

OTAY WATER DISTRICT

BOARD OF DIRECTORS MEETING
DISTRICT BOARDROOM

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA

WEDNESDAY

April 1, 2009

3:30 P.M.

AGENDA

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF DECEMBER 15, 2008
5. PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE BOARD ON ANY SUBJECT MATTER WITHIN THE BOARD'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA

CONSENT CALENDAR

6. ITEMS TO BE ACTED UPON WITHOUT DISCUSSION, UNLESS A REQUEST IS MADE BY A MEMBER OF THE BOARD OR THE PUBLIC TO DISCUSS A PARTICULAR ITEM:
 - a) APPROVE CHANGE ORDER NO. 1 TO THE CONTRACT WITH NEWest CONSTRUCTION COMPANY, INC. FOR THE CONSTRUCTION OF THE 450-1 RESERVOIR DISINFECTION PROJECT IN AN AMOUNT NOT-TO-EXCEED \$58,000
 - b) APPROVE CHANGE ORDER NO. 3 TO THE CONTRACT WITH PBS&J FOR THE 2009 WATER RESOURCES MASTER PLAN UPDATE AND PROGRAM ENVIRONMENTAL IMPACT REPORT PROJECT IN AN AMOUNT NOT-TO-EXCEED \$45,732
 - c) APPROVE THE INCREASE OF THE PROJECT BUDGETS FOR THE 20-INCH LANE AVENUE CONVERSION PROJECT(R2081) FROM \$1,090,000 TO \$1,160,000; THE CALAVO SEWER LIFT STATION REPLACEMENT

PROJECT (S2015) FROM \$526,000 TO \$560,000; AND THE MATERIAL STORAGE BINS PROJECT (P2465) FROM \$250,000 TO \$310,000

- d) ADOPT RESOLUTION NO. 4133 APPROVING PURCHASE OF REAL PROPERTY LOCATED AT 2500 SWEETWATER SPRINGS BOULEVARD, SPRING VALLEY, CA 91978 (APN NO. 505-230-52-00) AND APPROVING RELATED AGREEMENTS/DOCUMENTS AND AUTHORIZING RELATED ACTIONS
- e) APPROVE THE 2009 OTAY WATER DISTRICT LEGISLATIVE PROGRAM

ACTION ITEMS

7. ENGINEERING AND WATER OPERATIONS

- a) APPROVE CHANGE ORDER NO. 1 TO THE EXISTING CONTRACT WITH LEE & RO, INC. FOR THE DESIGN OF THE 36-INCH PIPELINE/SDCWA OTAY FCF NO. 14 TO THE REGULATORY SITE PROJECT IN AN AMOUNT NOT-TO-EXCEED \$61,629 (RIPPERGER)
- b) APPROVE COMMITTEE RECOMMENDATION TO RESET PRIORITIES AND FOCUS ON THE MIDDLE SWEETWATER RIVER PROJECT, OTAY VALLEY GROUNDWATER PROJECT AND OTHER INITIATIVES WITH SWEETWATER AUTHORITY (RIPPERGER/COBURN-BOYD)

8. BOARD

- a) DISCUSSION OF 2009 BOARD MEETING CALENDAR

INFORMATIONAL ITEMS

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

- a) INFORMATIONAL REPORT ON THE STATUS OF THE ON-GOING COORDINATION WITH THE POINTE AND GOSNELL BUILDERS CONCERNING THE INSTALLATION OF A 42-INCH PIPELINE IN THE JAMACHA BOULEVARD RIGHT-OF-WAY (RIPPERGER)
- b) MID-YEAR FISCAL YEAR 2009 STRATEGIC PLAN AND PERFORMANCE MEASURES UPDATE (STEVENS)
- c) INFORMATIONAL REPORT TO THE BOARD REGARDING THE TIMING OF POTENTIAL RATE INCREASES (BEACHEM)

REPORTS

10. GENERAL MANAGER'S REPORT
 - a) SAN DIEGO COUNTY WATER AUTHORITY UPDATE
11. DIRECTORS' REPORTS/REQUESTS
12. PRESIDENT'S REPORT

RECESS TO CLOSED SESSION

13. CLOSED SESSION
 - a) CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION [GOVERNMENT CODE §54956.9(a)]
 - (I) SOUTH BAY EXPRESSWAY, L.P. v. OTAY WATER DISTRICT AND FILED WITH THE SUPERIOR COURT OF THE COUNTY OF SAN DIEGO, CONSOLIDATED CASE NO. GIC 869386

RETURN TO OPEN SESSION

14. REPORT ON ANY ACTIONS TAKEN IN CLOSED SESSION. THE BOARD MAY ALSO TAKE ACTION ON ANY ITEMS POSTED IN CLOSED SESSION
15. 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.

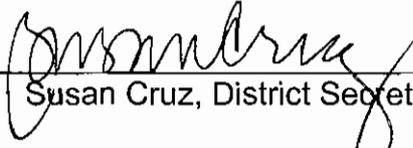
The Agenda, and any attachments containing written information, are available at the District's website at www.otaywater.gov. Written changes to any items to be considered at the open meeting, or to any attachments, will be posted on the District's website. Copies of the Agenda and all attachments are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

If you have any disability which would require accommodation in order to enable you to participate in this meeting, please call the District Secretary at (619) 670-2280 at least 24 hours prior to the meeting.

Certification of Posting

I certify that on March 27, 2009, 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 March 27, 2009.



Susan Cruz, District Secretary

AGENDA ITEM 4

MINUTES OF THE BOARD OF DIRECTORS MEETING OF THE OTAY WATER DISTRICT December 15, 2008

1. The meeting was called to order by President Croucher at 3:32 p.m.

2. ROLL CALL

Directors Present: Bonilla, Breitfelder, Croucher, Lopez and Robak

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

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

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

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

to approve the agenda.

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

Two requests to speak were received with regard to the proposed rate increases. It was indicated that their comments would be heard during the Public Hearing on rates.

6. APPROVAL OF MINUTES OF THE SPECIAL BOARD MEETING OF SEPTEMBER 18, 2008

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

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

to approve the minutes of the special board meeting of September 18, 2008.

7. CUSTOMER GAN'S APPEAL

Mr. and Mrs. Gans did not appear for the appeal.

8. PUBLIC HEARING ON RATE INCREASES

THE BOARD WILL BE HOLDING A PUBLIC HEARING TO CONSIDER THE PROPOSED RATE INCREASES TO BE IMPLEMENTED IN CALENDAR YEAR 2009. THE BOARD INVITES THE PUBLIC TO PROVIDE COMMENTS ON THESE PROPOSED INCREASES

President Croucher opened the Public Hearing on rates at 3:30 p.m.

Ms. Jeannie Akers, Chula Vista, spoke in opposition of the rate increase. She questioned what she could do to further conserve water. She stated that she is limiting her consumption of water and has cut back her lawn. She is now on a fixed income and the rate increase will certainly affect her. She indicated that she is seeing buildings being constructed when there is not enough water to go around. She stated that she is against a rate increase.

Mr. James Nicolau, Jamul, spoke in opposition of the rate increase. Mr. Nicolau indicated that he had discussed the rate increase with the District's General Manager Watton and was provided an understanding of the current water situation. Mr. Nicolau indicated that he has conserved and cut back on the amount of vegetation, and grass that is growing on his property and he has replaced them with gravel. He feels he would need to cut more trees to conserve, but felt that is would not be good for the environment. He is not sure what else he can do to conserve. He indicated that it is a hardship for those with fixed incomes to determine how they will pay the water rate increases.

General Manager Watton indicated to Mr. Nicolau that he is doing his part in conserving water and the District will not ask him to do more. Mr. Nicolau asked what the basic lifeline is; how many units can he use a month and still be considered within the District guidelines. General Manager Watton responded that Mr. Nicolau is currently using 11 units and if he could cut his use to 10 units then he would keep the benefit of the low cost for the first 5 units of water.

Director Robak commended Mr. Nicolau for the little water that he uses though he lives in Jamul. He agreed with General Manager Watton and stated that the District needs more customers like Mr. Nicolau to do all that they can to conserve.

President Croucher inquired if there were others in the audience who wished to speak on the rate increases. Hearing none, he closed the Public Hearing at 3:40 p.m.

- a) APPROVE THE IMPLEMENTATION OF RATE CHANGES AS PROPOSED FOR THE FISCAL YEAR 2008-2009 OPERATING AND CAPITAL BUDGET; AND ADOPT ORDINANCE NO. 518 REPLACING SECTION 25, RATES AND CONDITIONS FOR WATER SERVICE; AND AMENDING SECTION 53, FEES, RATES, CHARGES AND CONDITIONS FOR SEWER SERVICE OF THE DISTRICT'S CODE OF ORDINANCES

General Manager Watton indicated that since 1991, several large events have helped to shape the water situation today. He stated in 2003, MWD lost their surplus Colorado River supplies, which shifted the base load away from the Colorado River to the more expensive State Water Project supplies.

In 2008, CWA and MWD are replacing some of the lost State Water Project supplies with higher cost "spot" water transfers. The spot water transfers are three to four times more expensive than the base load cost of the State water projects.

The supply issues drive the MWD's water rates and by consequence, the CWA rates, and by consequence the District's rates. He stated that the reduced supplies from the Colorado River, the State Water Projects, spot water transfers, loss of sales, and shortage are all contributing factors to water rates.

He indicated that MWD's rate increase for 2009 was 14% and they are projecting that their increase for 2010 will be in the range of 20 to 25%. They have not yet indicated projections for 2011, 2012 or 2013, but it is expected to be somewhere in the same range as 2010.

He noted MWD reserves is approximately a little less than \$1 billion and a large percentage of the reserves is contractually restricted, a smaller amount is unrestricted and an even smaller amount is for the water rate stabilization fund, which goes back to the 25 percent rate increase as they do not have the reserves in the stabilization fund to mitigate the increases, so they must pass along the full increase.

Director Bonilla inquired what MWD's current reserve levels were. General Manager Watton indicated that he believed they are around \$800 million, but could confirm the figure for the board.

General Manager Watton indicated that MWD's long range finance plans will be presented at next month's meeting and it is expected that they will adopt their revenue requirements and recommended rates. It is expected to be more toward 25%. MWD will hold their hearing for rates and charges in February 2009 and adopt their budget for Fiscal 2010 in March 2009. MWD will take action on its

shortage allocations (if any) and in July 2009 the shortage allocations will take effect if any are assigned.

General Manager Watton indicated that the rate pressures will not abate in the next several years because of the pressure we are receiving from our wholesalers due to the supply issues.

Director Croucher stated that California is no longer in a "historic" drought and that this is more of a permanent change. He stated that CWA invested \$1.8 million into the "20 Gallon Challenge" and it is not making the impact with customers as was hoped and this will impact us financially as well.

Chief Financial Officer Beachem asked that the Board approve the proposed rates as presented in the Proposition 218 notices. He stated with the close of the Public Hearing, the board has met the requirements of Proposition 218. There are three major steps for the Proposition 218 process:

1. Rate Modeling in the Budget
2. Water Rate Study
3. 218 Notice Process

In each of these steps, the Board has been very involved in approving the budget and selecting the rate option that supported strong fiscal stability. The Board also accepted the rate study and selected a rate option to be sent in the Proposition 218 notices. The Board approved the fiscal year 2009 budget on June 23, 2008. The operating budget was supported by an average water rate increase of 12.4% and an average sewer rate increase of 4.6%. This option was selected after a thorough review of various options and after considering a number of economic factors, including the declining housing market, the State budget crisis, CWA and MWD increases and drought potential.

Chief Financial Officer Beachem stated that typically the next step would be for the District to start the Proposition 218 process with an across the board rate increase as identified in the budget. However, it had been a number of years since the District had performed a rate study. Through the strategic planning process, staff and Board identified a need to perform an updated rate study. With the pending drought, there was a greater urgency for the rate study, so the District could develop and implement drought pricing and tiered rates for the District's customers to promote conservation. Staff hired PBS&J to assist with the rate study, which focused on equity, conservation and simplicity. The resulting rate recommendation still maintained an average overall water rate increase of 12.4 percent, with a few customer classes being higher and a few customer classes being lower. The rate study proposal puts the District's rates into alignment with the cost of providing service by each customer class. Other significant changes included an energy charge increase of 10.9 percent; increase in the government rate from 8 cents to 28 cents; an implementation of tiered rate structure for all customers; adjustment to residential tiers in both the quantity of those tiers and the pricing; elimination of the overcapacity charge, elimination of the per dwelling unit charge; the grouping of all residential attach customers with

residential customers; 12.4% increase in the fire service charges; resetting of all system fees based on meter size; and a slight shift from variable revenues to fixed revenues in order to increase financial stability.

Chief Financial Office Beachem indicated that in September 2008 staff, along with PBS&J, presented these rate study changes to the Board and they were approved to be presented in the Proposition 218 notices.

He stated that another significant effort in conjunction with the rate study was the establishment of drought stages. The drought stages were implemented to promote conservation and to maintain revenue neutrality at the District. He noted that if a Stage 2 Drought was declared, only the highest two tiers would be impacted. The highest water use tier would increase by 30% and the second highest water use tier would increase by 5%. Conserving customer would not be impacted by the drought pricing.

Chief Financial Officer Beachem further explained that the last step in the Proposition 218 process was the preparation of the notices. The notices include all changes that were presented to and approved by the Board. The notices were mailed at the end of October 2008 to all customers. The District sent out nine different notices which were customized for each customer class so customers only receive information relevant to their situation. All the rate changes were listed in detail in the Proposition 218 notices to fully inform the customers of the rate changes. The notices also included information on the proposed tiered rates and the drought rate structure and advised the District's customers of today's hearing and instructions on how to protest the proposed rate increases. The District received a total of three written customer protests, which are included in staffs' report and two verbal protests was received at today's Public Hearing.

He indicated with the budget approved, the rate study completed, and the Proposition 218 process requirements met, staff is presenting the proposed changes to the District's Code of Ordinances, Section 25 and 55, for the Board's approval. The proposed changes incorporate all the changes that are outlined in the Proposition 218 Notices.

Director Bonilla inquired the different ways in which the District notified its ratepayers of the proposed rate increases. Chief Financial Officer Beachem indicated that the Proposition 218 notice was mailed to all customers and customers have been advised that a rate calculator will be available on the District's website. Customers will be able to enter their account number and determine how much their bill would be under the new rates by entering their monthly usage. There was approximately 60,000 notices mailed and the District received three letters of protest and two protests at today's hearing.

