332	01/07/08	UB Refund Cst #000007707	65.27	65.27
2009753	01/03/08	01342	RJ SAFETY SUPPLY CO INC	24459500	12/12/07	SAFETY SUPPLIES	737.07	737.07
2010096	01/24/08	04542	ROBAK, MARK	70141107 70141207 CM70141107	01/18/08 01/18/08 01/14/08	MILEAGE REIMBURSEMENT MILEAGE REIMBURSEMENT CREDIT EXPENSE	150.49 27.27 (22.00)	155.76
2009898	01/09/08	07888	ROBERT HART	Ref002381343	01/07/08	UB Refund Cst #0000049530	49.05	49.05
2009991	01/16/08	02948	ROCKHURST UNIVERSITY	400906749001	01/09/08	SEMINAR REGISTRATION	169.00	169.00
2009992	01/16/08	04655	RODRIGUEZ, NINOTCHKA	016494	01/15/08	EDUCATION/TUITION REIMBURSEMENT	176.00	176.00
2009899	01/09/08	07890	ROGER BACKSTEDT	Ref002381345	01/07/08	UB Refund Cst #0000062843	60.57	60.57
2009900	01/09/08	07933	RONALD POLL	Ref002381388	01/07/08	UB Refund Cst #0000121107	75.87	75.87
2010169	01/30/08	02683	SAFECHECKS INC	0507654 0507639	01/10/08 01/09/08	A/P CHECK STOCK PAYROLL CHECKS	808.01 211.50	1,019.51
2010170	01/30/08	00758	SAN DIEGO BUSINESS JOURNAL	016527	01/23/08	SUBSCRIPTION RENEWAL	50.00	50.00
2010097	01/24/08	03803	SAN DIEGO CLIPPING SERVICE INC	439080102	01/02/08	NEWSPAPER CLIPPING SERVICE	100.00	100.00
2010098	01/24/08	06530	SAN DIEGO COUNTRY CLUB INC	016526	01/24/08	ANNUAL LUNCHEON RECOGNITION	5,338.93	5,338.93
2009901	01/09/08	07929	SAN DIEGO COUNTY CREDIT UNION	Ref002381384	01/07/08	UB Refund Cst #0000120466	21.24	21.24
2009754	01/03/08	04661	SAN DIEGO COUNTY WATER	016464	12/21/07	MEETING REGISTRATION	60.00	60.00
2010171	01/30/08	00247	SAN DIEGO DAILY TRANSCRIPT	82907	01/28/08	BID ADVERTISEMENT	135.05	135.05
2009755	01/03/08	00121	SAN DIEGO GAS & ELECTRIC	00320095 016454 016461	12/24/07 12/18/07 12/21/07	UTILITY EXPENSES UTILITY EXPENSES UTILITY EXPENSES	42,922.00 23,279.37 623.06	66,824.43
2009902	01/09/08	00121	SAN DIEGO GAS & ELECTRIC	016470 016475	12/27/07 01/03/08	UTILITY EXPENSES UTILITY EXPENSES	40,937.45 34,126.36	75,063.81
2009993	01/16/08	00121	SAN DIEGO GAS & ELECTRIC	016484	01/10/08	UTILITY EXPENSES	13,373.73	13,373.73
2010099	01/24/08	00121	SAN DIEGO GAS & ELECTRIC	016518 016520	12/23/07 01/17/08	UTILITY EXPENSE UTILITY EXPENSES	490.57 18.33	508.90

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2010172	01/30/08	00121	SAN DIEGO GAS & ELECTRIC	016529	01/24/08	UTILITY EXPENSES	29,319.52	
				016527	01/18/08	UTILITY EXPENSES	19,667.01	
				016536	01/25/08	UTILITY EXPENSE	19.27	49,005.80
2009903	01/09/08	03590	SAN JOSE, DELIA S	016476	01/03/08	REIMB FOR LICENSE RENEWAL COURSES	199.00	199.00
2009904	01/09/08	07676	SAN MIGUEL FIRE PROTECTION	SMG13208	12/24/08	ANNUAL BUSINESS INSPECTION	394.00	394.00
2010100	01/24/08	03514	SANTOS, MARCIANO	016504	01/16/08	EDUCATION/TUITION REIMBURSEMENT	289.34	289.34
2009905	01/09/08	05321	SCHIFF & ASSOCIATES	01237	11/30/07	CIP P1043-CATHODIC PROTECTION PROGRAM	3,158.58	3,158.58
2009994	01/16/08	07288	SCHMIDT FIRE PROTECTION CO INC	61719	12/14/07	FIRE SYSTEM TESTING	336.00	336.00
2009995	01/16/08	07783	SCRIPPS CENTER FOR EXECUTIVE	16186	12/13/07	EXECUTIVE PHYSICAL	2,209.00	2,209.00
2010101	01/24/08	05512	SD COUNTY VECTOR CONTROL PROG	SD100370708	01/17/08	ANNUAL ASSESSMENT FEE	541.80	541.80
2009906	01/09/08	00419	SHAPE PRODUCTS	132346	12/19/07	LABORATORY SUPPLIES	629.01	629.01
2010173	01/30/08	07952	SHARON BOYER	RF035063157	01/22/08	UB REFUND	56.83	
				RF209172520	01/22/08	UB REFUND	52.29	109.12
2010102	01/24/08	01651	SHARP REES-STEALY MEDICAL CTRS	195	12/15/07	DMV EXAM	50.00	50.00
2010174	01/30/08	01651	SHARP REES-STEALY MEDICAL CTRS	196	01/19/08	NEW HIRE PHYSICAL	88.00	88.00
2009907	01/09/08	07934	SHAWN WOODWARD	Ref002381389	01/07/08	UB Refund Cst #0000121276	27.44	27.44
2009908	01/09/08	07884	SHELLY BUCK	Ref002381339	01/07/08	UB Refund Cst #0000029068	31.93	31.93
2009756	01/03/08	05983	SIEMENS WATER	2312697	12/07/07	PUMP PARTS	4,715.25	4,715.25
2009909	01/09/08	05983	SIEMENS WATER	2322036	12/18/07	ENCORE 700 PUMP	149.94	149.94
2010175	01/30/08	05983	SIEMENS WATER	SLS30032815	01/09/08	PRE-AMP ASSY & HRR SENSOR	1,508.51	1,508.51
2010103	01/24/08	05627	SIGNA DIGITAL SOLUTIONS INC	ARS12995	01/02/08	SH 2052 COPIER @ TREATMENT PLANT	31.00	31.00
2010176	01/30/08	05627	SIGNA DIGITAL SOLUTIONS INC	ARS13108	01/08/08	COPIER MAINTENANCE	550.00	
				ARS13107	01/08/08	COPIER MAINTENANCE	131.00	681.00
2010177	01/30/08	06277	SIGNATURE PRESS	68251	01/03/08	WATER CONSERVATION POSTCARDS	799.00	799.00
2010104	01/24/08	06493	SIGNIFICANT DIGITS INC	08H176078	12/31/07	METER READING HANDHELDS	1,220.50	1,220.50
2009910	01/09/08	01691	SKILLPATH SEMINARS	9370290	12/24/07	REGISTRATION FEE	269.00	269.00

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2010237	01/30/08	08003	SKYLINE WESLEYAN CHURCH INC	Ref002382092	01/28/08	UB Refund Cst #0000124038	664.69	664.69
2009757	01/03/08	00258	SLOAN ELECTRIC CO	0052898	12/07/07	PUMP REPAIRS	3,411.68	3,411.68
2010105	01/24/08	07795	SOCAL PUMP & WELL DRILLING INC	43448	12/31/07	REBUILD PUMP #2 @ 711-1	17,425.00	17,425.00
2009911	01/09/08	03071	SOCO GROUP INC, THE	123650	12/17/07	CHEVRON TURBINE GST 68 MOTOR OIL	252.82	252.82
2009912	01/09/08	03592	SOFTCHOICE CORPORATION	1546787	12/12/07	SOFTWARE LICENSING	8,517.64	8,517.64
2009913	01/09/08	07912	SOLEDAD MALDONADO	Ref002381367	01/07/08	UB Refund Cst #0000091014	37.76	37.76
2009758	01/03/08	03103	SOUTHCOAST HEATING &	C35361	12/12/07	AIR CONDITIONING MAINTENANCE	857.00	857.00
2010178	01/30/08	01669	SOUTHLAND ENVELOPE CO INC	044106	01/10/08	RETURN ENVELOPES	120.50	120.50
2009759	01/03/08	03760	SPANKY'S PORTABLE SERVICES	711150	12/13/07	PORTABLE TOILET RENTAL	98.15	98.15
2009996	01/16/08	03760	SPANKY'S PORTABLE SERVICES INC	712305	12/21/07	PORTABLE TOILET RENTAL	90.66	
				712303	12/21/07	PORTABLE TOILET RENTAL	90.66	
				712304	12/21/07	PORTABLE TOILET RENTAL	90.66	
				712505	12/24/07	PORTABLE TOILET RENTAL	90.66	
				712302	12/21/07	PORTABLE TOILET RENTAL	90.66	
				714606	01/02/08	PORTABLE TOILET RENTAL	90.66	543.96
2010179	01/30/08	03760	SPANKY'S PORTABLE SERVICES INC	715676	01/10/08	PORTABLE TOILET RENTAL	109.92	109.92
2009760	01/03/08	00590	SPECIALTY SEALS & ACCESSORIES	25355	12/14/07	REBUILD 2 SEALS	828.96	828.96
2010180	01/30/08	03600	SPRINT	016516	01/14/08	WIRELESS CARDS SERVICE - INTERNET	59.99	59.99
2009914	01/09/08	02354	STANDARD ELECTRONICS	10342	12/18/07	SECURITY SERVICE & REPAIRS	1,275.00	
				10366	12/20/07	SECURITY SERVICE & REPAIRS	106.25	1,381.25
2010106	01/24/08	02354	STANDARD ELECTRONICS	10207	11/14/07	SECURITY SERVICE & REPAIRS	127.50	127.50
2010107	01/24/08	00097	STATE BOARD OF EQUALIZATION	016501	12/31/07	STORAGE TANK MAINT FEE	369.89	369.89
2010181	01/30/08	00480	STATE BOARD OF EQUALIZATION	016534	12/31/07	CA SALES USE TAX - 4TH QTR 2007 PYMT	867.68	867.68
2009761	01/03/08	01560	STATE CHEMICAL MANUFACTURING	93622741	12/12/07	SHOP SUPPLIES	212.60	212.60
2010182	01/30/08	01560	STATE CHEMICAL MANUFACTURING	93614202	12/04/07	OIL	470.21	470.21
2009770	01/09/08	06295	STATE DISBURSEMENT UNIT	Ben2381530	01/10/08	PAYROLL DEDUCTION	294.46	294.46
2009771	01/09/08	06299	STATE DISBURSEMENT UNIT	Ben2381528	01/10/08	PAYROLL DEDUCTION	237.69	237.69
2009772	01/09/08	06303	STATE DISBURSEMENT UNIT	Ben2381532	01/10/08	PAYROLL DEDUCTION	482.76	482.76

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2010015	01/23/08	06295	STATE DISBURSEMENT UNIT	Ben2381932	01/24/08	PAYROLL DEDUCTION	294.46	294.46
2010016	01/23/08	06299	STATE DISBURSEMENT UNIT	Ben2381930	01/24/08	PAYROLL DEDUCTION	237.69	237.69
2010017	01/23/08	06303	STATE DISBURSEMENT UNIT	Ben2381934	01/24/08	PAYROLL DEDUCTION	482.76	482.76
2009773	01/09/08	02261	STATE STREET BANK & TRUST CO	Ben2381518	01/10/08	DEFERRED COMP PLAN	9,485.03	9,485.03
2010018	01/23/08	02261	STATE STREET BANK & TRUST CO	Ben2381920	01/24/08	DEFERRED COMP PLAN	9,360.03	9,360.03
2010108	01/24/08	07678	STREAMLINE FORMS & GRAPHICS	33728	12/31/07	DOOR HANGERS	227.35	227.35
2009997	01/16/08	06841	SUPERIOR ENVIRONMENTAL	0712037	12/24/07	DATA CENTER CLEANING MAINTENANCE	600.00	600.00
2009915	01/09/08	02799	TARULLI TIRE INC - SAN DIEGO	20031480	10/12/07	TIRE REPAIR	20.47	20.47
2009916	01/09/08	01834	TC CONSTRUCTION INC	00001391	12/05/07	RETAINAGE RELEASE	50,000.00	50,000.00
2010238	01/30/08	07982	TEAMWORK PROP MGMT	Ref002382070	01/28/08	UB Refund Cst #0000093875	176.00	176.00
2010239	01/30/08	07985	TEAMWORK PROP MGMT	Ref002382073	01/28/08	UB Refund Cst #0000094895	93.96	93.96
2009917	01/09/08	02376	TECHKNOWSION INC	2012	12/10/07	SCADA SOFTWARE SUPPORT	11,455.34	11,455.34
2009918	01/09/08	07875	TED HUSKEY	Ref002381329	01/07/08	UB Refund Cst #0000123554	40.68	40.68
2010240	01/30/08	07875	TED HUSKEY	Ref002382089	01/28/08	UB Refund Cst #0000123554	83.74	83.74
2009919	01/09/08	07885	TERRI YOUNG	Ref002381340	01/07/08	UB Refund Cst #0000035217	6.17	6.17
2009999	01/16/08	02498	THOMPSON, CHAD	016493	01/15/08	EDUCATION/TUITION REIMBURSEMENT	133.41	133.41
2009998	01/16/08	04977	T-MOBILE	016489	01/01/08	CELL PHONE & BLACKBERRIES SERVICE	1,756.87	1,756.87
2009920	01/09/08	07365	TOTAL FILTRATION SERVICES INC	PSV250894 PSV242124	09/01/07 08/14/07	REPLACEMENT FILTERS FOR BLOWERS REPLACEMENT FILTERS FOR BLOWERS	301.07 242.60	543.67
2009921	01/09/08	07873	TOWNSON CHRIS	Ref002381327	01/07/08	UB Refund Cst #0000123231	20.76	20.76
2010241	01/30/08	07996	TRACEY LAMB	Ref002382084	01/28/08	UB Refund Cst #0000123090	735.90	735.90
2010109	01/24/08	03314	TRAN, THIEN	016504	01/15/08	COMPUTER LOAN PROGRAM	948.18	948.18
2010110	01/24/08	07569	TRIAD PROPERTIES	016506	01/16/08	CUSTOMER REFUND	96.11	96.11
2010111	01/24/08	07674	U S BANK CORPORATE PAYMENT	016519	12/24/07	DISTRICT EXPENSES	1,996.95	1,996.95
2010183	01/30/08	07674	U S BANK CORPORATE PAYMENT	016545	12/24/07	DISTRICT EXPENSES	2,168.72	2,168.72

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2009922	01/09/08	06829	U S SECURITY ASSOCIATES INC	58942	12/20/07	AFTER HOURS SECURITY SVCS	878.25	
				58943	12/20/07	AFTER HOURS SECURITY SVCS	329.50	1,207.75
2010000	01/16/08	06829	U S SECURITY ASSOCIATES INC	66124	12/27/07	AFTER HOURS SECURITY SVCS	724.60	724.60
2010112	01/24/08	00427	UNDERGROUND SERVICE ALERT OF	1220070444	01/01/08	UNDERGROUND TRENCH SERVICE ALERTS	248.00	248.00
2010113	01/24/08	03563	UNDERGROUND UTILITIES INC	126718	12/31/07	METER RETROFIT	23,340.00	23,340.00
2009923	01/09/08	00075	UNION TRIBUNE PUBLISHING CO	C071102222	11/30/07	JOB POSTINGS	2,111.03	
				C070902395	09/30/07	JOB POSTINGS	1,896.63	4,007.66
2010001	01/16/08	00075	UNION TRIBUNE PUBLISHING CO	C071102223	11/30/07	BID & CONSULTANT SVCS AD	936.90	
				C071002374	10/31/07	ENGINEERING CONSULTANT SVCS AD	295.20	1,232.10
2010114	01/24/08	00075	UNION TRIBUNE PUBLISHING CO	C20070902396	01/23/08	BID ADVERTISEMENTS	811.80	811.80
2009924	01/09/08	02613	UNITED RENTALS NORTHWEST INC	70585994001	12/17/07	CONCRETE	137.92	137.92
2009774	01/09/08	05417	UNITED STATES DEPARTMENT	Ben2381536	01/10/08	PAYROLL DEDUCTION	100.00	100.00
2010019	01/23/08	05417	UNITED STATES DEPARTMENT	Ben2381938	01/24/08	PAYROLL DEDUCTION	100.00	100.00
2010002	01/16/08	00350	UNITED STATES POSTAL SERVICE	016501	01/16/08	REIMBURSE POSTAGE MACHINE	1,500.00	1,500.00
2010184	01/30/08	07662	UNITEDHEALTHCARE SPECIALTY	016541	01/28/08	BASIC LIFE/AD&D & SUPP LIFE INS - FEB 08	5,020.43	
				016540	01/28/08	BASIC LIFE/AD&D & SUPP LIFE INS - JAN 08	5,020.43	
				016539	01/28/08	BASIC LIFE/AD&D & SUPP LIFE INS - DEC 07	3,454.18	
				016538	01/28/08	BASIC LIFE/AD&D & SUPP LIFE INS - NOV 07	3,454.18	
				016537	01/28/08	BASIC LIFE/AD&D & SUPP LIFE INS - OCT 07	437.28	17,386.50
2009762	01/03/08	05416	UNIVERSITY MECHANICAL &	13078	11/30/06	CA WASTEWATER PROC OPTIMIZATION PRGM	3,120.00	3,120.00
2010020	01/23/08	03212	UNUM LIFE INSURANCE	Ben2381916	01/24/08	LONG TERM DISABILITY	6,325.18	6,325.18
2010242	01/30/08	07994	USRES	Ref002382082	01/28/08	UB Refund Cst #0000122671	50.31	50.31
2009775	01/09/08	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2381526	01/10/08	DEFERRED COMP PLAN	13,030.84	13,030.84
2010021	01/23/08	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2381928	01/24/08	DEFERRED COMP PLAN	12,379.30	12,379.30
2009925	01/09/08	03329	VERIZON WIRELESS	0615553935	12/21/07	WIRELESS DATA SERVICES	8,294.13	8,294.13
2009926	01/09/08	07897	VERONICA RUIZ	Ref002381352	01/07/08	UB Refund Cst #0000074947	29.91	29.91
2010243	01/30/08	07992	VICTOR RIVERA	Ref002382080	01/28/08	UB Refund Cst #0000121891	5.27	5.27
2010003	01/16/08	02089	VORTEX DATA SYSTEMS INC	0017796	12/21/07	MSCE TRAINING	2,495.00	2,495.00