Director Robak inquired what was the level of the District's rate stabilization fund at the moment. Chief Financial Officer Beachem indicated there is 90 days of reserves to cover operating expenses in the District's general fund which serves the purpose of a rate stabilization fund. Director Robak indicated that the District

held a budget workshop in September where the board voted on a approach to implement the proposed rate increases:

- A full cost implementation which is being discussed today; and
- A three-year phase-in approach

Director Robak indicated that he understood why the District would want to do a full cost implementation, however, in light of the economy and the fact that the District is an appropriately funded agency, the District should reexamine a phased-in approach.

Director Lopez inquired if the District would be the first agency in the County to implement drought pricing. General Manager Watton stated that other agencies have increased their rates, but many of the agencies are still formulating their drought plans. He indicated that the District is ahead of other agencies in that its drought rates have already been incorporated into the Proposition 218 notices and it is being presented for consideration by the Board. He indicated that all agencies, however, will need to adopt drought pricing.

Director Bonilla indicated that it is important to move forward with full implementation because of today's circumstances. He stated the District does not want to be pessimistic, but the economy has not hit bottom yet and full implementation is the right option.

President Croucher noted the slide on MWD's proposed increases and pointed out the dramatic change in their proposed increase from March to December (from 6% to 20-25% respectively). He indicated that they had decided not to increase rates to the appropriate levels in past years and now they must institute double digit rate increases. He indicated that he felt that the District should institute the appropriate increase at the appropriate time to avoid implementing larger increases at a later time. He indicated that he is supportive of a full implementation of the rate increase. Director Lopez indicated that he is also supportive of full implementation.

President Croucher indicated that California is, by no means, out of the drought though the State has been receiving additional rain. He stated, with the legislative drought caused by Judge Wanger's decision, there will be less water flowing to Southern California from the Bay Delta and the soonest that water would be received from the Carlsbad Desalination plant is in approximately 2012.

Director Breitfelder indicated that he felt that full implementation is a responsible way of dealing with the current economic situation. He asked Chief Financial Officer Beachem to share, for the benefit of the guests attending today's meeting, how the increase would preserve the District's finances and ultimately lower costs.

Chief Financial Officer Beachem indicated that the District recently received an additional rating upgrade from Standard & Poors (from an AA- to AA). He noted

that the District received an upgrade from Finch about one and half years ago from a A+ to a AA-. He stated one of the reasons for the additional rate increase was due to the Board's commitment to the financial stability of the District. He indicated with a rating upgrade, it will save the District millions of dollars on its bond issuances. He stated that District may not need to purchase bond insurance and its interest rate will be lower. This is substantial savings for the District.

Director Breitfelder also asked if staff could address preventative maintenance and savings through information technology. Chief of Information Technology Geoff Stevens indicated that one of the strengths of the District is its Strategic Planning process. The District spends a full year planning each of the projects that will be included in the budget and each of the projects are designed to position Otay where it needs to be in the next 36 months. The budget is then developed to support the projects within the plan. He indicated that, as part of this plan, the board had approved investments in information systems. The systems are now in place and these new tools have increased the District's efficiency, accuracy and timeliness which has driven costs down.

General Manager Watton indicated that staff has been continually looking for ways to cut costs and be more efficient. With regard to CIP's, especially those driven by growth, staff is stretching out these projects or delaying them to future years. He noted that this year's budget is less than the year before as staff is very focused on the expenses as well as revenues.

Director Breitfelder indicated about six years ago when he was elected to the board, the District had approximately 176 employees. He inquired how many employees the District has today. Assistant General Manager Alvarez indicated 168 as it has been reduced each year as staff reviews vacancies as they occur and determine if the position's workload can be consolidated and if it is appropriately classified.

Director Robak indicated that he wished to clarify his views. The District has a history, including, the phasing in of sewer rate increases. He indicated that to characterize what the District is doing now as responsible is not an accurate statement. He stated at the budget workshop with the full board, finance staff had indicated that a phase-in approach was financially prudent and it was basically a choice for full implementation or a phase-in of the rate increases rather than a choice of responsible or irresponsible. He stated that he had selected a phase-in approach which was staff's recommendation. He wished to clarify that a phase-in approach being characterized as irresponsible is not a factual statement.

Director Bonilla indicated with the drought and current economic situation, it is our obligation to be fiscally responsible and have the foresight to plan, because if something should happen and the District does not have the resources, ratepayers will not understand. He stated the District has received a lot of awards and recognition over the last six to seven years from other agencies for its budget and the District's Strategic Plan has been recognized by the whole

state. He indicated that the District has worked very hard to get where it is now, financially very solvent. He stated we need to charge only what we need to charge rather than place the funds in a rate stabilization fund. This is fair to all ratepayers, especially for those who move out of the District and would not get the benefit of the rate stabilization fund. Director Bonilla stated that he felt everyone was in agreement, though we may have different ideas or thoughts, that this is the right thing to do. Sometimes it will hurt and some ratepayers will be upset, but the District must look out for the majority of its ratepayers. The District will be in existence for many years after this board has left and this board's only legacy will be what it did at the time it served as the District's Board of Directors. He stated that the board met several times to review the budget and he believes, at the end of the day, staff had supported the board's decision for full implementation of the rate increase.

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

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

to approve the full implementation of the proposed rate changes.

CONSENT CALENDAR

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

Director Breitfelder indicated that he wished to pull item 8c from the Consent Calendar. Director Robak indicated that he wished to pull item 8b from the Consent Calendar.

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

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

To approve the following consent calendar items:

- a) AWARD A MAINTENANCE CONTRACT TO LAYFIELD ENVIRONMENTAL SYSTEMS CORPORATION FOR THE MAINTENANCE OF THE FLOATING COVERS ON FOUR POTABLE AND TWO RECYCLED RESERVOIRS IN AN AMOUNT NOT-TO-

EXCEED \$119,138 FOR ONE-YEAR AND FOUR ONE-YEAR RENEWAL
OPTIONS AT THE DISTRICT'S DISCRETION

- d) UPDATE REPORT ON DIRECTORS' EXPENSES FOR THE 1ST
QUARTER OF FISCAL YEAR 2009

President Croucher presented consent calendar item 8b for discussion:

- b) AWARD A CONSTRUCTION CONTRACT TO NATGUN CORPORATION
IN THE AMOUNT OF \$2,373,220 FOR THE 1296-3 RESERVOIR – 2.0
MG PROJECT

Director Robak commented that this contract is a little different in terms of how this project was bid in that staff was looking at steel as well as concrete at the same time. Engineering Manager Ripperger confirmed that staff was looking at two different alternates, one steel and one concrete Type III. He stated that staff only received bids for the Type III concrete reservoirs and did not receive any bids for steel type reservoirs.

General Manager Watton added that staff wished to be sure that they were bidding on a level playing field. He indicated that there are costs associated with maintaining steel tanks that are not in evidence with concrete tanks. This is where you are seeing some differential for maintenance and future painting or coating of a steel tank. The differential was estimated based on the District's experience for the life cycle of both style tanks. This differential was advertised in the bid. It just so happened that we did not receive a bid for a steel tank.

Engineering Manager Ripperger indicated that, as General Manager Watton mentioned, staff provided the maintenance and life cycle cost for both types of tanks and when the bidders reviewed this information, they felt that the concrete type tank was more viable to bid on than the steel. Thus, the seven bids that were received were for the Type III concrete tanks.

Engineering Manager Ripperger explained that Natgun Corporation is from the northeast but they have a large facility in Texas where they house a lot of their equipment. The facility in Texas allows them to expand their services to the west coast.

Director Robak inquired if the tank site is visible. Engineering Manager Ripperger explained that there are two existing reservoirs at the site and this would be the third reservoir at the site. He indicated that the tanks are tucked into the hill where there are a few private homes. Landscaping will be used to camouflage the tanks to make them less visible.

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

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

Abstain: None
Absent: None

to approve staff recommendation.

President Croucher presented consent calendar item 8c for discussion:

- c) APPROVE CHANGE ORDER NO. 5 TO THE EXISTING CONTRACT WITH PACIFIC HYDROTECH CORPORATION FOR THE CONSTRUCTION OF THE 640-1 AND 640-2 RESERVOIRS PROJECT IN THE AMOUNT OF <\$432,652.84>

Director Breitfelder indicated that a \$400,000 plus change order for a \$28 million project is not unusual, but a \$432,000 change order in favor of the District is quite unusual and he wished to hear about the credit.

Engineering Manager Ripperger stated that the 640 Reservoir project was very successful and that this item was basically a “close-out” of the project. When a project is closed out, staff looks at all the items that have an allowance or things that changed during construction which resulted in a credit or additional cost and tally these items. These items are listed in staffs’ report. This particular situation turned out to be a credit back to the project budget. Because of the magnitude of these changes, staff wanted to bring it back to the Board.

Director Breitfelder inquired whether the District is on track for this year to close the fiscal year at “zero” or a little in favor of the District. General Manger Watton indicated that it is estimated that it will be close to tenths of a percent.

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

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

to approve staff recommendation.

ACTION ITEMS

10. PRESENTATION OF MUNICIPAL INFORMATION SYSTEMS ASSOCIATION OF CALIFORNIA’S AWARD FOR EXCELLENCE IN INFORMATION TECHNOLOGY PRACTICES

Chief of Information Technology Geoff Stevens indicated that the District’s IT and Strategic Planning Department has been presented the MISAC award (Municipal Information Systems Association of California) for the second year in a row. This is the highest award granted by the MISAC. Otay was one of 18 city and municipal government IT departments in California to receive the *Excellence in IT*

Practices award. MISAC is the statewide association of chief information officers and IT managers for city and local governments. He stated that there are several thousand agencies that were candidates for this award.

He stated the second award, *Best of California*, was received from the Center for Digital Government which is also a statewide award. The Center for Digital Government annually selects the best California government in education agencies in eleven categories and presents the excellence in IT operations support and services award to a team showing dedication to operational excellence in daily execution of IT support services to the organization.

The types of agencies who have received the Best in California award have included Los Angeles County Department of Public Works, California Office of Statewide Health Planning, CalTrans, Los Angeles Department of Public Service, California Department of Motor Vehicles, etc. In general, the IT Departments in these organizations are larger than Otay as a whole. Information Technology Chief Stevens feels this was a remarkable achievement for the District.

Chief of Information Technolgy Stevens asked that the IT staff stand to be recognized for their work in achieving the awards. Each of the Department staff members introduced themselves. The board congratulated the IT Department for their achievement.

11. BOARD

a) DISCUSSION OF THE 2009 BOARD MEETING CALENDAR

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

Ayes: Directors Bonilla, Breitfelder, Croucher, Lopez, Robak
Noes:
Abstain:
Absent:

to approve the 2009 Board meeting calendar.

INFORMATIONAL ITEMS

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

President Croucher indicated that the following are informational items submitted by staff for the board's review.

a) INFORMATIONAL REPORT ON THE 2007 AND 2008 ANNUAL WATER CONSERVATION BEST MANAGEMENT PRACTICE REPORT

- b) INFORMATIONAL REPORT ON THE PROPOSED REVISIONS TO THE CALIFORNIA URBAN WATER CONSERVATION COUNCIL'S MEMORANDUM OF UNDERSTANDING REGARDING URBAN WATER CONSERVATION IN CALIFORNIA

REPORTS

13. GENERAL MANAGER'S REPORT

a) SAN DIEGO COUNTY WATER AUTHORITY UPDATE

General Manager Watton recognized and thanked the staff for their support of the 2008 Holiday Adopt-a-Family program that brought Christmas cheer to two families.

He indicated that landscape modifications are currently being done at the front entrance of the District building. Landscape modifications will or have occurred at other District facilities as well. The District is doing its part and is setting the example for conserving water by removing overgrown plants and replacing them with low growth water-wise plants, as well as, evaluating the irrigation systems and modifying them to decrease water use.

He noted that letters were sent to approximately 1000 mixed use (indoor and landscape water on one meter) customers to make them aware of the District's conservation programs. He indicated that the District has received a good response and interest in the programs.

He indicated on page 4 of his report, it includes a summary of the District's Strategic Plan results for FY09. He stated that additional details on the results are available on the board intranet real time.

He stated, as discussed earlier in the meeting, that the District's credit rating was upgraded from AA- to AA. He stated that the District, when issuing bonds, acquires bond insurance. The District now has a better credit rating than most bond insurance companies. He indicated that it takes a lot of work to receive a rating upgrade and the upgrade will be a great benefit to the District financially.

He noted that the District is not invested in the stock market so it was not affected by the stock market decline. The District did have some exposure with regard to its Letter of Credit on the variable rate debt as it was coming up for renewal. The District, however, was able to renew the LOC for the next five years so there is no exposure.

He indicated that revenues are exceeding expenses mainly due to timing and staffs' active management of expenses. Staff has been working to identify what projects/expenses can be delayed without damaging the District's maintenance program.

General Manager Watton stated that the District has gained the City of San Diego's Title XVI grant appropriation from the US Bureau of Reclamation of \$1.1 million as their project was not ready to receive the funds. The District is still slated to receive another \$7 million in Title XVI grant funding.

He indicated that the Treaty extension with Mexico has been executed and Mexico is receiving water deliveries which have been scheduled out to the future. He noted that the water delivered to Mexico is Mexico water. The treaty is a wheeling agreement to deliver Mexico water to Mexico.

San Diego County Water Authority Update:

General Manager Watton indicated that CWA is aggressively pursuing water. He stated that he is not able to provide pricing details as the issue was a closed session discussion. He indicated that he can share that it is very expensive and is precedent setting. He also indicated that the election of officers will be held on Thursday, December 17, 2008, and he is a candidate (General Manager Watton) for Vice Chairman.

Director Croucher also indicated that conservation is one of the subjects being emphasized, however, it is not receiving much success.

14. DIRECTORS' REPORTS/REQUESTS

Director Breitfelder indicated that the Conservation Action Committee discussed the proposed state model ordinance. It is much improved over the initial version. He stated that the original ordinance was very audit dependent, but it now sets thresholds. They are working on the San Diego ordinance and have received feedback from some of the cities and there is some reluctance to comply. However, a state model ordinance will become a fact and it is felt that we would be better off presenting a regional approach.

Director Jamie Bonilla indicated that there is discussion to build an 80 MGD desalination plant in Mexico. Otay is looking at alternate resources and it is hoped that some of the water will be brought over the border to the United States. He stated that the desalination plant is getting support from the Mexican government and there are talks about initiating building the Mexico plant either next year or the year after. He noted that the plant in Carlsbad is still approximately 30 years out.