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2009927	01/09/08	07871	VSR DESIGN AND DEVELOPMENT	Ref002381325	01/07/08	UB Refund Cst #0000122949	459.61	459.61
2009763	01/03/08	00101	W W GRAINGER INC	9523790153	12/12/07	SOLENOID	837.38	
				9525511029	12/14/07	SUMP PUMP	540.22	
				9525172244	12/14/07	BATTERIES	71.30	
				9525172236	12/14/07	BALL VALVE	57.84	1,506.74
2009928	01/09/08	00101	W W GRAINGER INC	9523559822	12/12/07	SOLENOID VALVES	419.32	
				9529724800	12/20/07	SPRAY PAINT	100.85	520.17
2010004	01/16/08	00101	W W GRAINGER INC	9530541417	12/21/07	PAINT	50.43	
				9530515312	12/21/07	PAINT	50.43	100.86
2010115	01/24/08	00101	W W GRAINGER INC	9534671913	01/02/08	EXTENSION LADDER AND SPILL CONTAINMENT	342.08	
				9534025953	01/02/08	SPILL CONTAINMENT	142.55	484.63
2010185	01/30/08	00101	W W GRAINGER INC	9540883940	01/10/08	WHEELS AND DEVICE COVERS	269.81	
				9540055010	01/10/08	1/4 AMP GLASS FUSES	21.46	
				9540313674	01/10/08	1/4 AMP GLASS FUSES	19.79	311.06
2009929	01/09/08	00347	WALL STREET JOURNAL	016480	01/08/08	SUBSCRIPTION RENEWAL	268.30	268.30
2010005	01/16/08	00262	WATER AGENCIES ASSOCIATION	016488	01/10/08	MEETING REGISTRATION	160.00	160.00
2010186	01/30/08	02700	WATER CONSERVATION GARDEN	OTAY30708	01/10/08	3RD QTR OPERATING COSTS	19,687.50	19,687.50
2010116	01/24/08	00215	WATER EDUCATION FOUNDATION	016506	12/21/07	MEMBERSHIP RENEWAL	1,977.00	1,977.00
2010187	01/30/08	00215	WATER EDUCATION FOUNDATION	016544	01/24/08	SUBSCRIPTION RENEWAL	35.00	35.00
2010006	01/16/08	03621	WATEREUSE ASSOCIATION	016486	01/09/08	MEMBERSHIP FEE	75.00	75.00
2009930	01/09/08	00014	WAXIE SANITARY SUPPLY	70405201	12/20/07	JANITORIAL SUPPLIES	1,201.71	1,201.71
2009931	01/09/08	07908	WAYNE DAVID	Ref002381363	01/07/08	UB Refund Cst #0000087948	60.37	60.37
2010117	01/24/08	01343	WE GOT YA PEST CONTROL	44949	11/07/07	BEE REMOVAL	115.00	
				45740	12/21/07	BEE REMOVAL	115.00	
				45737	12/28/07	PEST CONTROL SERVICES	40.00	
				45704	12/26/07	PEST CONTROL SERVICES	40.00	
				45705	12/26/07	PEST CONTROL SERVICES	40.00	
				45703	12/26/07	PEST CONTROL SERVICES	40.00	390.00
2010007	01/16/08	00190	WEST PAYMENT CENTER	815077446	12/20/07	LEGAL UPDATES/SUBSCRIPTION SVCS	1,804.36	1,804.36
2010188	01/30/08	00190	WEST PAYMENT CENTER	564448	01/29/08	LEGAL LIBRARY UPDATES	82.97	82.97
2010118	01/24/08	00125	WESTERN PUMP INC	0064140IN	12/31/07	APCD TESTING	625.00	625.00

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2009719 THROUGH 2010245
RUN DATES 1/3/2008 TO 1/30/2008

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2010008	01/16/08	03692	WESTIN ENGINEERING INC	29517	12/19/07	STRATEGIC PLAN PROJECT	30,000.00	30,000.00
2009764	01/03/08	03437	WIENHOFF DRUG TESTING INC	ANNUAL1207	12/11/07	ANNUAL CONSORTIUM FEE	50.00	50.00
2010189	01/30/08	03437	WIENHOFF DRUG TESTING INC	17853	12/31/07	PROGRAM FEE FOR ADD'L EMPLOYEES	100.00	100.00
2009765	01/03/08	02725	WILLIAMS SCOTSMAN INC	77923727	12/08/07	MOBILE OFFICE RENTAL	316.83	316.83
2010119	01/24/08	02725	WILLIAMS SCOTSMAN INC	78567832	01/02/08	28' TRAILER RENTAL	293.85	293.85
2010190	01/30/08	02725	WILLIAMS SCOTSMAN INC	78728894 78696634	01/09/08 01/08/08	STAMPED PLANS - CIP #R2053 MOBILE OFFICE RENTAL	575.00 288.82	863.82
2009932	01/09/08	07931	WORLD SAVINGS	Ref002381386	01/07/08	UB Refund Cst #0000120621	51.80	51.80
2010244	01/30/08	08000	WORLD SAVINGS BANK	Ref002382088	01/28/08	UB Refund Cst #0000123424	27.38	27.38
2010245	01/30/08	07999	WORLD SAVINGS/WACHOVIA	Ref002382087	01/28/08	UB Refund Cst #0000123404	29.10	29.10
2010009	01/16/08	07940	ZACHARY D DIMENSTEIN	016490	01/14/08	OVERPAYMENT REFUND	53.00	53.00
2009933	01/09/08	07870	ZUELMA MALDONADO	Ref002381324	01/07/08	UB Refund Cst #0000122699	163.38	163.38
GRAND TOTAL							3,935,288.96	3,935,288.96

**OTAY WATER DISTRICT
COMPARATIVE BUDGET SUMMARY
FOR SIX MONTHS ENDED DECEMBER 31, 2007**

	Annual Budget	YTD Actual	YTD Budget	YTD Variance	Var %
REVENUE:					
Water Sales	\$ 32,331,300	\$ 16,511,604	\$ 17,445,600	\$ (933,996)	(5.4%)
Energy Charges	2,018,000	1,079,259	1,095,600	(16,341)	(1.5%)
System Charges	9,596,300	4,605,954	4,558,200	47,754	1.0%
Penalties	852,100	485,345	451,700	33,645	7.4%
MWD & CWA Fixed Charges	2,708,800	1,213,572	1,207,200	6,372	0.5%
Total Water Sales	<u>47,506,500</u>	<u>23,895,734</u>	<u>24,758,300</u>	<u>(862,566)</u>	<u>(3.5%)</u>
Reclamation Sales	6,001,400	3,587,396	3,514,100	73,296	2.1%
Sewer Charges	2,679,100	1,332,749	1,342,600	(9,851)	(0.7%)
Meter Fees	318,500	31,273	152,400	(121,127)	(79.5%)
Capacity Fee Revenues	1,414,500	632,954	707,400	(74,446)	(10.5%)
Betterment Fees for Maintenance	73,300	36,700	36,700	-	0.0%
Annexation Fees	1,464,500	279,555	732,000	(452,445)	(61.8%)
Non-Operating Revenues	1,680,200	737,246	834,200	(96,954)	(11.6%)
Tax Revenues	4,003,800	1,529,753	1,456,600	73,153	5.0%
Interest	1,038,700	403,785	519,600	(115,815)	(22.3%)
Draw on Designated Funds*	408,400	214,800	214,800	-	0.0%
Total Revenue	<u>\$ 66,588,900</u>	<u>\$ 32,681,946</u>	<u>\$ 34,268,700</u>	<u>\$ (1,586,754)</u>	<u>(4.6%)</u>
EXPENSES:					
Water Purchases	\$ 25,407,100	\$ 12,702,075	\$ 13,910,300	\$ 1,208,225	8.7%
CWA-Infrastructure Access Charge	1,090,200	515,560	515,400	(160)	(0.0%)
CWA-Customer Service Charge	950,400	440,122	440,400	278	0.1%
CWA-Emergency Storage Charge	1,507,800	639,647	639,600	(47)	(0.0%)
MWD-Capacity Res Charge	569,400	273,116	273,000	(116)	(0.0%)
MWD-Readiness to Serve Charge	552,600	282,096	256,200	(25,896)	(10.1%)
Subtotal Water Purchases	<u>30,077,500</u>	<u>14,852,616</u>	<u>16,034,900</u>	<u>1,182,284</u>	<u>7.4%</u>
Power Charges	2,804,800	1,347,014	1,360,800	13,786	1.0%
Payroll & Related Costs	16,012,900	8,033,718	8,033,650	(68)	(0.0%)
Material & Maintenance	4,452,900	2,217,041	2,176,450	(40,591)	(1.9%)
Administrative Expenses	5,773,000	2,051,114	2,497,850	446,736	17.9%
Legal Fees	1,209,300	1,232,438	961,667	(270,771)	(28.2%)
Expansion Reserve	2,590,200	1,295,100	1,295,100	-	0.0%
Betterment Reserve	3,432,900	1,716,500	1,716,500	-	0.0%
Replacement Reserve	235,400	117,700	117,700	-	0.0%
Total Expenses	<u>\$ 66,588,900</u>	<u>\$ 32,863,241</u>	<u>\$ 34,194,617</u>	<u>\$ 1,331,376</u>	<u>3.9%</u>
Excess Revenue (Expense)	<u>\$ -</u>	<u>\$ (181,295)</u>	<u>\$ 74,083</u>	<u>\$ (255,378)</u>	

* Board approved Draw on Designated Funds used to fund negotiated benefits.

**OTAY WATER DISTRICT
INVESTMENT PORTFOLIO REVIEW
DECEMBER 31, 2007**

INVESTMENT OVERVIEW & MARKET STATUS:

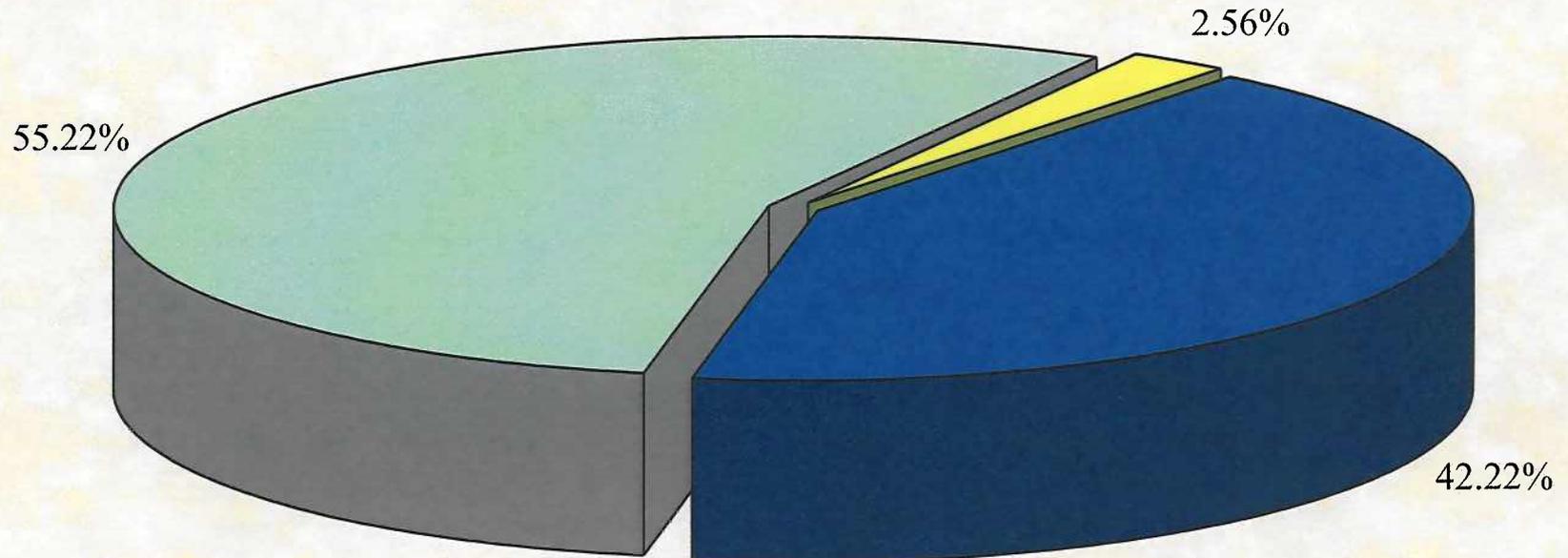
On January 22nd, the Federal Reserve Board's federal funds rate was lowered from 4.25% to 3.50%. This was the fourth reduction since September 18th, when the rate was 5.25%, and was the largest single cut since 1982. This was an inter-meeting reduction which was made in direct response to President Bush's call for immediate action to stimulate the economy. Because of these rate reductions, the District's callable federal agency issue bonds are being redeemed at their earliest available call date. All called investments are paid at par so there is no loss on the investment. Only the interest rate changes as the funds are reinvested. Reflective of this drop in available interest rates, the District's overall effective rate of return on its portfolio at December 31st was 4.66%. With the change in the federal funds rate, we are beginning to diversify the portfolio into additional authorized investments so as to extend the average maturity of the portfolio. At the same time the LAIF return on deposits is expected to take several months to fall to the level of the federal funds rate, due to the fund's average maturity of 208 days, making this an excellent short-term alternative for maximum investment of available funds.

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

PORTFOLIO COMPLIANCE: December 31, 2007

	<u>Investment</u>	<u>State Limit</u>	<u>Otay Limit</u>	<u>Otay Actual</u>
8.01:	Treasury Securities	100%	100%	0
8.02:	Local Agency Investment Fund (Operations)	\$40 Million	\$40 Million	\$30.74 Million
8.02:	Local Agency Investment Fund (Bonds)	100%	100%	1.44%
8.03:	Federal Agency Issues	100%	100%	53.15%
8.04:	Certificates of Deposit	30%	15%	1.11%
8.05:	Short-Term Commercial Notes	25%	15%	0
8.06:	Medium-Term Commercial Debt	30%	15%	2.05%
8.07:	Money Market Mutual Funds	20%	15%	0
8.08:	San Diego County Pool	100%	100%	9.24%
12.0:	Maximum Single Financial Institution	100%	50%	1.45%