Director Lopez congratulated staff on a successful holiday dinner. He thanked Communications Officer Armando Buelna for heading the District's participation in the Chula Vista Yuletide parade.

Director Robak thanked staff for leading by example though all the landscape changes the district is instituting. He shared that he attended the ACWA Fall Conference. He indicated he thought about how we take water and sewer services for granted in the United States. He stated that there are organizations that are working to assist countries in developing such services and that drinking

water is just a dream in other parts of the world. He indicated that we should keep in mind what we can do to help and provide our assistance in educating others in the development of water supply systems when there are opportunities to do so.

15. PRESIDENT'S REPORT

Director Croucher indicated that in the past month he has been discussing regional programs, projects and cooperation with other agencies. He met with Mayor Sanders on December 10, 2008 and they discussed some of the missed opportunities between the District and the City. Mayor Sanders agreed and they discussed that our agencies should look to the future and what we can accomplish together.

RECESS TO CLOSED SESSION

16. CLOSED SESSION

The board recessed into closed session at 4:45 p.m. to discuss the following matters:

- a) CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION
[GOVERNMENT CODE §54956.9(a)]
 - (I) MULTIPLE CASES RELATED TO THE FENTON BUSINESS CENTER AND FILED WITH THE SUPERIOR COURT OF THE COUNTY OF SAN DIEGO CONSOLIDATED UNDER CASE NO. 37-2007-00077024-CU-BC-SC
 - (II) AMERICAN PROTECTION INSURANCE V. OTAY WATER DISTRICT, DISTRICT COURT, SOUTHERN DISTRICT OF CALIFORNIA, #08-CV-0662-JM-POR
- b) CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION
[GOVERNMENT CODE §54956.9(b)]

3 CASES

RETURN TO OPEN SESSION

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

The board reconvened at 5:05 p.m. General Counsel Marie Mendoza indicated that the board took three actions in closed session:

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

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

to deny a claim filed by South Bay Expressway.

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

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

to authorize the General Manager to settle a claim with Plan Handlers.

A third motion in closed session was made by Director Bonilla, seconded by Director Breitfelder and carried with the following vote:

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

to ratify the settlement agreement in the matter of American Protection Insurance Agency versus Otay Water District.

There were no other reportable actions taken in closed session.

14. ADJOURNMENT

With no further business to come before the Board, President Croucher adjourned the meeting at 5:08 p.m.

President

ATTEST:

District Secretary

AGENDA ITEM 6a



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 1, 2009
SUBMITTED BY:	Ron Ripperger <i>[Signature]</i> Engineering Manager	PROJECT / SUBPROJECT:	R2092- DIV. 1 001103 NO.
APPROVED BY: (Chief):	Rod Posada <i>[Signature]</i> Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña <i>[Signature]</i> Assistant General Manager of Engineering and Operations		
SUBJECT:	Change Order No. 1 to the Contract with NEWest Construction Company, Inc. for the 450-1 Reservoir Disinfection Facility Project		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board approve Change Order No. 1 to the existing contract with NEWest Construction Company, Inc. (NEWest) for construction of the 450-1 Reservoir Disinfection Project, in an amount not to exceed \$58,000 (see Exhibit A for project location).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to execute Change Order No. 1 (see Exhibit B) in an amount not to exceed \$58,000 to the contract with NEWest for construction of the 450-1 Reservoir Disinfection Project.

ANALYSIS:

At the October 9, 2008 Board Meeting, NEWest was awarded the construction contract for the 450-1 Reservoir Disinfection Project. The purpose of this project is to enable staff to disinfect the recycled water received

from the City of San Diego. The project Notice to Proceed (NTP) was issued on November 3, 2008, with a scheduled completion date of May 2, 2009 (180 calendar days). Overall, based on progress payment requests earned to date, construction is 64% complete.

The installation of the vault for this project was a very time sensitive item of work. Due to the proximity of the proposed vault location to the 450-1 reservoir ringwall, it was decided during design to complete this item of work only when the reservoir was drained and out of service. Therefore, construction of the vault was coordinated with the reservoir's 11th month warranty inspection to minimize any possibility of settlement of the existing soil under the reservoir. No pothole information was available during design due to the concern of excavating when the reservoir was full.

During installation of the vault, an electrical ductbank was encountered, which was not shown on the construction drawings. However, this ductbank was shown on the 450-1 Reservoir record drawings. Ultimately, the ductbank caused a conflict with the proposed vault installation and the vault had to be relocated approximately 15-feet to the west in order to miss the electrical utility. In addition, the static mixer to be installed within the vault did not fit properly with the existing CML&C pipe which caused some additional welding and delay to the project.

In order to complete the vault installation and static mixer installation within the shutdown period and allow time to put the reservoir back in service, NEWest had to perform their work on a 24-hour basis which included weekend time. Although the vault would have had to be installed at the revised location anyway the design engineer recognized the omission in their plans which required the District to pay premium time for this additional work. Due to the omission the design engineer has agreed to reimburse the District \$15,000 to the cost of this Change Order.

Change Order No. 1 provides reimbursement to the contractor in a net amount not to exceed \$58,000 for relocation of the static mixer vault and field connection modifications to the static mixer. In addition, this Change Order covers the cost to construct a 3-foot high block retaining wall around the back of the vault and to remove and replace an existing curb and gutter as part of the vault installation.

The following is a table summarizing the value for each of the above items:

Item	Issue	Amount
1	Static Mixer Vault/Utility Relocations & Connection Modifications to the Static Mixer	\$48,000.00
2	Removal & Replacement of Curb & Gutter and 3-foot High Block Retaining Wall.	\$10,000.00
	Total:	\$58,000.00

This Change Order will extend the contract completion date for the project from April 2, 2009 to June 30, 2009 to account for the additional work required.

FISCAL IMPACT: _____



The approved total budget for CIP R2092, as approved in the FY 2009 budget, is \$830,000. Expenditures to date are \$310,249. Total commitments to date, including this Change Order, are approximately \$637,065 (see Attachment B for budget detail).

The Project Manager anticipates, based on the attached financial analysis, that the budget will be sufficient to support this project.

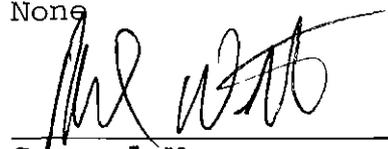
Finance has determined that 100% of the funding for this project is available from the Betterment Fund.

STRATEGIC GOAL:

This project supports the District's Mission statement, "To provide the best quality of water and wastewater services to the customers of Otay Water District, in a professional, effective, efficient, and sensitive manner..." This project fulfills the District's Strategic Goals No. 1 - Community and Governance, and No. 5 - Potable Water, by maintaining proactive and productive relationships with the project stakeholders and by guaranteeing that the District will provide for current and future water needs.

LEGAL IMPACT: _____

None



General Manager

P:\WORKING\CIP R2092 - 450-1 Reservoir Disinfection Fac\Staff Reports\BD 04-01-09, Staff Report, NEWest C.O. #1 for Static Mixer Relocation-Retaining Wall, (GV-RR).doc

GV/RR:jf

- Attachments: Attachment A
Attachment B
Exhibit A
Exhibit B



ATTACHMENT A

SUBJECT/PROJECT: R2092-001103	Change Order No. 1 to the Contract with NEWest Construction Company, Inc. for the 450-1 Reservoir Disinfection Facility Project
---	---

COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on March 12, 2009. The following comments were made:

- The Board awarded NEWest Construction Co., Inc. the construction contract for the 450-1 Reservoir Disinfection Project at a Board meeting held on October 9, 2008.
- The disinfection facility is required to disinfect the reclaimed water from the City of San Diego's South Bay Water Reclamation Plant.
- Because of the proximity of the disinfection vault to the reservoir, it was decided during the design phase to install the vault when the reservoir was drained and out-of-service. The vault installation was coordinated with the reservoir's 11 month warranty inspection to minimize any possibility of settlement of the existing soil under the reservoir.
- An electrical ductbank was encountered during the installation of the vault which conflicted with the vaults proposed location. The ductbank was not shown on the construction drawings, however, it was shown on the 450-1 Reservoir record drawings. It was noted that potholing information was not available during the design of the vault because of the vault's proximity to the reservoir and the concern of excavating while the reservoir was still full. To avoid the electrical utility, the vault needed to be relocated approximately 15 feet to the west.
- There are two components to the change order:
 - Static Mixer Vault/Utility Relocations and Connection Modifications to the Static Mixer \$48,000
 - Removal & Replacement of Curb & Gutter \$10,000

and Construction of 3-foot High Block
Retaining Wall

TOTAL: \$58,000

- It was discussed that the drawings of the electrical bank was on the plans, however, the engineer missed it. It was noted, that even if the engineer had caught it, the vault would still need to be relocated to the new location.
- It was discussed that though the vault would have needed to be moved, the design engineer recognized that it was his mistake and that the omission created additional cost for the District and agreed to reimburse the District \$15,000 for these costs. The actual change order, if the reimbursement is netted against the \$58,000 change order, is \$43,000. The District was very complimentary of the design engineer for taking responsibility for the mistake and taking steps to correct it.
- Staff had discussed with the City of San Diego the need for the enhanced disinfection of the reclaimed water from their reclamation plant. The city had indicated that the cost would be approximately \$400,000 for the enhancements. This was much too costly. The District, instead, decided to handle the construction of the disinfection facility through its own process.
- It was discussed that currently the District's overall change order percentage rate is 0.5%. This is much lower than the industry average of 5-10%.

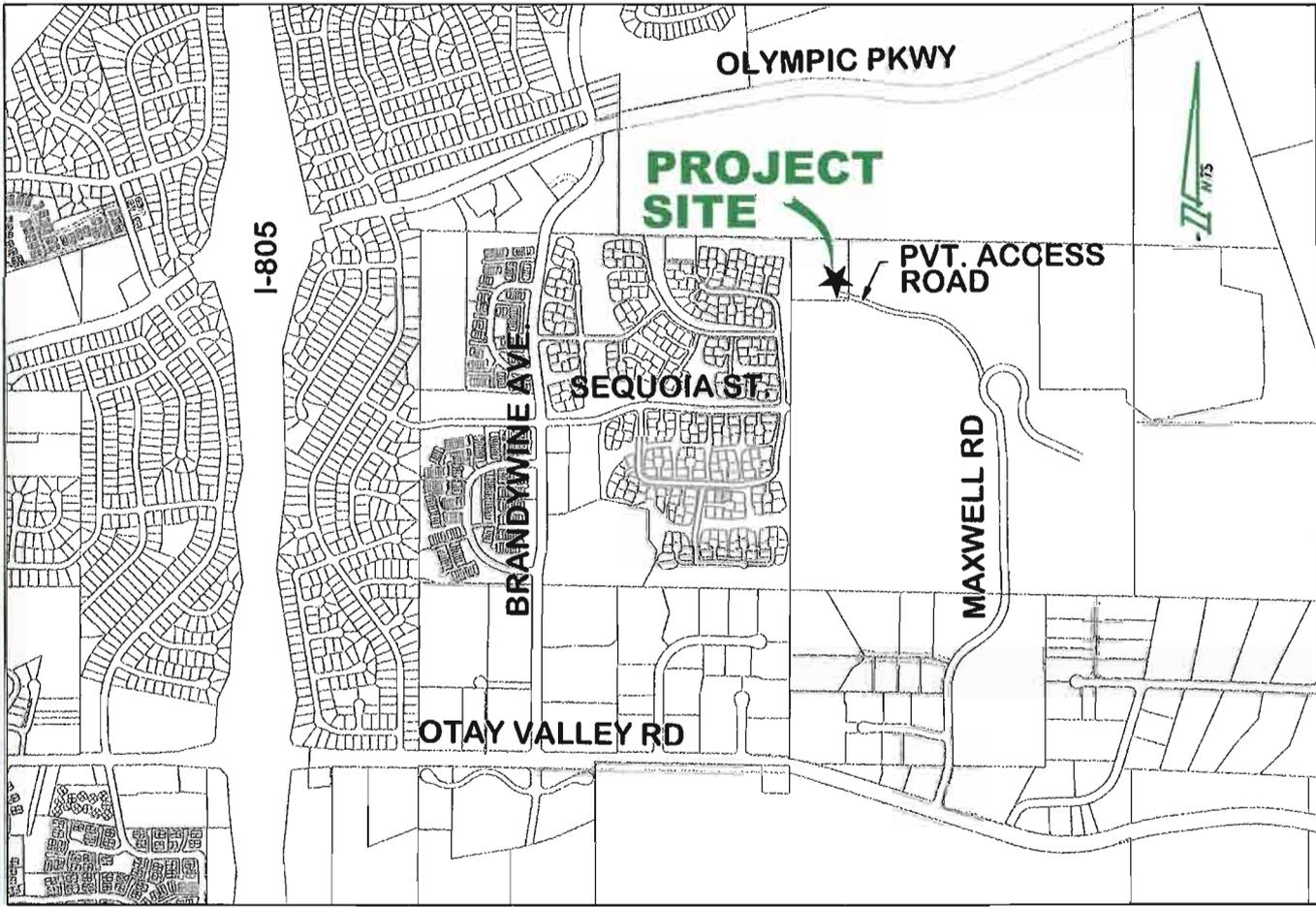
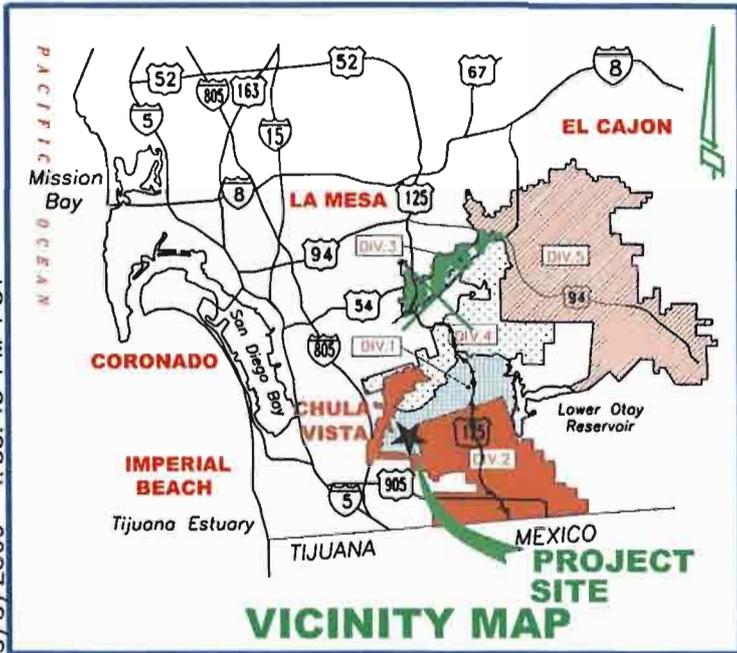
The committee supported staffs' recommendation and presentation to the full board as a consent item.



ATTACHMENT B

SUBJECT/PROJECT:	Change Order No. 1 to the Contract with NEWest Construction Company, Inc. for the 450-1 Reservoir Disinfection Facility Project
R2092-001103	

Otay Water District					Date Updated: Feb. 27, 2009
R2092 - Dis- 450-1 Reservoir Disinfection Facility					
<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment & Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor / Comments</i>
\$830,000					
Planning					
In House/Labor	57,348	57,348		57,348	
Regulatory Agency Fee	50	50	-	50	San Diego County
Consultant Contracts	44	44		44	Lee & Ro Inc.
				-	
				-	
				-	
				-	
				-	
				-	
Total Planning	\$ 57,442	\$ 57,441	\$ -	\$ 57,441	
Design					
In House/Labor	53,904	53,904		53,904	
Consultant Contracts	47,752	47,752		47,752	Lee & Ro Inc.
	1,440	1,440		1,440	Swinerton Management
Professional Legal Fees	83	83		83	Garcia, Calderon & Ruiz LLP
Service Contracts	96	96		96	San Diego Daily Transcript
	455	455		455	Union Tribune Publishing Co
	1724	1590.37	134	1,724	Mayer Reprographics Inc
				-	
				-	
Total Design	\$ 105,454	\$ 105,321	\$ 134	\$ 105,455	
Construction					
In House/Labor	55,185	35,185	20,000	55,185	
Materials	915	915	-	915	Quantum Automation
	8,484	8,484	-	8,484	Siemens Water Technology Corp
Construction Contracts	3,720	3,720	-	3,720	Valley Construction Management
	308,579	89,264	219,314	308,579	Newest Construction
Change Order No. 01	58,000	-	58,000	58,000	Newest Construction
	34,287	9,918	24,368	34,287	California Bank & Trust
				-	
Project Closeout	5,000		5,000	5,000	
Total Construction	\$ 474,169	\$ 147,486	\$ 326,683	\$ 474,169	
Grand Total	\$ 637,065	\$ 310,249	\$ 326,816	\$ 637,065	



OTAY WATER DISTRICT

450-1 RESERVOIR
DISINFECTION FACILITY

R2092

COPY

OTAY
WATER DISTRICT
RECEIVED

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

2009 MAR -6 AM 9: 58

CONTRACT/P.O. CHANGE ORDER No. - 01

PROJECT/ITEM: 450-1 Reservoir Disinfection Facility

CONTRACTOR/VENDOR: NEWest Construction Company

REF.CIP No.: R2092-001103

APPROVED BY: Board

REF. P.O. No: 709663

DATE: 4-Mar-09

DESCRIPTION:

On November 18, 2008, to avoid an existing electrical ductbank and 8-inch potable water pipeline, the static mixer/static mixer vault for the subject project was relocated to the west (RFP No. 1). In addition to the potable water and utility relocation work, the connections to the specified 30-inch outside diameter National Pipe Standard (NPS) static mixer did not match the 30-inch inside diameter of the existing cement mortar lined and coated (CMLC) pipe. To connect the 30-inch NPS static mixer to the existing 30-inch CMLC piping, field welders were used to "build up" the outer dimension of the static mixer to match the outside dimension of the 30-inch CMLC pipe.

The revised location of the static mixer vault; offsetting of the potable water pipeline; and modifying of the static mixer welded connections resulted in:

- additional asphalt removal and replacement;
- a revised/larger shoring system;
- additional excavation;
- relocation of a 8-inch potable water pipeline, a 3-inch sewer pipeline, and a 2-inch cathodic protection conduit; and
- a larger crane to reach and set the mixer equipment and vault.

Due to the limited 4-day shutdown period, the above described field work was authorized to be completed on a 24 hours/day and weekend work basis.

The revised vault location also resulted in the vault being "pushed" partially into a steep slope, which required the removal and replacement of 15-feet of existing curb and PCC gutter, and the construction of a 3-foot high block retaining wall around the back of the vault (RFP No. 2).

See attached Request For Proposal No. 1 from Damon Braden (OWD) dated 11/20/08 (attachment A)
See attached Change Order Proposal from Mark Jennette (NEWest) dated 02/06/09 (attachment B)
See attached Request For Proposal No. 2 from Bob Kennedy (OWD) dated 12/31/08 (attachment C).
See attached Change Order Proposal from Mark Jennette (NEWest) dated 01/09/09 (attachment D).

REASON:

The scope of work described above was not included in the "as-bid" contract documents.

CHANGE P.O. TO READ:

Revise contract to add \$58,000.00 for a total contract amount of \$400,856.00.

ORIGINAL CONTRACT/P.O. AMOUNT:	\$	342,856.00
ADJUSTED AMOUNT FROM PREVIOUS CHANGE:	\$	0.00
TOTAL COST OF THIS CHANGE ORDER:	\$	58,000.00
NEW CONTRACT/P.O. AMOUNT IS:	\$	400,856.00
ORIGINAL CONTRACT COMPLETION DATE:		April 2, 2009
CONTRACT/P.O. TIME AFFECTED BY THIS CHANGE:		Yes
REVISED CONTRACT COMPLETION DATE:		June 30, 2009

EXHIBIT B

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

CONTRACTOR/VENDOR:

SIGNATURE: Mark Jennette

NAME: Mark Jennette

TITLE: Project manager DATE: 3/5/09

ADDRESS: 7847 Dunbrook Rd. Ste "C"
San Diego, CA 92126

STAFF APPROVALS:

PROJ. MGR : _____ Sr Eng (Int) _____ DATE: _____

DIV. MGR : _____ DATE: _____

CHIEF: _____ DATE: _____

ASST. GM : _____ DATE: _____

DISTRICT APPROVAL:

GEN. MANAGER: _____ DATE: _____

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

CHANGE ORDER LOG

450-1 Reservoir Disinfection Facility
 Contractor: NEWest Construction Company, Inc.

Project: R2092
 Subproject: 001103
 P.O. #: 709663

		APPROVED			
C.O.	AMOUNT	BY	DATE	DESCRIPTION	TYPE C.O.
1	\$58,000.00	Board	4/1/2009	To avoid an existing electrical utility conflict, the project static mixer vault was relocated 3-feet to the west. To avoid an existing 8" potable water pipeline, the water line was relocated. The connections to the specified 30" O.D. NPS static mixer did not match the existing 30" I.D. CMLC piping, and the static mixer connections were modified in the field. The revised static mixer location relocated the vault partially into a steep slope, which required the removal & replacement of an existing curb & gutter; and the construction of a 3-feet high block retaining wall.	Contractor
2					
3					
4					
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7					
8					
9					
10					
11					
12					
13					
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27					
28					
29					
30					

Total C.O.'s To Date: \$58,000.00 16.9%

Original Contract Amount: \$342,865.00

Current Contract Amount: \$400,865.00

Change Order Breakdown for the Month:

Month	Net C.O.\$	Limit	Authorization	Absolute C.O.\$	Absolute C.O. %
3/09	\$0.00	\$2,000/2%	Inspector	\$0.00	0.0%
		\$10,000/10%	PM/Supervisor	\$0.00	0.0%
		\$20,000/20%	DivM	\$0.00	0.0%
		\$25,000/25%	Chief	\$0.00	0.0%
		\$35,000/35%	Assistant GM	\$0.00	0.0%
		\$50,000/50%	GM	\$0.00	0.0%
		>\$50,000	Board	\$0.00	0.0%



**FIELD DIRECTIVE
MEMORANDUM**

*R2092
Change Order No. 01
Attachment A
2/27/09*

TO: NEWest Construction Company, Inc.
Brian Jennette and Clem Miner

Proj. No. R2092

FROM: Damon Braden *DB*

Date 20 November 2008

SUBJ: Utilities in vault footprint
RFP No. 01

This Memorandum hereby directs NEWest Construction Company, Inc. to proceed with the scope of work described on the RFP transmitted with this Memorandum. This Memorandum also affirms that Otay Water District intends to compensate NEWest Construction Company, Inc. a reasonable and fair amount for all legitimate work that is in addition to the Contract Documents.

Specific direction concerning particular elements of the work may be given to representatives of NEWest Construction Company, Inc. at the job site either in written or verbal form to help expedite the completion of the static mixer vault installation.

cc: Ron Ripperger



Otay Water District
September 29, 2008
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978
(858) 670-2222
Fax (858) 670-8920

REQUEST FOR PROPOSAL # 01

Date:	<u>112008</u>	Project Name:	<u>450-1 Disinfection</u>
To:	<u>NEWest Construction Company, Inc.</u>	C.I.P. No.:	<u>R2092</u>
	<u>Fax: 858.537.9653</u>	Contractor:	<u>NEWest Construction Company, Inc.</u>
Attn:	<u>Brian Jennette and Clem Miner</u>		
From:	<u>Damon Braden</u>		
Subject:	<u>Utilities in vault footprint</u>		

Reference Drawings: Sheet C-1 Yard Piping Plan
Ref. Spec. Section: _____
Referenced RFI: _____

Description: _____ Shop drawings required
 No Shop drawings required

Please prepare a lump sum proposal to furnish all required labor, material, and equipment necessary to implement the following items:

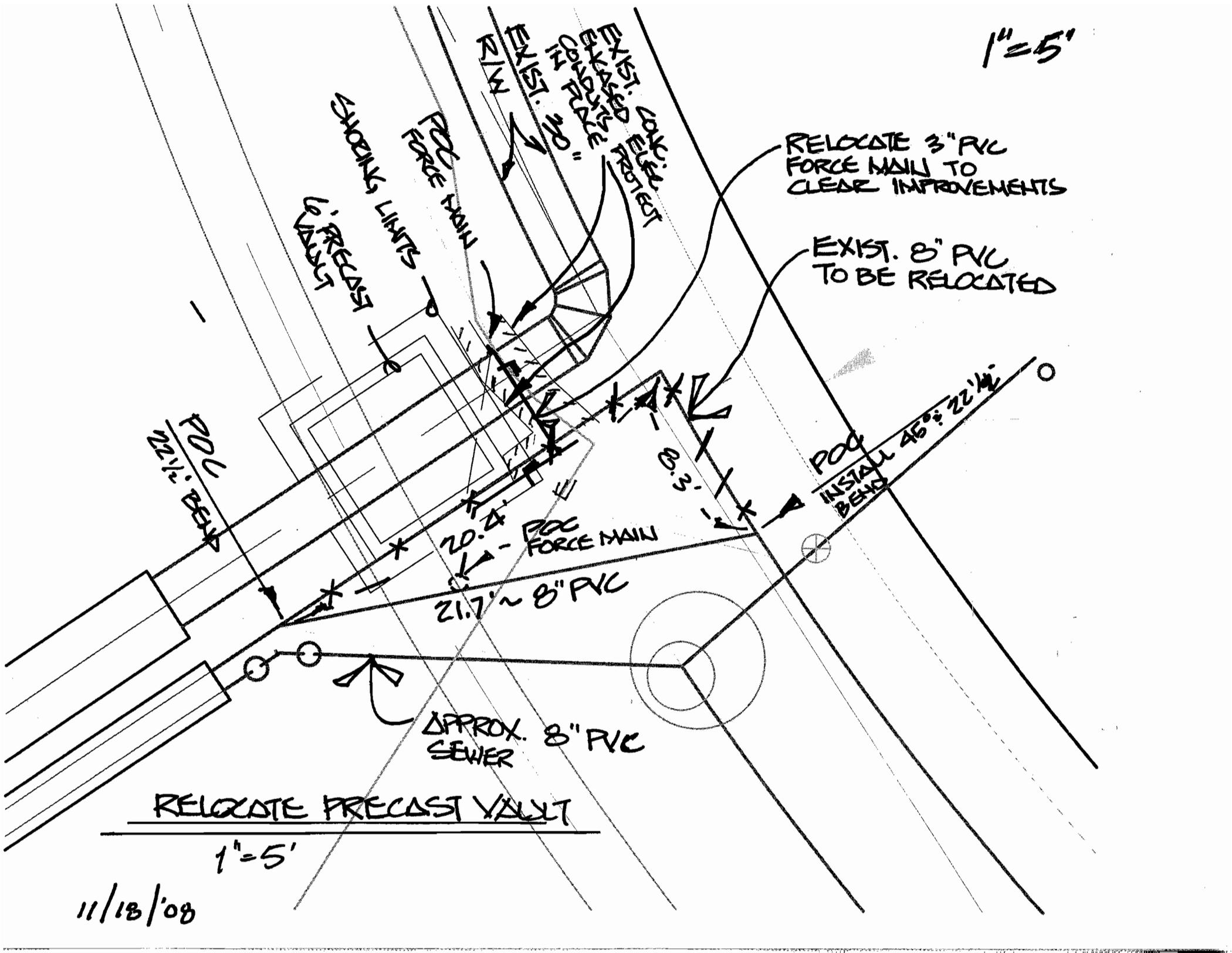
Relocate existing 8-inch water line approximately 3-feet laterally to clear the static mixer vault. Excavate additional area to move static mixer vault to clear electrical conduit. Remove and replace irrigation lines within additional excavation area. Remove and replace ribbon gutter adjacent to vault. Construct approximately 2-foot high retaining wall the width of the vault.