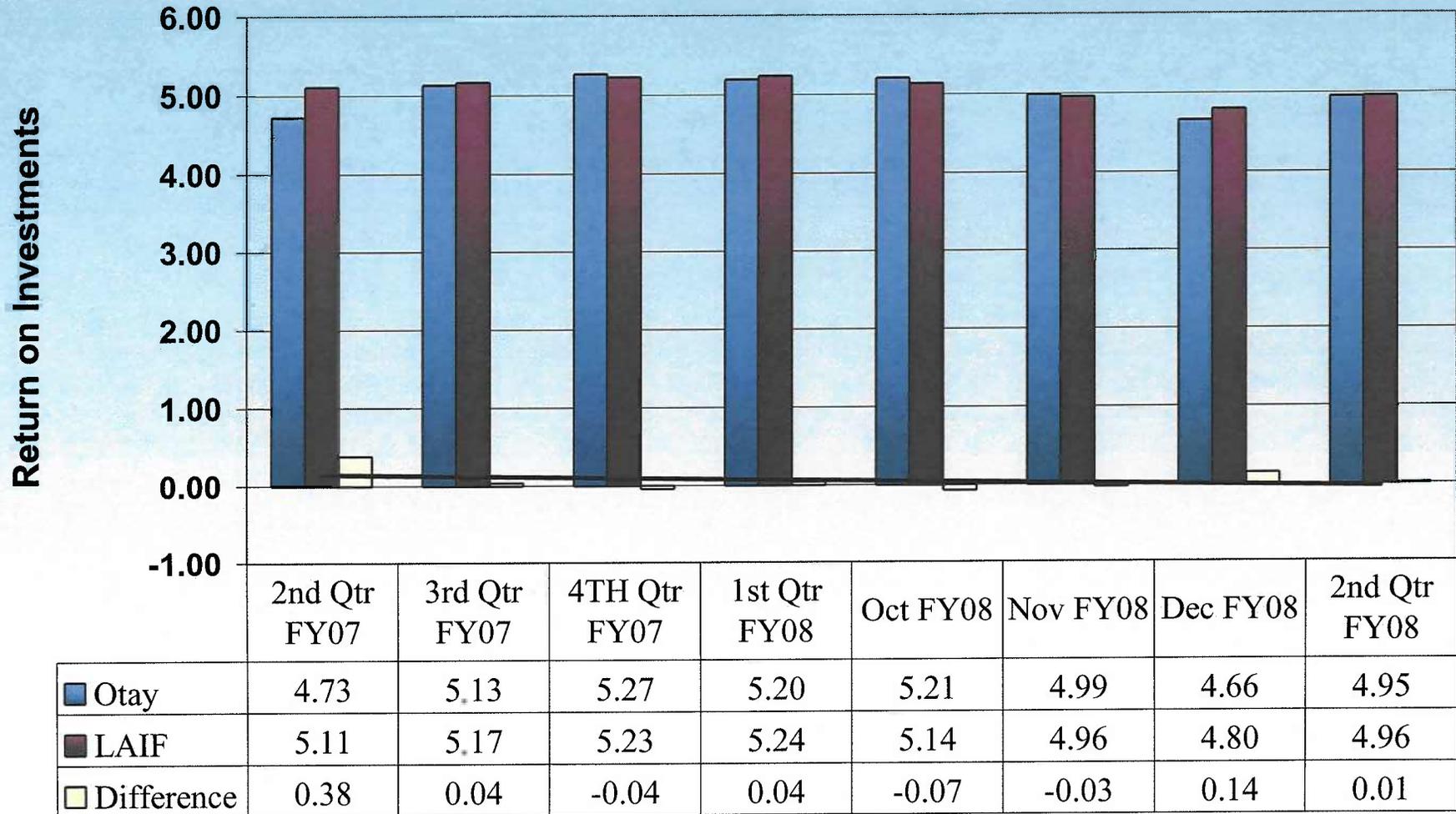
Otay Water District Investment Portfolio: 12/31/07



■ Banks (Passbook/Checking/CD) ■ Pools (LAIF & County) ■ Agencies & Corporate Notes

Performance Measure F-12 Return on Investment

Target: Meet or Exceed 100% of LAIF



Month

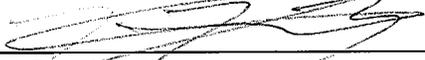
■ Otay
 ■ LAIF
 ■ Difference
 — Linear (Difference)

OTAY
Portfolio Management
Portfolio Summary
December 31, 2007

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Corporate Notes	2,000,000.00	2,035,154.11	2,032,353.42	2.12	1,111	1,065	4.340	4.401
Federal Agency Issues- Callable	47,800,000.00	47,871,625.00	47,798,945.74	49.75	696	622	4.635	4.699
Federal Agency Issues - Coupon	4,000,000.00	3,998,125.00	4,000,000.00	4.16	167	116	4.395	4.456
Certificates of Deposit - Bank	1,079,108.00	1,079,108.00	1,079,108.00	1.12	393	323	4.779	4.845
Local Agency Investment Fund (LAIF)	32,150,013.47	32,171,847.03	32,150,013.47	33.47	1	1	4.735	4.801
San Diego County Pool	9,008,765.87	9,044,091.92	9,008,765.87	9.38	1	1	4.671	4.736
	96,037,887.34	96,199,951.06	96,069,186.50	100.00%	382	341	4.657	4.722
Investments								
Cash								
Passbook/Checking (not included in yield calculations)	1,414,651.73	1,414,651.73	1,414,651.73		1	1	3.324	3.371
Total Cash and Investments	97,452,539.07	97,614,602.79	97,483,838.23		382	341	4.657	4.722

Total Earnings	December 31 Month Ending	Fiscal Year To Date
Current Year	388,742.78	2,590,376.19
Average Daily Balance	98,139,933.65	101,288,542.86
Effective Rate of Return	4.66%	5.07%

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.


 Joseph Beachem, Chief Financial Officer

1-30-08

OTAY
Portfolio Management
Portfolio Details - Investments
December 31, 2007

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity	Maturity Date
Corporate Notes												
36962G2S2	2044	General Electric Capital		11/16/2007	2,000,000.00	2,035,154.11	2,032,353.42	5.000	Aaa	4.340	1,065	12/01/2010
Subtotal and Average			2,032,785.80		2,000,000.00	2,035,154.11	2,032,353.42			4.340	1,065	
Federal Agency Issues- Callable												
31331YCZ1	2043	Federal Farm Credit Bank		11/07/2007	3,000,000.00	3,001,875.00	2,998,945.74	4.490		4.448	674	11/05/2009
3133XJSD1	2017	Federal Home Loan Bank		01/30/2007	3,000,000.00	3,000,000.00	3,000,000.00	5.250		5.173	1	01/02/2008
3133XLEW9	2034	Federal Home Loan Bank		07/02/2007	3,000,000.00	3,000,000.00	3,000,000.00	5.500		5.425	548	07/02/2009
3133XLMZ3	2036	Federal Home Loan Bank		07/23/2007	3,000,000.00	3,002,812.50	3,000,000.00	5.450		5.375	569	07/23/2009
3133XLTL7	2037	Federal Home Loan Bank		07/30/2007	3,000,000.00	3,024,375.00	3,000,000.00	5.550		5.474	941	07/30/2010
3133XMXC0	2039	Federal Home Loan Bank		11/06/2007	1,000,000.00	1,001,250.00	1,000,000.00	4.500		4.438	310	11/06/2008
3133XMX71	2042	Federal Home Loan Bank		11/14/2007	2,000,000.00	2,008,125.00	2,000,000.00	4.500		4.435	591	08/14/2009
3133XN6X2	2045	Federal Home Loan Bank		11/20/2007	2,000,000.00	2,005,000.00	2,000,000.00	4.500		4.436	962	08/20/2010
3133XN7B9	2046	Federal Home Loan Bank		11/28/2007	2,000,000.00	2,004,375.00	2,000,000.00	4.400		4.340	513	05/28/2009
3133XN6R5	2047	Federal Home Loan Bank		11/28/2007	2,000,000.00	2,001,250.00	2,000,000.00	4.500		4.438	332	11/28/2008
3133XNC56	2048	Federal Home Loan Bank		11/28/2007	2,000,000.00	2,001,875.00	2,000,000.00	4.600		4.537	332	11/28/2008
3133XNEF2	2049	Federal Home Loan Bank		11/26/2007	2,000,000.00	2,000,000.00	2,000,000.00	4.600		4.537	1,057	11/23/2010
3133XNGT0	2050	Federal Home Loan Bank		12/04/2007	2,000,000.00	2,001,250.00	2,000,000.00	4.500		4.438	338	12/04/2008
3133XNKN8	2051	Federal Home Loan Bank		12/10/2007	2,000,000.00	2,001,250.00	2,000,000.00	4.300		4.241	344	12/10/2008
3133XNFC8	2052	Federal Home Loan Bank		12/07/2007	2,000,000.00	2,001,875.00	2,000,000.00	4.500		4.438	702	12/03/2009
3133XNLN7	2053	Federal Home Loan Bank		12/11/2007	2,000,000.00	2,003,750.00	2,000,000.00	4.300		4.241	527	06/11/2009
3133XNN47	2054	Federal Home Loan Bank		12/12/2007	2,000,000.00	2,002,500.00	2,000,000.00	4.450		4.389	528	06/12/2009
3133XNN62	2055	Federal Home Loan Bank		12/12/2007	2,000,000.00	2,002,500.00	2,000,000.00	4.450		4.384	436	03/12/2009
3133XNM63	2056	Federal Home Loan Bank		12/17/2007	2,000,000.00	1,998,750.00	2,000,000.00	4.550		4.488	1,081	12/17/2010
3133XNP52	2057	Federal Home Loan Bank		12/17/2007	2,000,000.00	2,003,750.00	2,000,000.00	4.375		4.315	990	09/17/2010
3133XNS42	2058	Federal Home Loan Bank		12/18/2007	2,000,000.00	2,000,000.00	2,000,000.00	4.250		4.192	899	06/18/2010
3133XNPR4	2059	Federal Home Loan Bank		12/24/2007	1,800,000.00	1,805,062.50	1,800,000.00	4.350		4.290	1,088	12/24/2010
Subtotal and Average			46,915,282.72		47,800,000.00	47,871,625.00	47,798,945.74			4.635	622	
Federal Agency Issues - Coupon												
3133XMY62	2040	Federal Home Loan Bank		11/08/2007	2,000,000.00	1,998,750.00	2,000,000.00	4.420		4.359	128	05/08/2008
3133XMY54	2041	Federal Home Loan Bank		11/14/2007	2,000,000.00	1,999,375.00	2,000,000.00	4.500		4.430	104	04/14/2008
Subtotal and Average			4,000,000.00		4,000,000.00	3,998,125.00	4,000,000.00			4.395	116	