- Please submit a lump sum cost proposal for this adjustment to your construction contract by *2 December 2008*. Your proposal should include a complete detailed breakdown of labor man-hours, materials, equipment, and all other related costs which would be basis for negotiation and agreement in an adjustment to the contract price.
- Please separately quantify the impact, if any, the above described scope of work will have upon work hours to achieve completing backfilling of the vault area by 23 November 2008.
- Other requirements to be included are:

By:  Date: 112008

cc:

1"=5'



RELOCATE 3" PVC FORCE MAIN TO CLEAR IMPROVEMENTS

EXIST. 8" PVC TO BE RELOCATED

PVC 22.1" 700

20.4' - POC FORCE MAIN
21.7' ~ 8" PVC

POC INSTALL BEND 45° 22.14'

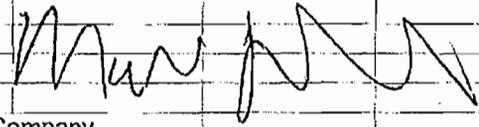
APPROX. 8" PVC SEWER

RELOCATE PRECAST VALVE

1"=5'

11/18/08

R2092
 Change Order No. 01
 Attachment (B)
 2/27/09

Cost Proposal		450-1 Reservoir Disinfection Facility	
DESCRIPTION		OTAY WATER DISTRICT	
Relocate Static Mixer and Vault (REVISED)			
PRIME CONTRACTOR			
1	MATERIALS		\$2,865
2	SALES TAX	7.75%	\$222
3	LABOR		\$15,618
4	PAYROLL TAXES AND INSURANCE	35.18%	\$5,494
5	EQUIPMENT		\$4,843
6	SALES TAX	7.75%	\$375
7	SUB-TOTAL		\$29,417
8	FIELD OVERHEAD		
9	SUBTOTAL		\$29,417
10	SUBCONTRACTOR TOTAL		\$13,433
11	PRIME CONTACTOR FEE (PRIME WOR	15%	\$4,413
12	PRIME CONTACTOR FEE (SUB WORK)	5%	\$672
13	SUB-TOTAL		\$47,934
14	BOND PREMIUM	1%	\$479
15	TOTAL		\$48,414
			<u>\$48,000.00</u>
Time Extension Request			
DATE 2/6/2009		SIGNATURE	
		 Mark Jennette Project Manager NEWest Construction Company 7964 Arjons Dr. Suite A San Diego, CA 92126	

Agreed \$48,000.00
 Mark Jennette (NEWest)
 Glean C. Vite (COWD)
 2/27/09

	Material			Dimensions		Quantity	Unit	Material		Labor		EQ/Total		Subs	
	Description							Unit	Total	Unit	Total	Unit	Total	Unit	Total
								Cost		Cost		Cost		Cost	
1	Original Bid Credit														
2	Trench Length					75	lf								
3	Asphalt Repair					115	sf								
4	8	8	0.50			2	tn	-30	-68						
5	8	8	2.50			6	cy	-150	-889						
6	Lumber					300	ls	-1	-300						
7	Carpenter					-16	hrs			62.09	-993				
8	Operator					-32				72.42	-2,317				
9	Laborer					-96				51.10	-4,906				
10	Laborer OT					-24	hrs			16.00	-384				
11															
12	Backhoe					-0.25	mnth					3500	-875		
13	Compactor					-0.25	mnth					900	-225		
14	Field Truck					-0.25	mnth					1500	-375		
15	Saw					-1	day					100	-100		
16	Roller					-1	day					100	-100		
17	Asphalt					-4	tn	80	-343						
18															
19	Trucking					-4	hrs							100	-400
20	Disposal					-2	ea	100	-200						
21	Welder					-8	hrs							100	-800
22	75	1	3			-13	tn	30	-400						
23															
24	Shoring					-1	ls							\$1,200	-\$1,200
25															
26															
44															
45															
TOTAL								Material		Labor		Eq/Total		Subs	
								-\$2,200		-\$8,800		-\$1,675		-\$2,400	

R 2092
Change Order No. 01
Attachment ©
2/27/09

Bob Kennedy

From: Bob Kennedy
Sent: Wednesday, December 31, 2008 3:12 PM
To: 'mjennette@newestco.com'
Cc: Doug Marple
Subject: FW: 450-1 Vault Site Retaining Wall and Swale Details

(RFP No. 2)

Mark,

We have sketched up the wall and the swale around the vault. Attached is a copy of the sketch and the wall and curb details for around the vault. Can you cost out the extra work and send us a proposal for the extra work. We will want to see allowance for the planed pavement and swale removal and replacement with the proposal. Call if you have any questions.

Bob Kennedy, P.E.
Associate Civil Engineer
Phone: (619) 670-2273
Cell: (619) 987-6368
Fax.: (619) 660-2513
bob.kennedy@otaywater.gov

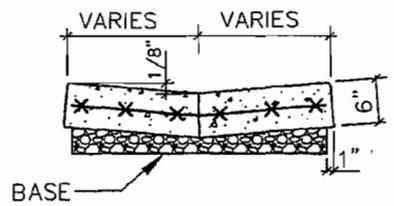
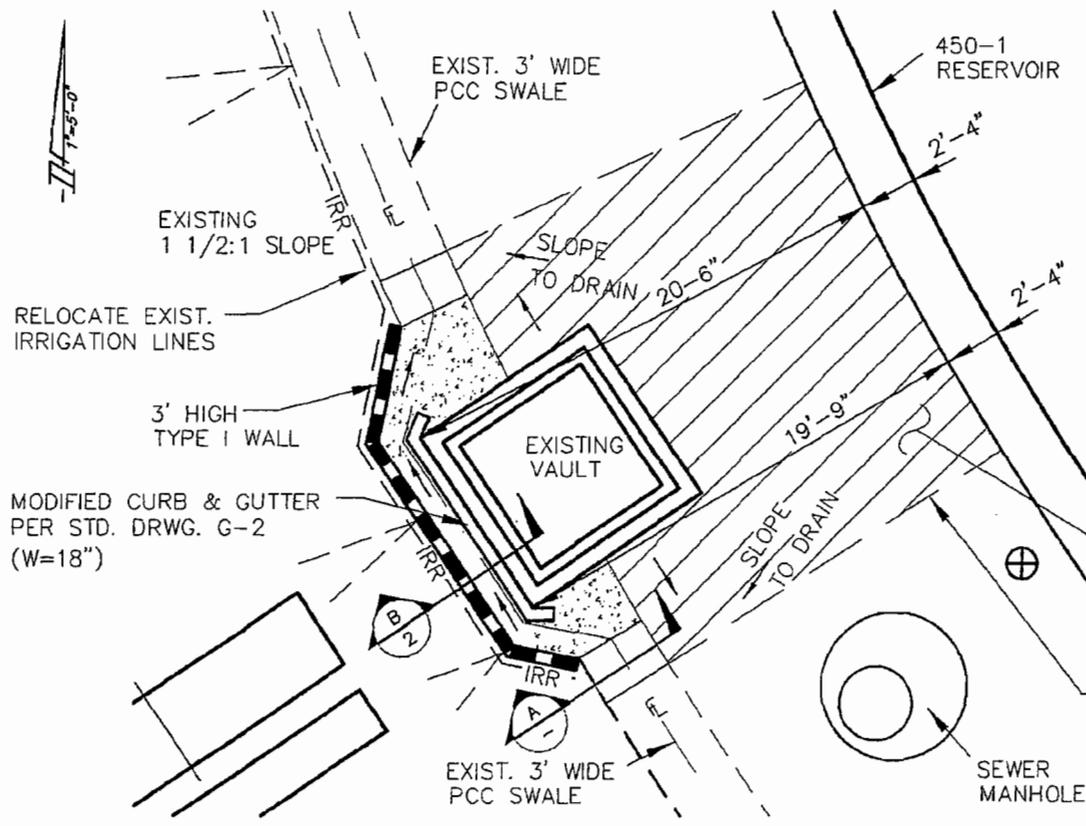
Otay Water District
2554 Sweetwater Springs Boulevard
Spring Valley, CA 91978

From: Donald Bienvenue
Sent: Wednesday, December 31, 2008 2:52 PM
To: Bob Kennedy
Subject: 450-1 Vault Site Retaining Wall and Swale Details

Bob,

Attached are PDF files of the ACAD drawings and wall, curb, and concrete joint information.

Don



NOTES:
 1. EXPANSION JOINTS OF 1/2" PREMOLDED JOINT FILLER SHALL BE PLACED WHERE GUTTER BUTTS OTHER CONCRETE STRUCTURES.
 2. BASE AND SUBGRADE PREPARATION SHALL MATCH ADJACENT PAVING.

SECTION A-A
 SCALE: NTS

3" AC OVER 7" CL II
 BASE OVER 12" SUBGRADE
 COMPACTED TO 95% REL. COMP.

VERIFY LIMITS

NOTE:
 ADJUST ALL C.O.'S, C.P. TEST STATIONS,
 MANHOLE RIMS TO GRADE.

WALL/GUTTER PLAN
 SCALE: 1"=5'-0"



OTAY WATER DISTRICT

CONCRETE VAULT EXHIBIT
 450-1 DISINFECTION FACILITY
 1680 MAXWELL RD., CHULA VISTA, CA

R 2092
 Change Order No. 01
 Attachment (D)
 2/27/09

Cost Proposal		450-1 Reservoir Disinfection Facility	
DESCRIPTION		OTAY WATER DISTRICT	
Block Wall			
PRIME CONTRACTOR			
1	MATERIALS		\$2,446
2	SALES TAX	7.75%	\$190
3	LABOR		\$3,990
4	PAYROLL TAXES AND INSURANCE	35.18%	\$1,404
5	EQUIPMENT		\$1,230
6	SUB-TOTAL		\$9,260
7	FIELD OVERHEAD		
8	SUBTOTAL		\$9,260
9	SUBCONTRACTOR TOTAL		\$0
10	PRIME CONTACTOR FEE (PRIME WOR	15%	\$1,389
11	PRIME CONTACTOR FEE (SUB WORK)	5%	\$0
12	SUB-TOTAL		\$10,649
13	BOND PREMIUM	1%	\$106
14	TOTAL		\$10,756
			<u>\$10,000.00</u>
Time Extension Request			
Need to add 15' of Curb and Gutter removed and not shown on drawing sent			
DATE 1/9/2009		SIGNATURE	
		Mark Jennette	
		Project Manager	
		NEWest Construction Company	
		7964 Arjons Dr.	
		Suite A	
		San Diego, CA 92126	

DATE 1/9/2009

Mark Jennette

Agreed \$10,000.00
 Mark Jennette (NEWest)
 Glenn C. Vits (OWD)
 2/24/09

	Material Description	Dimenslons		Quantity	Unit	Material		Labor		EQ/Total		Subs	
						Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
1													
2	Sitework												
3	Operator			8	hrs			\$54.86	\$439				
4	Laborer			16	hrs			\$38.71	\$619				
5	Backhoe			1	day					\$281.52	\$282		
6	Field Truck			1	day					\$148.48	\$148		
7	Fuel			25	gal	\$4.00	\$100						
8	Cravel			11	tn	\$35.00	\$369						
9	Foundation/curb												
10	Concrete			6	cy	\$155.00	\$930						
11	Lumber			12	lf	\$11.65	\$140						
12	Rebar			178	lbs	\$1.00	\$178						
13	Carpenter			24	hrs			\$47.04	\$1,129				
14	Laborer			24	hrs			\$38.71	\$929				
15													
16	Wall												
17	Block			80	ea	\$1.55	\$124						
18	Grout			15	bags	\$25.00	\$375						
19	Carpenter			12	hrs			\$47.04	\$564				
20	Laborer			8	hrs			\$38.71	\$310				
21	Grout			2	cy	\$115.00	\$230						
22	Pump			1	ls					\$800.00	\$800		
23													
24													
25													
26													
27													
28													
29													
30													
	TOTAL							Material	Labor	Eq/Total		Subs	
								\$2,446	\$3,990	\$1,230			



AGENDA ITEM 6b

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 1, 2009		
SUBMITTED BY:	Bob Kennedy <i>BK</i> Associate Civil Engineer	PROJECT / SUBPROJECTS	P1210- 3321	DIV. NO.	ALL
	Ron Ripperger <i>[Signature]</i> Engineering Manager				
APPROVED BY: (Chief)	Rod Posada <i>[Signature]</i> Chief, Engineering				
APPROVED BY: (Asst. GM):	Manny Magaña <i>[Signature]</i> Assistant General Manager, Engineering and Operations				
SUBJECT:	Change Order No. 3 to the Contract with PBS&J for the 2009 Water Resources Master Plan Update and Program Environmental Impact Report Project				

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board approve Change Order No. 3 to the contract with PBS&J for the 2009 Water Resources Master Plan (WRMP) Update and Program Environmental Impact Report (PEIR) Project, in an amount not to exceed \$45,732.

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to execute Change Order No. 3 (see Exhibit B) in an amount not to exceed \$45,732 to the contract with PBS&J. This Change Order will bring the cumulative total of all Change Orders to date to \$56,222.

ANALYSIS:

At the August 1, 2007 Board Meeting, PBS&J was awarded a professional engineering planning services agreement for the 2009 WRMP Update and PEIR Project. The WRMP Update is a comprehensive analysis of the District's needs for infrastructure to develop, and distribute, potable and recycled water to its service area, based on population growth and land

use development. The Draft WRMP Update is 98% complete and the PEIR Project is 36% complete.

Services provided under Change Order No. 3 will add water supply offset information into the draft WRMP Update and PEIR Project. Documentation of these supply opportunities, and the status of the District's plan to implement them, is needed to support future water supply assessment documents and potable water offset requirements. Additional time is needed by PBS&J to include the nine supply sources into the Draft WRMP Update and PEIR Project. Therefore, this Change Order will add time to PBS&J's contract, extending the completion date from May 30, 2009 to December 31, 2009.

A water supply offset program was not required until the San Diego County Water Authority, on July 24, 2008, conditioned a project proposed for annexation to offset the increased demand that would result from the annexation. The District serving this project had to implement a water supply offset program specifically for this project, and have it in place, before the annexation could become finalized. Subsequently, several projects have been submitted to Otay Water District for annexation, or are projects requiring additional demand, than that identified on the current land use plan. To document that the future water supply is available for these projects, the WRMP Update needs to include the proposed supply sources. The potential water supply projects the District is considering for a water supply offset program are identified below:

Potential Water Supply Projects	Supply Estimate Range AF
Otay River Groundwater Desalinization Facility	2,000 to 3,000
North District Recycled Water Concept	1,000 to 1,200
Otay Mesa Recycled Water Supply Link	1,500 to 1,700
Otay Mesa Lot 7 Groundwater Well	300 to 500
Middle Sweetwater River Basin Groundwater Well	1,000 to 2,500
City of Chula Vista MBR Reclamation Plant	2,000 to 6,700
Rancho del Rey Groundwater Well	300 to 500
Potable Irrigation Meters to Recycled Water Conversions	100 to 200
Rosarito Seawater Desalinization Facility	5,000 to 11,000

FISCAL IMPACT:



The original PBS&J contract for \$499,748 is currently funded from the Operating Budget. For FY 2008 and FY 2009, \$526,450 was budgeted for the WRMP Update and PEIR Project. To date, \$374,565 has been spent and a total of \$496,950 has been

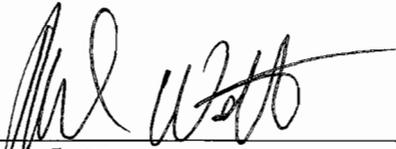
committed. Additional funding of approximately \$30,000 will be budgeted in FY 2010 and available from the same general account 11-3321-5261 (Outside Services).