Portfolio OTAY
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OTAY
Portfolio Management
Portfolio Details - Investments
December 31, 2007

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity	Maturity Date
Certificates of Deposit - Bank												
2050003183R	1996	California Bank & Trust		01/22/2006	79,108.00	79,108.00	79,108.00	3.880		3.880	21	01/22/2008
1002812475	2061	Neighborhood National Bank		12/13/2007	1,000,000.00	1,000,000.00	1,000,000.00	4.850		4.850	347	12/13/2008
Subtotal and Average			692,011.23		1,079,108.00	1,079,108.00	1,079,108.00			4.779	323	
Local Agency Investment Fund (LAIF)												
LAIF	9001	STATE OF CALIFORNIA		07/01/2004	30,742,566.61	30,763,444.35	30,742,566.61	4.801		4.735	1	
LAIF COPS07	9009	STATE OF CALIFORNIA		03/07/2007	1,407,446.86	1,408,402.68	1,407,446.86	4.801		4.735	1	
Subtotal and Average			32,891,948.95		32,150,013.47	32,171,847.03	32,150,013.47			4.735	1	
San Diego County Pool												
SD COUNTY POOL	9007	San Diego County		07/01/2004	9,008,765.87	9,044,091.92	9,008,765.87	4.736		4.671	1	
Subtotal and Average			7,673,282.00		9,008,765.87	9,044,091.92	9,008,765.87			4.671	1	
Total and Average			98,139,933.65		96,037,887.34	96,199,951.06	96,069,186.50			4.657	341	

OTAY
Portfolio Management
Portfolio Details - Cash
December 31, 2007

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity
Union Bank											
UNION MONEY	9002	STATE OF CALIFORNIA		07/01/2004	10,202.36	10,202.36	10,202.36	0.150		0.148	1
PETTY CASH	9003	STATE OF CALIFORNIA		07/01/2004	2,800.00	2,800.00	2,800.00			0.000	1
UNION OPERATING	9004	STATE OF CALIFORNIA		07/01/2004	1,377,272.11	1,377,272.11	1,377,272.11	3.461		3.414	1
PAYROLL	9005	STATE OF CALIFORNIA		07/01/2004	24,377.26	24,377.26	24,377.26			0.000	1
UNION IOC	9008	STATE OF CALIFORNIA		05/01/2006	0.00	0.00	0.00	4.500		4.438	1
		Average Balance	0.00								1
Total Cash and Investmentss			98,139,933.65		97,452,539.07	97,614,602.79	97,483,838.23			4.657	341

OTAY
Activity Report
Sorted By Issuer
July 1, 2007 - December 31, 2007

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value Beginning Balance	Current Rate	Transaction Date	Purchases or Deposits	Par Value Redemptions or Withdrawals	Ending Balance
Issuer: STATE OF CALIFORNIA									
Union Bank									
UNION MONEY	9002	STATE OF CALIFORNIA			0.150		100,991,121.10	101,066,226.33	
UNION OPERATING	9004	STATE OF CALIFORNIA			3.461		8,174,163.01	7,720,097.12	
PAYROLL	9005	STATE OF CALIFORNIA					323,229.04	323,986.92	
UNION IOC	9008	STATE OF CALIFORNIA			4.500		1,240,481.91	1,253,290.86	
Subtotal and Balance				1,049,257.90			110,728,995.06	110,363,601.23	1,414,651.73
Local Agency Investment Fund (LAIF)									
LAIF	9001	STATE OF CALIFORNIA			4.801		52,752,816.87	30,900,000.00	
LAIF COPS07	9009	STATE OF CALIFORNIA			4.801		283,389.28	8,000,000.00	
Subtotal and Balance				18,013,807.32			53,036,206.15	38,900,000.00	32,150,013.47
Issuer Subtotal				34.442%	19,063,065.22		163,765,201.21	149,263,601.23	33,564,665.20
Issuer: California Bank & Trust									
Certificates of Deposit - Bank									
Subtotal and Balance				79,108.00					79,108.00
Issuer Subtotal				0.081%	79,108.00		0.00	0.00	79,108.00
Issuer: FANNIE MAE									
Federal Agency Issues- Callable									
31359M2L6	2012	FANNIE MAE			5.250	12/11/2007	0.00	3,000,000.00	
Subtotal and Balance				3,000,000.00			0.00	3,000,000.00	0.00
Issuer Subtotal				0.000%	3,000,000.00		0.00	3,000,000.00	0.00
Issuer: Federal Farm Credit Bank									
Federal Agency Issues- Callable									

OTAY
Activity Report
July 1, 2007 - December 31, 2007

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Purchases or Deposits	Par Value	
				Beginning Balance	Current Rate			Redemptions or Withdrawals	Ending Balance
Issuer: Federal Farm Credit Bank									
Federal Agency Issues- Callable									
31331YCZ1	2043	Federal Farm Credit Bank			4.490	11/07/2007	3,000,000.00	0.00	
Subtotal and Balance				0.00			3,000,000.00	0.00	3,000,000.00
Issuer Subtotal				3.078%	0.00		3,000,000.00	0.00	3,000,000.00

Issuer: Federal Home Loan Bank

Federal Agency Issues- Callable

3133XEMS5	1998	Federal Home Loan Bank		5.000	11/28/2007	0.00	3,000,000.00		
3133XETX7	2001	Federal Home Loan Bank		5.125	09/14/2007	0.00	3,000,000.00		
3133XF2C9	2002	Federal Home Loan Bank		5.250	10/03/2007	0.00	3,000,000.00		
3133XJ2P2	2010	Federal Home Loan Bank		5.200	12/05/2007	0.00	3,000,000.00		
3133XJ6Q6	2013	Federal Home Loan Bank		5.125	07/20/2007	0.00	3,000,000.00		
3133XJVV1	2015	Federal Home Loan Bank		5.375	07/10/2007	0.00	3,000,000.00		
3133XJR91	2016	Federal Home Loan Bank		5.400	10/30/2007	0.00	3,000,000.00		
3133XJVV7	2018	Federal Home Loan Bank		5.250	08/15/2007	0.00	3,000,000.00		
3133XJU55	2019	Federal Home Loan Bank		5.350	11/21/2007	0.00	3,000,000.00		
3133XK3C7	2022	Federal Home Loan Bank		5.500	12/13/2007	0.00	3,000,000.00		
3133XK6A8	2024	Federal Home Loan Bank		5.300	11/19/2007	0.00	3,000,000.00		
3133XKLA1	2030	Federal Home Loan Bank		5.375	11/01/2007	0.00	3,000,000.00		
3133XKN50	2031	Federal Home Loan Bank		5.300	11/07/2007	0.00	5,000,000.00		
3133XKSS5	2032	Federal Home Loan Bank		5.300	11/09/2007	0.00	3,000,000.00		
3133XL6E8	2033	Federal Home Loan Bank		5.400	12/11/2007	0.00	5,000,000.00		
3133XLEW9	2034	Federal Home Loan Bank		5.500	07/02/2007	3,000,000.00	0.00		
3133XKVD4	2035	Federal Home Loan Bank		5.500	07/10/2007	3,000,000.00	0.00		
3133XKVD4	2035	Federal Home Loan Bank			10/21/2007	0.00	3,000,000.00		
3133XLMZ3	2036	Federal Home Loan Bank		5.450	07/23/2007	3,000,000.00	0.00		
3133XLTL7	2037	Federal Home Loan Bank		5.550	07/30/2007	3,000,000.00	0.00		
3133XLYB3	2038	Federal Home Loan Bank		5.375	08/20/2007	3,000,000.00	0.00		
3133XLYB3	2038	Federal Home Loan Bank			11/20/2007	0.00	3,000,000.00		
3133XMXC0	2039	Federal Home Loan Bank		4.500	11/06/2007	1,000,000.00	0.00		
3133XMX71	2042	Federal Home Loan Bank		4.500	11/14/2007	2,000,000.00	0.00		
3133XN6X2	2045	Federal Home Loan Bank		4.500	11/20/2007	2,000,000.00	0.00		
3133XN7B9	2046	Federal Home Loan Bank		4.400	11/28/2007	2,000,000.00	0.00		
3133XN6R5	2047	Federal Home Loan Bank		4.500	11/28/2007	2,000,000.00	0.00		