STRATEGIC GOAL:

This project supports the District's Mission Statement, "To provide safe, reliable water, recycled water, and wastewater services to our community in an innovative, cost efficient, water-wise and environmentally responsible manner," and the District's Strategic Goal, "To satisfy current and future water needs for potable, recycled, and wastewater services."

LEGAL IMPACT: _____

None.



General Manager

P:\WORKING\CIP 00210 WMP & PEIR\Water Resources Master Plan\2009 WRMP & PEIR\Staff Reports\BD 04-01-09, Staff Report, WRMP-PEIR Change Order, (BK-RR).doc

BK/RR:cd

Attachments: Attachment A
Attachment B



ATTACHMENT A

SUBJECT/PROJECT: P1210-3321	Change Order No. 3 to the Contract with PBS&J for the 2009 Water Resources Master Plan Update and Program Environmental Impact Report Project
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on March 12, 2009. The following comments were made:

- The Board awarded PBS&J a professional engineering planning services agreement for the 2009 Water Resources Master Plan (WRMP) Update and Program Environmental Impact Report (PEIR) Project at board meeting held on August 1, 2007.
- The WRMP Update requires a comprehensive analysis of the District's needs for infrastructure to develop, and distribute, potable and recycled water to its service area, based on population growth and land use development. The draft WRMP Update is 98% complete and the PEIR Project is 36% complete.
- This change order would add water supply offset information into the draft WRMP Update and PEIR Project. The Offset Program is needed to support annexations into the District.
- Staff is requesting approval of a change order with PBS&J for an amount not-to-exceed \$45,732. The change order will be funded through the Operating Budget.
- It was indicated that \$526,450 was budgeted in FY2008 and 2009 for the WRMP Update and PEIR Project. An additional \$30,000 will be budgeted in FY2010 in the operating budget to cover this change order.
- It was discussed the biggest challenge is to implement the Offset Program right away. In discussion with CWA, it was

indicated that they may require that annexation requests be accompanied by actual offsets. Many of the District offset projects are in the planning stages at this time. Of the various offset projects, the Otay Mesa Well-Lot 7, the Rancho del Rey Well, and the Middle Sweetwater Basin Study are closest to fruition. It is expected that customers requiring offsets will pay some of the costs of the offset projects.

The committee supported staffs' recommendation and presentation to the full board on the consent calendar.

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

CONTRACT/P.O. CHANGE ORDER No. 3

PROJECT/ITEM: Water Resources Master Plan and Program Environmental Impact Report
CONTRACTOR/VENDOR: PBS&J REF.CIP No.: P1210-021000
APPROVED BY: Board REF. P.O. No: 707070 DATE: 2-Mar-09

DESCRIPTION:

See attached Change Order Proposal from PBS&J dated Feb. 26, 2009.

REASON:

Additional services to include water supply offset information into the 2009 OWD Water Resources Master Plan and Program Environmental Impact Report. Documentation of these supply opportunities and the status of the District's plan to implement them is needed to support future water supply assessment documents and potable water offset requirements.

CHANGE P.O. TO READ:

Revise contract to add \$45,732.00 for a total contract amount of \$555,970.00.

ORIGINAL CONTRACT/P.O. AMOUNT:	\$	499,748.00
ADJUSTED AMOUNT FROM PREVIOUS CHANGE:	\$	510,238.00
TOTAL COST OF THIS CHANGE ORDER:	\$	45,732.00
NEW CONTRACT/P.O. AMOUNT IS:	\$	555,970.00
ORIGINAL CONTRACT COMPLETION DATE:		May 30, 2009
CONTRACT/P.O. TIME AFFECTED BY THIS CHANGE:		N/A
REVISED CONTRACT COMPLETION DATE:		Dec. 31, 2009

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

CONTRACTOR/VENDOR:

SIGNATURE: Mark B. Elliott
NAME: MARK B. ELLIOTT
TITLE: Assoc. VICE PRESIDENT DATE: 3/2/09
ADDRESS: 9275 Sky Park Court, Suite 200
San Diego, CA 92123

STAFF APPROVALS:

PROJ. MGR: _____ Sr Eng (Int) DATE: _____
DIV. MGR: _____ DATE: _____
CHIEF: _____ DATE: _____
ASST. GM: _____ DATE: _____

DISTRICT APPROVAL:

GEN. MANAGER: _____ DATE: _____

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

CHANGE ORDER LOG

Water Resource Master Plan and PEIR As Needed Support

Consultant: PBS&J

Project: P1210
Subproject: 021000

		APPROVED			
C.O.	AMOUNT	BY	DATE	DESCRIPTION	TYPE C.O.
1	\$9,990.00	Chief	12/29/2008	Evaluate Donovan prison expansion, Otay Business Park and 711 PS	Owner
2	\$500.00	PM	2/25/2009	Provide modeling support for a development in Otay Mesa to evaluate the potential impacts of deleting a 12-inch potable water line south of Airway Road between Cactus Road and Britannia Road. See attached Change Order proposal from PBS&J dated Feb. 23, 2009. To be paid by	Developer Funded
3	\$45,732.00	Board	4/1/2009	Include water supply offset information into the WRMP and PEIR	Owner
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Total C.O.'s To Date:	\$56,222.00	11.3%
Original Contract Amount:	\$499,748.00	
Current Contract Amount:	\$555,970.00	

Change Order Breakdown for the Month:

Month	Net C.O.\$	Limit	Authorization	C.O. %
	\$56,222.00	\$2,000	Insp	0.0%
		\$10,000	PM/Supervisor	0.0%
		\$20,000	Manager	0.0%
		\$25,000	Chief	0.0%
		\$35,000	AGM	0.0%
		\$50,000	GM	0.0%



An employee-owned company

February 26, 2009

Mr. Robert Kennedy
Project Manager
Otay Water District
2554 Sweetwater Springs Blvd
Spring Valley, CA 91978

SUBJECT: Change Order Request to amend the 2009 OWD Water Resources Master Plan Update and Program EIR to include Water Supply Offset Information

Dear Mr. Kennedy:

This change order request describes the additional services necessary to include water supply offset information into the 2009 OWD Water Resources Master Plan Update and associated Program EIR (PEIR), as requested by the District, prior to adoption of the final documents. It has been brought to our attention by District staff that the District is considering up to nine additional water supply sources. Given the currently constricted water supply forecasts for the region, it is critical that these local supply sources be incorporated into the Master Plan Update and evaluated in the PEIR. Documentation of these supply opportunities and the status of the District's plans to implement them is necessary to support future water supply assessment documents and potable water offset requirements.

The proposed scope of work to amend the Master Plan Update is segregated below under two headings: Master Plan Update and Program EIR.

Master Plan Update

1. Expand **Chapter 3 Potable Water Supply Sources** to include a new **Section 3.4 Current Water Supply Offset Projects** documenting and prioritizing the nine potential projects listed below that the District is currently moving forward with and their status of implementation. Prepare one (1) new graphic showing the location of these projects. Expand discussion of potable water offsets, buffer supply and "new" water needs in **Section 3.3 Regional Water Supply Conditions**.

Potential Water Supply Projects	Supply Estimate Range (acre feet)	Rough Cost Estimate Range (millions)
Otay River Groundwater Desalinization Facility	2,000 to 3,000	\$8 to \$10
North District Recycled Water Concept	1,000 to 1,200	\$14 to \$15
Otay Mesa Recycled Water System Link	1,500 to 1,700	\$16 to \$20
Otay Mesa Lot 7 Groundwater Well	300 to 500	\$5 to \$8
Middle Sweetwater River Basin Groundwater Well	1,000 to 2,500	\$8 to \$10
City of Chula Vista MBR Reclamation Plant	2,000 to 6,700	\$20 to \$25
Rancho del Rey Groundwater Well	300 to 500	\$5 to \$8
Potable Irrigation Meters to Recycled Water Conversions	100 to 200	\$1 to \$2
Rosarito Seawater Desalinization Facility	5,000 to 11,000	\$30 to \$130

2. Expand **Chapters 4 and 5** to identify potential delivery points, provide general discussion of hydraulic impact of new water supply sources on the existing delivery system and potential improvements required. It is assumed that there will be no additional hydraulic modeling associated with this effort. Include up to two (2) additional graphics to illustrate delivery locations and recommended improvements.
3. Expand **Chapter 6, Capital Improvement Projects** to include a new **Section 6.4 Water Supply Projects** documenting proposed water supply projects and planning level costs for implementation. Discuss potential scheduling of the proposed projects as they relate to CIP forecasting. District engineering staff to indicate which supply projects will be included in the new 6-year CIP.
4. Edit **Exhibits I through VII**, to incorporate any recommended improvements for Phase I (2010-2016) associated with the proposed water supply projects.
5. Prepare draft revised chapters and graphics for District staff to review. Meet with District engineering and environmental staff to review comments. Respond to comments and prepare final report and CD of final master plan document. Provide the necessary project management and administration to complete the change order work.

Program EIR

6. **Program Environmental Impact Report, Water Supply Offset Projects.**
Incorporate the nine (9) potential water supply offset projects into the second screencheck Draft PEIR. This includes revisions to the following PEIR sections:
 - Project Description
 - Air Quality And Climate Change
 - Biological Resources
 - Cultural Resources
 - Energy
 - Geology, Soils And Paleontology
 - Hydrology and Water Quality
 - Landform Alteration/Visual Quality
 - Land Use Planning
 - Noise
 - Public Safety

The revisions will be based on information developed in other tasks described in this contract amendment, including an expanded discussion of the California Environmental Quality Act (CEQA) Initial Study question regarding groundwater. As part of this effort, conduct a field visit to review four of the nine prospective CIP project locations to ascertain the condition of the surrounding environment, discuss pertinent project information, and develop a preliminary opinion of possible impacts, mitigation, and alternatives. It is our opinion that five of the nine prospective water supply opportunities do not lend themselves to specific project locations which would otherwise warrant a site visit.

Mr. Robert Kennedy
Otay Water District
February 26, 2009
Page 3 of 3

Fee and Conditions

The estimated cost to complete these tasks is listed in the table below:

Task	Scope	Hours	Rate	Total Fee
1	Revise Chapter 3 and prepare graphics	8	\$165	\$1,320
		16	\$101	\$1,616
2	Add discussion re. Hydraulic impacts at Delivery Points and Revise Chapters 4 and 5	8	\$165	\$1,320
		24	\$123	\$2,952
		24	\$101	\$2,424
3	Refine Cost Estimates and Revise Chapter 6	20	\$123	\$2,460
4	Edit Exhibits	16	\$101	\$1,616
5	Prepare draft and final documents, meet with District staff	24	\$165	\$3,960
		16	\$123	\$1,968
		16	\$101	\$1,616
6	Revise PEIR to include water supply offset projects	204	\$120 (avg)	\$24,480
Total				\$45,732

The total fee for Tasks 1 through 6 Services, described herein, will be the lump sum amount of \$45,732. Upon submittal of the Draft WRMP the consultant shall invoice 90% of the fee for Tasks 1 through 5 and upon submittal of the Final WRMP the consultant shall invoice 100 % of the fee for Tasks 1 through 5. Upon completion of the 2nd screen check for the PEIR, 100% of Task 6 will be invoiced.

Upon receipt of your approval, we will begin work immediately. We look forward to continuing to assist the District in support of your master planning needs. As always, please do not hesitate to call me at 715.347.4635 or Jennifer Duffy at 858.514.1014.

Sincerely,



Mark B. Elliott
Project Manager

- cc Ms. Lisa Coburn-Boyd, OWD
Mr. Ron Ripperger, OWD
Mr. James Peasley, OWD
Ms. Jennifer Duffy, PBS&J
Mr. James Strayer, PBS&J
Mr. Mike Gonzales, PBS&J
Ms. Jennifer Bileck, PBS&J
Ms. Karen Chwala, PBS&J



AGENDA ITEM 6c



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 1, 2009
SUBMITTED BY:	Daniel Kay <i>DK</i> Associate Civil Engineer	PROJECT/ SUBPROJECTS:	R2081- DIV. 4, 5 001103, NO. S2015- 001103, P2465- 001103
APPROVED BY: (Chief):	Ron Ripperger <i>RR</i> Engineering Manager		
APPROVED BY: (Asst. GM):	Rod Posada <i>RPosada</i> Chief, Engineering		
	Manny Magaña <i>M Magaña</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Increase the Project Budgets for the 20-Inch Lane Avenue Conversion Project (R2081), the Calavo Sewer Lift Station Replacement Project (S2015), and the Material Storage Bins Project (P2465)		

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board revise the total budgets for the 20-Inch Lane Avenue Conversion Project from \$1,090,000 to \$1,160,000, the Calavo Sewer Lift Station Replacement Project from \$526,000 to \$560,000, and the Material Storage Bins Project from \$250,000 to \$310,000 (see Exhibits A-1, A-2, and A-3 respectively for project locations).

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

To obtain Board authorization to increase the project budgets for the 20-Inch Lane Avenue Conversion Project by an amount not to exceed \$70,000, the Calavo Sewer Lift Station Replacement Project by an amount not to exceed \$34,000, and the Material Storage Bins Project by an amount not to exceed \$60,000, to cover additional expenses from unforeseen conditions encountered by each contractor, and for additional Operations and Engineering staff support.

ANALYSIS:

20-Inch Lane Avenue Conversion Project:

The Board awarded a contract to ARB Inc. on January 16, 2008 in the amount of \$660,256. At that time, total expenditures, plus outstanding commitments and forecast, were \$1,111,819 with a FY 2008 budget of \$1,290,000. During the budget review process for FY 2009 the budget was reduced to \$1,090,000, to forecast expenditures closer to 100% of the budget. However, during construction, another staff report was taken to the November 13, 2008 Board meeting for a Change Order, in the amount of \$78,938, for changes made to the contract. At that time, total expenditures, plus outstanding commitments and forecast, were \$1,063,097. When the change order was presented to the Board, there was approximately \$27,000 remaining for staff time to complete the project. However, due to the extended duration of the project, staff time has gone beyond what was anticipated.