Portfolio OTAY

AP

OTAY
Activity Report
July 1, 2007 - December 31, 2007

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Purchases or Deposits	Par Value	
				Beginning Balance	Current Rate			Redemptions or Withdrawals	Ending Balance
Issuer: Federal Home Loan Bank									
Federal Agency Issues- Callable									
3133XNC56	2048	Federal Home Loan Bank			4.600	11/28/2007	2,000,000.00	0.00	
3133XNEF2	2049	Federal Home Loan Bank			4.600	11/26/2007	2,000,000.00	0.00	
3133XNGT0	2050	Federal Home Loan Bank			4.500	12/04/2007	2,000,000.00	0.00	
3133XNKN8	2051	Federal Home Loan Bank			4.300	12/10/2007	2,000,000.00	0.00	
3133XNFC8	2052	Federal Home Loan Bank			4.500	12/07/2007	2,000,000.00	0.00	
3133XNLN7	2053	Federal Home Loan Bank			4.300	12/11/2007	2,000,000.00	0.00	
3133XNN47	2054	Federal Home Loan Bank			4.450	12/12/2007	2,000,000.00	0.00	
3133XNN62	2055	Federal Home Loan Bank			4.450	12/12/2007	2,000,000.00	0.00	
3133XNM63	2056	Federal Home Loan Bank			4.550	12/17/2007	2,000,000.00	0.00	
3133XNP52	2057	Federal Home Loan Bank			4.375	12/17/2007	2,000,000.00	0.00	
3133XNS42	2058	Federal Home Loan Bank			4.250	12/18/2007	2,000,000.00	0.00	
3133XNPR4	2059	Federal Home Loan Bank			4.350	12/24/2007	1,800,000.00	0.00	
Subtotal and Balance					52,000,000.00		47,800,000.00	55,000,000.00	44,800,000.00
Federal Agency Issues - Coupon									
3133XMY62	2040	Federal Home Loan Bank			4.420	11/08/2007	2,000,000.00	0.00	
3133XMY54	2041	Federal Home Loan Bank			4.500	11/14/2007	2,000,000.00	0.00	
Subtotal and Balance					0.00		4,000,000.00	0.00	4,000,000.00
Issuer Subtotal		50.076%			52,000,000.00		51,800,000.00	55,000,000.00	48,800,000.00

Issuer: Federal Home Loan Mortgage

Federal Agency Issues- Callable

3128X4K67	2000	Federal Home Loan Mortgage			5.250	12/07/2007	0.00	3,000,000.00	
3128X4DY4	2004	Federal Home Loan Mortgage			4.000	07/13/2007	0.00	3,000,000.00	
3128X5C55	2020	Federal Home Loan Mortgage			5.500	12/05/2007	0.00	3,000,000.00	
3128X5G93	2021	Federal Home Loan Mortgage			5.320	12/06/2007	0.00	3,000,000.00	
3128X5P51	2023	Federal Home Loan Mortgage			5.300	12/14/2007	0.00	3,000,000.00	
3128X5Z35	2026	Federal Home Loan Mortgage			5.300	10/09/2007	0.00	3,000,000.00	
3128X5Z35	2027	Federal Home Loan Mortgage			5.300	10/09/2007	0.00	5,000,000.00	
3128X5Z84	2028	Federal Home Loan Mortgage			5.400	10/17/2007	0.00	3,000,000.00	
3128X5Z84	2029	Federal Home Loan Mortgage			5.400	10/17/2007	0.00	5,000,000.00	
Subtotal and Balance					31,000,000.00		0.00	31,000,000.00	0.00

Portfolio OTAY

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OTAY
Activity Report
July 1, 2007 - December 31, 2007

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Current Rate	Transaction Date	Purchases or Deposits	Par Value	
				Beginning Balance					Redemptions or Withdrawals	Ending Balance
Issuer Subtotal			0.000%	31,000,000.00			0.00	31,000,000.00	0.00	
Issuer: Federal National Mortgage Assoc										
Federal Agency Issues- Callable										
31359MG31	1997	Federal National Mortgage Assoc			5.000	08/24/2007	0.00	3,000,000.00		
Subtotal and Balance				3,000,000.00			0.00	3,000,000.00	0.00	
Issuer Subtotal			0.000%	3,000,000.00			0.00	3,000,000.00	0.00	
Issuer: General Electric Capital										
Corporate Notes										
36962G2S2	2044	General Electric Capital			5.000	11/16/2007	2,000,000.00	0.00		
Subtotal and Balance				0.00			2,000,000.00	0.00	2,000,000.00	
Issuer Subtotal			2.052%	0.00			2,000,000.00	0.00	2,000,000.00	
Issuer: Neighborhood National Bank										
Certificates of Deposit - Bank										
1002812475	2061	Neighborhood National Bank			4.850	12/13/2007	1,000,000.00	0.00		
Subtotal and Balance				0.00			1,000,000.00	0.00	1,000,000.00	
Issuer Subtotal			1.026%	0.00			1,000,000.00	0.00	1,000,000.00	
Issuer: San Diego County										
San Diego County Pool										
SD COUNTY POOL	9007	San Diego County			4.736		8,902,839.72	0.00		
Subtotal and Balance				105,926.15			8,902,839.72	0.00	9,008,765.87	
Issuer Subtotal			9.244%	105,926.15			8,902,839.72	0.00	9,008,765.87	
Total			100.000%	108,248,099.37			230,468,040.93	241,263,601.23	97,452,539.07	

OTAY
Duration Report
Sorted by Investment Type - Investment Type
Through 12/31/2007

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 365	Current Yield	Maturity/ Call Date	Effective Duration
36962G2S2	2044	99	General Electric Capital	Fair	2,032,353.42	2,000,000.00	2,035,154.11	5.000	4.401	4.353	12/01/2010	2.683
3133XLEW9	2034	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,000,000.00	5.500	5.500	5.500c	01/02/2008	0.002
3133XNKN8	2051	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,001,250.00	4.300	4.300	4.172c	06/10/2008	0.441
3133XMXC0	2039	99	Federal Home Loan Bank	Fair	1,000,000.00	1,000,000.00	1,001,250.00	4.500	4.500	4.245c	05/06/2008	0.345
3133XLMZ3	2036	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,002,812.50	5.450	5.450	5.258c	01/23/2008	0.060
3133XN7B9	2046	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,004,375.00	4.400	4.400	4.241	05/28/2009	1.347
3133XJSD1	2017	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,000,000.00	5.250	5.245	5.250	01/02/2008	0.002
31331YCZ1	2043	99	Federal Farm Credit Bank	Fair	2,998,945.74	3,000,000.00	3,001,875.00	4.490	4.510	4.362c	02/05/2008	0.000
3133XMX71	2042	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,008,125.00	4.500	4.496	3.836c	08/14/2008	0.362
3133XN6X2	2045	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,005,000.00	4.500	4.498	4.105c	08/20/2008	0.378
3133XN6R5	2047	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,001,250.00	4.500	4.500	4.372c	02/28/2008	0.000
3133XLTL7	2037	99	Federal Home Loan Bank	Fair	3,000,000.00	3,000,000.00	3,024,375.00	5.550	5.550	4.126c	07/30/2008	0.556
3133XNN62	2055	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,002,500.00	4.450	4.445	4.195c	03/12/2008	0.000
3133XNM63	2056	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	1,998,750.00	4.550	4.550	4.678c	03/17/2008	0.000
3133XNEF2	2049	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,000,000.00	4.600	4.600	4.600c	05/23/2008	0.391
3133XNN47	2054	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,002,500.00	4.450	4.450	4.195c	03/12/2008	0.000
3133XNLN7	2053	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,003,750.00	4.300	4.300	3.918c	06/11/2008	0.443
3133XNFC8	2052	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,001,875.00	4.500	4.500	4.308c	06/03/2008	0.421
3133XNP52	2057	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,003,750.00	4.375	4.375	4.112c	09/17/2008	0.452
3133XNC56	2048	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,001,875.00	4.600	4.600	4.408c	02/28/2008	0.309
3133XNPR4	2059	99	Federal Home Loan Bank	Fair	1,800,000.00	1,800,000.00	1,805,062.50	4.350	4.350	4.055c	12/24/2008	0.950
3133XNGT0	2050	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,001,250.00	4.500	4.500	4.372c	03/04/2008	0.000
3133XNS42	2058	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,000,000.00	4.250	4.250	4.252c	12/18/2008	0.933