The contractor is scheduled to complete this project in April 2009. The current forecast of \$1,129,842, which does not include additional staff time, shows that the budget is over by approximately \$40,000. Based on this forecast, and including additional staff time needed during the construction phase, acceptance, and closeout of this project, staff recommends increasing the budget by \$70,000. This results in an increase of 6.4% to the project budget.

Calavo Sewer Lift Station Replacement Project:

The Board awarded a contract to Newest Construction on April 2, 2008 in the amount of \$267,900. At that time, total expenditures, plus outstanding commitments and forecast, were \$496,665, with a FY 2008 budget of \$726,000. During the Budget review process for FY 2009 the budget was reduced to \$526,000, to forecast expenditures closer to 100% of the budget. This left approximately \$30,000 for staff time to complete the project. Completing the project within the reduced budget was only possible if no changes were made, and no unforeseen conditions were found. However, during construction there was a Change Order in the amount of approximately \$18,000 for utility conflicts, as well as operational SCADA upgrades in the amount of approximately \$12,500. These changes used up the staff's allocated budget needed during the construction phase of the project.

The contractor has completed the project and it is now in the closeout phase. The current forecast of \$547,270, without additional staff time, shows that the budget will be exceeded by approximately \$21,270. Based on this forecast, and additional

staff time needed for acceptance and closeout of this project, staff recommends increasing the budget by \$34,000. This results in a 6.5% increase to the project budget.

Material Storage Bins Project:

The Board awarded a contract to Fox Construction on August 6, 2008 in the amount of \$225,000. At that time, total expenditures, plus outstanding commitments and forecast, were \$248,642, with a FY 2009 budget of \$250,000. This forecast included \$10,000 for staff time during the construction phase, plus \$7,200 for acceptance and closeout. Completing the project within budget was only possible if no changes were made, and no unforeseen conditions were found. However, in the construction phase, rock was encountered during excavation and utilities were much deeper than anticipated, resulting in a Change Order currently being processed in the amount of \$12,000. This Change Order leaves only \$5,200 for staff time during construction, acceptance, and closeout of the project.

The contractor is scheduled to complete the project in April 2009. The current forecast of \$268,505, which does not include additional staff time, shows the budget is over by approximately \$18,500. Based on this forecast, the pending Change Order and additional staff time needed during the construction phase, acceptance, and closeout of this project, staff recommends increasing the budget by \$60,000. This results in an increase of 24% to the project budget.

The following is a summary of the budget increase for each project:

Project	Existing Budget	Proposed Increase	Proposed Budget
20-Inch Lane Avenue Conversion Project (R2081)	\$1,090,000	\$70,000	\$1,160,000
Calavo Sewer Lift Station Replacement (S2015)	\$526,000	\$34,000	\$560,000
Material Storage Bins (P2465)	\$250,000	\$60,000	\$310,000
Total:		\$164,000	

FISCAL IMPACT:



20-Inch Lane Avenue Conversion Project:

The total budget for CIP R2081, as approved in the FY 2009 budget, is \$1,090,000. Expenditures to date are \$1,046,165. Total expenditures, plus outstanding commitments and forecast to date, are \$1,160,000, which includes staff expenditures (see Attachment B-1 for budget details). The Project Manager has

determined that with a budget increase of \$70,000, the project will be completed within the new budget amount of \$1,160,000.

Finance has determined that 100% of the funding is available from the Expansion Fund.

Calavo Sewer Lift Station Replacement Project:

The total budget for CIP S2015, as approved in the FY 2009 budget, is \$526,000. Expenditures to date are \$500,735. Total expenditures, plus outstanding commitments and forecast to date, are \$560,000, which includes staff expenditures (see Attachment B-2 for budget details). The Project Manager has determined that with a budget increase of \$34,000, the project could be completed within the new budget amount of \$560,000.

Finance has determined that 100% of the funding is available from the Replacement Fund.

Material Storage Bins Project:

The total budget for CIP P2465, as approved in the FY 2009 budget, is \$250,000. Expenditures to date are \$240,905. Total expenditures, plus outstanding commitments and forecast to date, are \$310,000, which includes staff expenditures (see Attachment B-3 for budget details). The Project Manager has determined that with a budget increase of \$60,000, the project could be completed within the new budget amount of \$310,000.

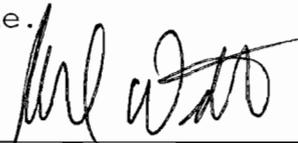
Finance has determined that 100% of the funding is available from the Expansion Fund.

STRATEGIC GOAL:

These projects support the District's Mission Statement, "To provide safe reliable water, recycled water, and wastewater services to our community in an innovative, cost efficient water-wise, and environmentally responsible manner, "as well as the General Manager's vision, to be "... prepared for the future..." by guaranteeing that the District will always be able to meet future water supply obligations and plan, design, and construct new facilities.

LEGAL IMPACT: _____

None.



General Manager

DK/RR/RP:cd

Attachments: Attachment A
Attachment B-1
Attachment B-2
Attachment B-3
Exhibit A-1
Exhibit A-2
Exhibit A-3



ATTACHMENT A

SUBJECT/PROJECT: R2081/S2015/ P2465-001103	Increase the Project Budgets for the 20-Inch Lane Avenue Conversion Project (R2081), Calavo Sewer Lift Station Replacement Project (S2015), and Material Storage Bins Project (P2465)
---	---

COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on March 12, 2009. The following comments were made:

- Staff is recommending approval of an increase in the CIP budgets for the following projects:
 - An additional \$70,000 for the 20-Inch Lane Avenue Conversion Project
 - An additional \$34,000 for the Calavo Sewer Lift Station Replacement Project
 - An additional \$60,000 for the Material Storage Bins Project
- During the budget review process for FY 2009, staff had reduced the budget for the 20-Inch Lane Avenue Conversion Project from \$1,290,000 to \$1,090,000 to bring it closer to 100% of the forecasted expenditures. Current forecasts indicate that expenditures will be higher than the revised budget. Approval of the \$70,000 change order will increase the budget to \$1,160,000 which is still less than the original budget for this project.
- During the construction phase of the Material Storage Bins project, rock was encountered during excavation and utilities were much deeper than anticipated. To meet the forecast expenditures required to complete this project, staff is recommending an increase of \$60,000 to the project budget for a proposed budget of \$310,000.
- The Calavo Sewer Lift Station Replacement Project budget was also reduced during the budget review process for FY 2009 to bring it closer to 100% of forecasted expenditures. The project has been completed and is in the final walk-thru stage. However, the budget needs of the project have increased due to utility conflicts found during construction and operational SCADA upgrades. Staff is

requesting an additional \$34,000 be allocated to the project budget for a proposed budget of \$560,000.

- The committee inquired why staff did not bring this item forward prior to the close of the project. A change occurred near the end of construction and staff brought the increase approval forward for presentation as soon it was confirmed that there would be a budget issue. However, this was not conveyed clearly to the committee.
- Staff noted that the 20-Inch Lane Avenue Conversion Project and the Material Storage Bins Project are scheduled to be completed in April 2009.

The committee supported staffs' recommendation and presentation to the full board on the consent calendar.



ATTACHMENT B-1

Otay Water District

Date Updated: February 23, 2009

R2081- RecPL - 20-Inch, 944 Zone, Lane Avenue -

<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment & Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor / Comments</i>
\$1,090,000					
Planning					
Labor	32,709	32,709		32,709	
Professional & Legal Fees	125	125	-	125	GARCIA CALDERON RUIZ LLP
Consultant Contracts	4,762	4,762	-	4,762	JONES & STOKES
Outside Services			-	-	
			-	-	
Service Contracts			-	-	
Other Agency Fees			-	-	
			-	-	
Total Planning	\$ 37,596	\$ 37,596	\$ -	\$ 37,596	
Design					
In House/Labor	113,457	113,457		113,457	
In House/Labor (future)				-	
Consultant Contracts	41,127	41,127	-	41,127	RBF CONSULTING
	5,000	5,000	-	5,000	INFRASTRUCTURE ENGINEERING
Mileage	15	15	-	15	PETTY CASH CUSTODIAN
Materials	393	393	-	393	CW MACGRATH
Contracted Services	12,719	12,719	-	12,719	KIRK PAVING INC
Permits	300	300	-	300	CITY OF CHULA VISTA
Service Contracts			-	-	
			-	-	
			-	-	
Advertising/Bid			-	-	
Settlement/Easement			-	-	
			-	-	
Total Design	\$ 173,011	\$ 173,011	\$ -	\$ 173,011	
Construction					
In House/Labor	177,421	157,263	20,158	177,421	
Other Agency Fee	50	50	-	50	PETTY CASH CUSTODIAN
Construction Contracts	664,683	588,211	76,472	664,683	ARB INC.
Retention	74,511	74,511	-	74,511	ARB INC.
	3,209	3,209	-	3,209	SOUTHERN CA SOIL
Contracted Services	1,910	1,910	-	1,910	RICK POST WELDING
	236	236	-	236	CLARKSON LAB & SUPPLY INC
Service Contracts	2,443	2,443	-	2,443	OCB REPROGRAPHICS
	69	69	-	69	SAN DIEGO DAILY TRANSCRIPTS
	258	258	-	258	SPANKY'S PORTABLE SERVICES INC
Advertisement/Bid	332	332	-	332	UNION TRIBUNE PUBLISHING CO
Infrastructure Equipment & Materials	5,680	1,080	4,600	5,680	WALTERS WHOLESale ELECTRIC CO
	1,281	390	891	1,281	MINARIK CORPORATION
	870	870	-	870	ALLIED ELECTRONICS INC
	4,702	4,651	52	4,702	APPLIED TECHNOLOGY GROUP INC
	1,662		1,662	1,662	REXEL
Meter Boxes	76	76	(0)	76	
Water Loss			-	-	
Accpt/close-out	10,000		10,000	10,000	
Total Construction	\$ 949,393	\$ 835,558	\$ 113,835	\$ 949,393	
Grand Total	\$ 1,160,000	\$ 1,046,165	\$ 113,835	\$ 1,160,000	



ATTACHMENT B-2

Otay Water District
S2015 Calavo Lift Station Replacement

Date Updated: February 23, 2009

<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment & Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor / Comments</i>
\$526,000					
Planning					
In House/Labor	37,520	37,520		37,520	
Consultant Contracts	1,979	1,979	-	1,979	Jones & Stokes Associates
Service Contracts	4,200	4,200	-	4,200	California Commercial
Advertise & Awards	275	275	-	275	San Diego Daily Transcripts
Professional & Legal Fees	915	915	-	915	Garcia, Calderon & Ruiz LLP
Land/Easement Acquisition	13,000	13,000	-	13,000	Kim-Thoa Hoang
Total Planning	\$ 57,889	\$ 57,889	\$ -	\$ 57,889	
Design					
In House/Labor	82,711	82,711		82,711	
Consultant Contracts	8,770	8,770	-	8,770	Ninyo & Moore
	16,780	16,780	-	16,780	JC Heden & Associates Inc.
	9,850	9,850	-	9,850	Engineering Partners Inc.
Professional Legal Fees	1,011	1,011	-	1,011	Garcia, Calderon & Ruiz LLP
Easement	4,000	4,000	-	4,000	Juan & Debra Navarro
Service Contracts	700	700	-	700	Southland Title
	86	86	-	86	San Diego Daily Transcripts
	1,535	1,535	-	1,535	Mayer Reprographics Inc
			-	-	
Total Design	\$ 125,442	\$ 125,443	\$ -	\$ 125,443	
Construction					
In House/Labor	60,395	58,888	1,507	60,395	
Consultant Contracts	1,470	1,470	-	1,470	JC Heden & Associates Inc.
Construction Contracts	257,615	224,631	32,984	257,615	Newest Construction
	28,624	24,959	3,665	28,624	California Bank & Trust
Change Order	1,222	349	873	1,222	Change order No. 3
Service Contracts	349	349	-	349	Union Tribune Publishing Co
	6,779	6,779	-	6,779	San Diego Gas & Electric
	7,980		7,980	7,980	Techknowsion Inc
Professional & Legal Fees	125	125	-	125	Garcia, Calderon & Ruiz LLP
Other Agency Fees	204	204	-	204	Helix Water District
Infrastructure Equipment & Material	1,907		1,907	1,907	Applied Technology Group Inc
Accept/close-out	10,000		10,000	10,000	
Total Construction	\$ 376,669	\$ 317,753	\$ 58,916	\$ 376,669	
Grand Total	\$ 560,000	\$ 501,084	\$ 58,916	\$ 560,000	