Portfolio OTAY

AP

DU (PRF_DU) SymRept 6.41.200

Report Ver. 5.00

OTAY
Duration Report
Sorted by Investment Type - Investment Type
Through 12/31/2007

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 365	Current Yield	Maturity/ Call Date	Effective Duration
3133XMYS4	2041	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	1,999,375.00	4.500	4.492	4.564	04/14/2008	0.284
3133XMY62	2040	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	1,998,750.00	4.420	4.420	4.548	05/08/2008	0.350
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	0.057 †
1002812475	2061	99	Neighborhood National Bank	Amort	1,000,000.00	1,000,000.00	1,000,000.00	4.850	4.917	4.850	12/13/2008	0.925
Report Total					54,910,407.16	54,879,108.00	54,984,012.11			4.457		0.410 †

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

BOARD MEMBER ORGANIZATIONAL AND COMMITTEE APPOINTMENTS

ORGANIZATIONS

CALIFORNIA SPECIAL DISTRICTS ASSOC.
STATE AND COUNTY

Gary Croucher
Larry Breitfelder, Alternate

COUNCIL OF WATER UTILITIES

Larry Breitfelder
Jose Lopez, Alternate

CHULA VISTA INTERAGENCY

Jaime Bonilla, Chair
Jose Lopez

Staff: Mark Watton
Manny Magaña

SAN DIEGO COUNTY WATER AUTHORITY REP.

Gary Croucher (CWA term expires 3/2/08)
Mark Watton (CWA term expires 1/23/08)

Staff: Manny Magaña

CONSERVATION ACTION COMMITTEE
(SPONSORED BY THE CITY OF SAN DIEGO)

Larry Breitfelder, Primary
Mark Robak, Alternate

Staff: William Granger

SD AREA WASTEWATER MANAGEMENT DISTRICT
(METRO COMMISSION)

Mark Robak, Primary
Larry Breitfelder, Alternate

Staff: Manny Magaña
Rod Posada

WATER CONSERVATION GARDEN AUTHORITY

Mark Robak, Primary
Gary Croucher, Alternate

Staff: Rom Sarno
William Granger

WATER REUSE ASSOCIATION

Jose Lopez, Primary
Mark Robak, Alternate

Staff: Manny Magana

DISTRICT STANDING COMMITTEES

ENGINEERING/OPERATIONS/WATER RESOURCES
COMMITTEE

Jose Lopez, Chair
Gary Croucher

Staff: Mark Watton
Manny Magaña
Pedro Porras
Rod Posada

FINANCE/ADMINISTRATIVE/COMMUNICATIONS
COMMITTEE

Mark Robak, Chair
Larry Breitfelder

Staff: Mark Watton
German Alvarez
Joe Beachem
Rom Sarno
Armando Buelna
Geoff Stevens

DISTRICT AD HOC COMMITTEE

AD HOC SALT CREEK GOLF COURSE COMMITTEE

Jaime Bonilla, Chair
Mark Robak

Staff: Mark Watton

AD HOC INTERNATIONAL ISSUES COMMITTEE

Jamie Bonilla
Jose Lopez

Staff: Mark Watton

AD HOC RECYCLED WATER COMMITTEE

Jaime Bonilla
Gary Croucher

Staff: Mark Watton

DISTRICT
PROFESSIONAL
MEMBERSHIP

COMMUNITY
ASSOCIATION
MEMBERSHIPS

EMPLOYEE
PROFESSIONAL
MEMBERSHIP

AMERICAN PAYROLL ASSOCIATION-SD CHAPTER

AMERICAN BACKFLOW PREVENTION ASSOCIATION

AMERICAN CONCRETE INSTITUTE

AMERICAN PAYROLL ASSOCIATION

AMERICAN PUBLIC WORKS ASSOCIATION

AMERICAN AND INTERNATIONAL RECORDS MGT ASSOC

AMERICAN SOLAR ENERGY SOCIETY

AMERICAN SOCIETY OF CIVIL ENGINEERS

AMERICAN SOCIETY FOR TRAINING AND DEVELOPMENT

AMERICAN WATER WORKS ASSOCIATION

ASIAN BUSINESS ASSOCIATION

ASSOCIATION OF CALIFORNIA WATER AGENCIES

ASSOCIATION OF ENVIRONMENTAL PROFESSIONALS

ASSOCIATION OF PUBLIC TREASURERS

BONITA BUSINESS & PROFESSIONAL ASSOCIATION

CALIFORNIA ASSOCIATION OF PUBLIC PURCHASING OFFICERS

CALIFORNIA CHAMBER OF COMMERCE

CALIFORNIA LAND SURVEYORS ASSOCIATION

CALIFORNIA MUNICIPAL TREASURERS ASSOCIATION-SD CHAPTER

CALIF/NATIONAL PUBLIC EMPLOYEES LABOR RELATIONS ASSOC.

CALIFORNIA PUBLIC EMPLOYERS LABOR RELATIONS ASSOC.

CALIFORNIA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

CALIFORNIA SOCIETY OF MUNICIPAL FINANCE OFFICERS

CALIFORNIA SPECIAL DISTRICT ASSOCIATION

CALIFORNIA SPECIAL DISTRICT ASSOCIATION – SD CHAPTER

CALIFORNIA URBAN WATER CONSERVATION COUNCIL

CALIFORNIA UTILITIES EMERGENCY ASSN.

CALIFORNIA WATER ENVIRONMENTAL ASSOCIATION

13 certificate renewals and 19 memberships

COLORADO RIVER WATER USERS

CHULA VISTA CHAMBER OF COMMERCE

CONST. MANAGEMENT ASSOCIATION OF AMERICA

COUNCIL FOR THE ENVIRONMENT AND INDUSTRY

DEPT. OF CONSUMER AFFAIRS
4 CPA and 5 CE license renewals

DEPT. OF PESTICIDE

FILIPINO-AMERICAN CHAMBER OF COMMERCE

INFO-TECH RESEARCH GROUP

GOVERNMENT FINANCE OFFICERS ASSOCIATION

IRRIGATION ASSOCIATION

INSTITUTE OF MANAGEMENT ACCOUNTANTS, INC.

INSTRUMENTATION SOCIETY OF AMERICA

INTERNAT'L PERSONNEL MANAGEMENT ASSOCIATION

INTERNATIONAL PUBLIC MANAGEMENT ASSOCIATION

MAINTENANCE SUPERINTENDENT ASSOCIATION

MET COMMISSION

MET COMMISSION JPA

MUNICIPAL INFORMATION SYSTEMS

NATIONAL FIRE PROTECTION ASSOCIATION

NATIONAL NOTARY ASSOCIATION

NATIONAL SAFETY COUNCIL

NATIONAL SOCIETY FOR HUMAN RESOURCE PROFESSIONALS

NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS

OTAY MESA CHAMBER OF COMMERCE

PACIFIC SAFETY COUNCIL

PESTICIDE APPLICATION PROFESSIONALS

PROFESSIONAL PLANNING/DESIGN ORGANIZATIONS

PUBLIC AGENCIES RISK MANAGERS

SAN DIEGO EAST COUNTY CHAMBER OF COMMERCE

SAN DIEGO HISPANIC CHAMBER OF COMMERCE

SAN DIEGO COUNTY WATER WORKS GROUP

SAN DIEGO SOCIETY FOR HR MANAGEMENT

SAVE INTERNATIONAL

SO. CALIF. ALLIANCE OF PUBLICLY OWNED TREATMENT WORKS

SO. CALIF. WATER UTILITIES ASSOCIATION

SPRING VALLEY CITIZENS ASSOCIATION

SPRING VALLEY CHAMBER OF COMMERCE

URBAN WATER INSTITUTE

WATER AGENCIES ASSOCIATION

WATER EDUCATION FOUNDATION

WATER ENVIRONMENT FEDERATION

WATEREUSE ASSOCIATION-SAN DIEGO CHAPTER

WORLD SAFETY ORGANIZATION