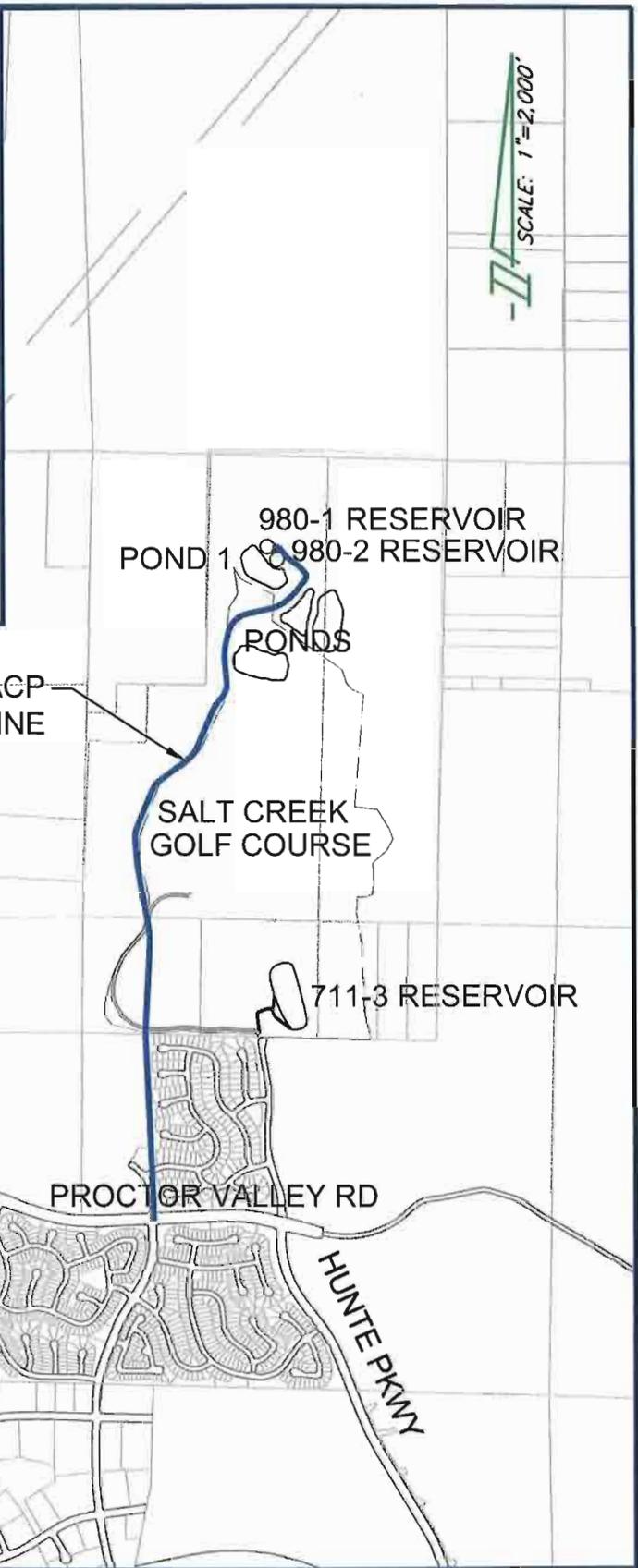
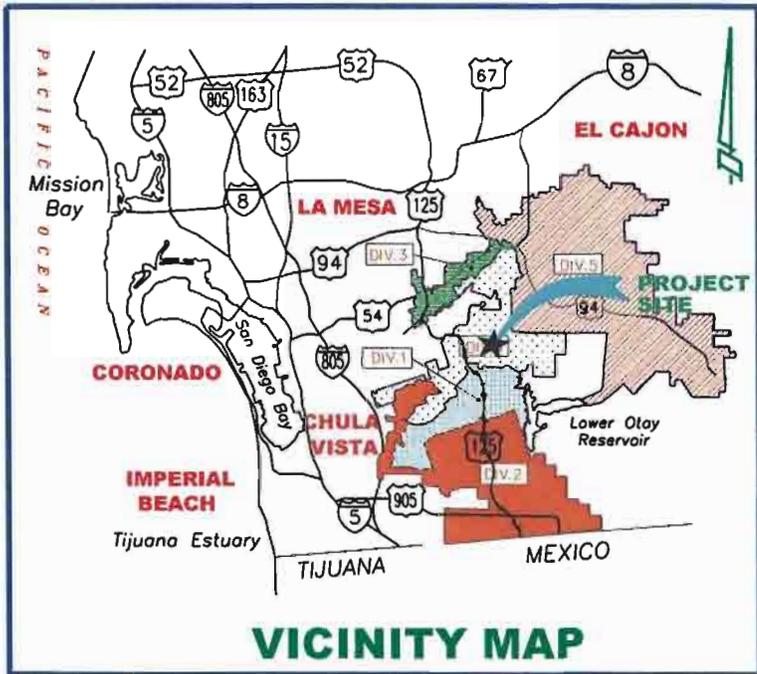
ATTACHMENT B-3

Otay Water District
P2465- Regulatory Site Material Storage Bins

Date Updated: February 23, 2009

<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment & Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor / Comments</i>
\$250,000					
Planning					
Labor			-	-	
Service Contracts			-	-	
Other Agency Fees			-	-	
			-	-	
Total Planning	\$ -	\$ -	\$ -	\$ -	
Design					
In House/Labor	135	135	-	135	
In House/Labor (future)			-	-	
Consultant Contracts			-	-	
			-	-	
Advertising/Bid			-	-	
Settlement/Easement			-	-	
			-	-	
Total Design	\$ 135	\$ 135	\$ -	\$ 135	
Construction					
In House/Labor	115,261	95,765	19,495	115,261	
Professional Legal Fees	146	146	-	146	GARCIA CALDERON & RUIZ LLP
Regulatory Agency Fees	50	50	-	50	COUNTY OF SAN DIEGO
Construction Contracts	162,000	128,160	33,840	162,000	FOX CONSTRUCTION
Retention	18,000	14,240	3,760	18,000	FOX CONSTRUCTION
Change Order	12,000	-	12,000	12,000	CO #1
Service Contracts	60	60	-	60	SAN DIEGO DAILY TRANSCRIPTS
	1,309	1,309	-	1,309	MAYER REPROGRAPHICS INC
	240	240	-	240	UNION TRIBUNE PUBLISHING CO
	800	800	-	800	SIMON WONG ENGINEERING
Infrastructure Equipment & Materials			-	-	
Money moved to P2466	(10,000)		(10,000)	(10,000)	Moved to P2466
			-	-	
			-	-	
			-	-	
Meter Boxes			-	-	
			-	-	
Water Loss			-	-	
Accpt/close-out	10,000		10,000	10,000	
Total Construction	\$ 309,865	\$ 240,770	\$ 69,095	\$ 309,865	
Grand Total	\$ 310,000	\$ 240,905	\$ 69,095	\$ 310,000	

P:\WORKING\CIP R2081\Graphics\Exhibits-Figures\VR2081_PDR Figure 1-1 Location Map.dwg 7/26/2006 8:08:44 AM PST



SCALE: 1"=2,000'



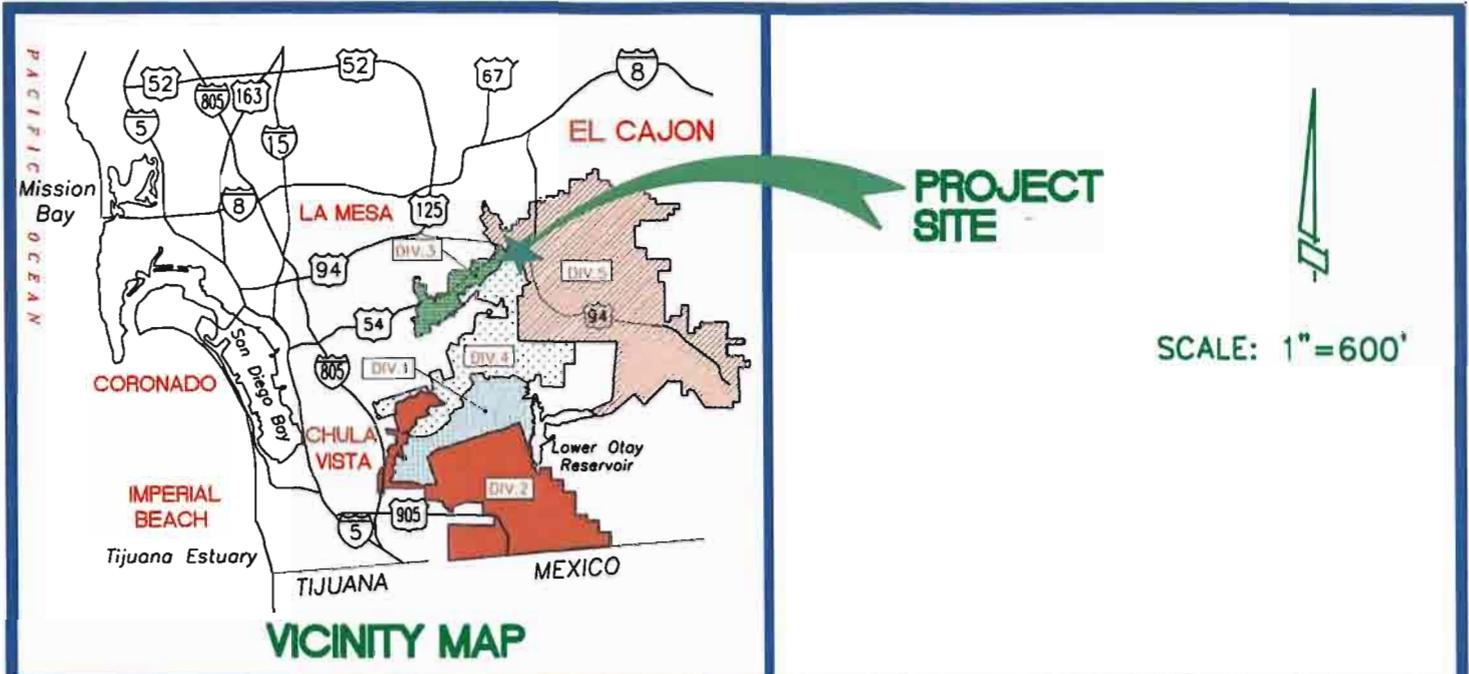
OTAY WATER DISTRICT

REC-PL 20-INCH, 944 ZONE,
LANE AVE - PROCTOR VALLEY RD./POND NO.1

LOCATION MAP

CIP R2081

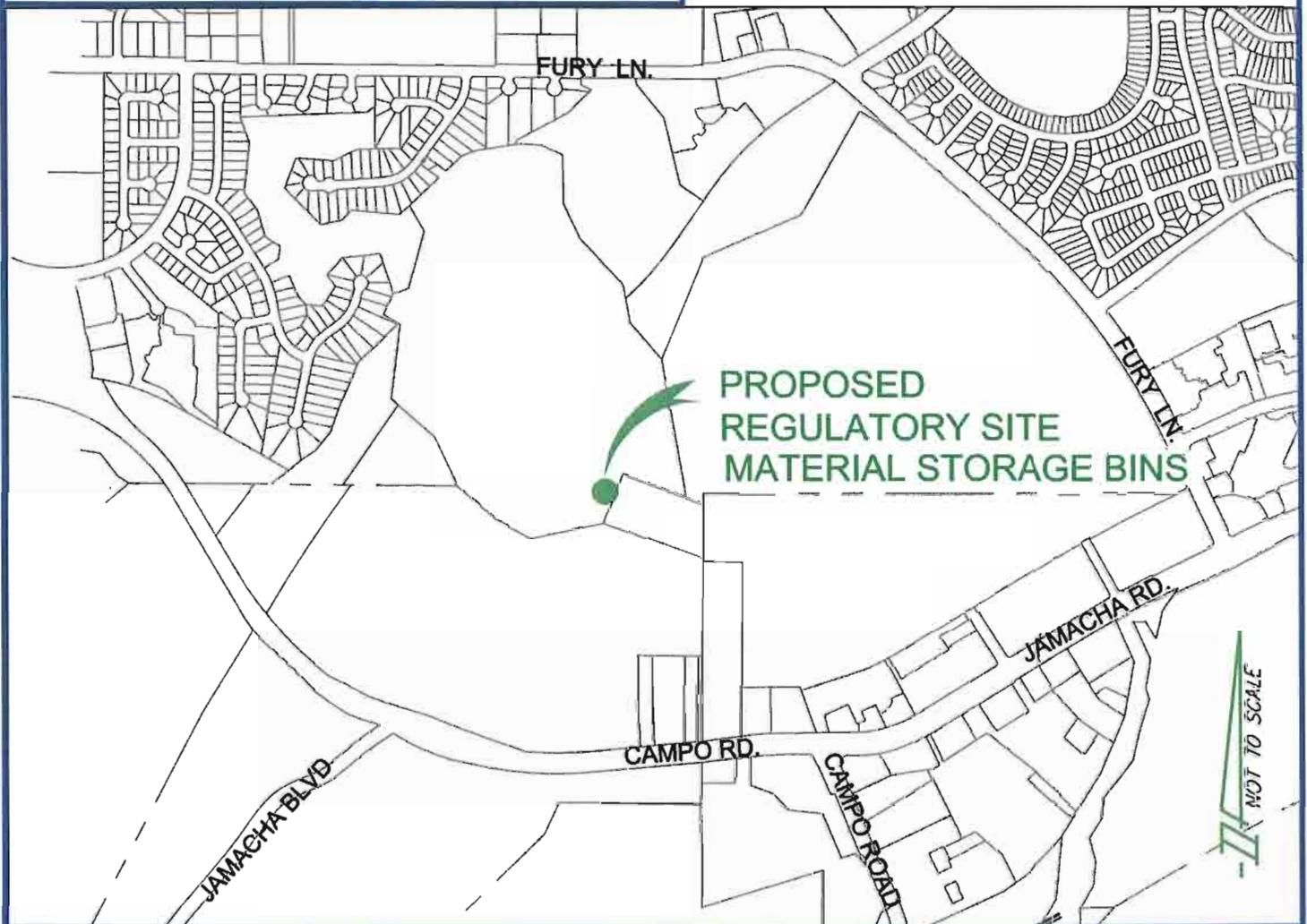
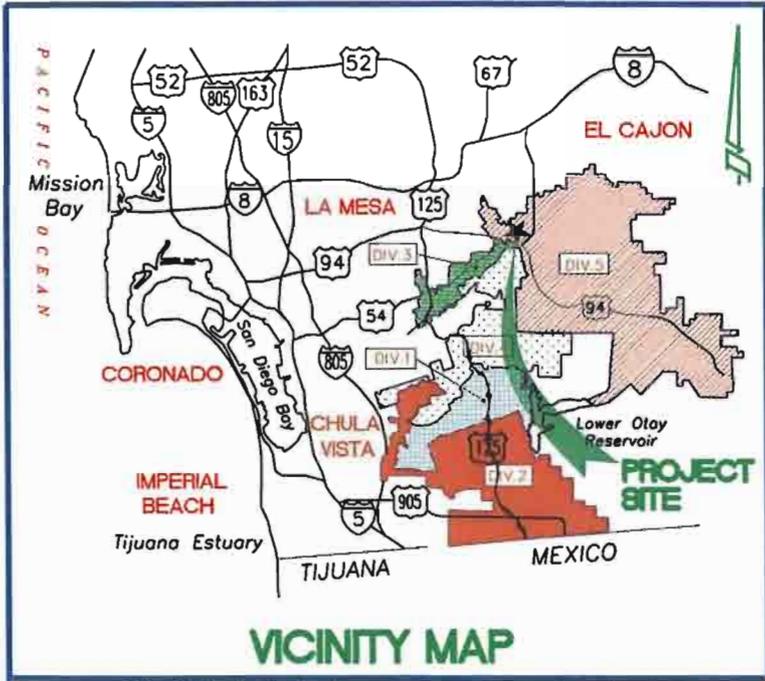
EXHIBIT A-1



OTAY WATER DISTRICT
CALAVO LIFT STATION REPLACEMENT

LOCATION MAP

CIP# S2015



OTAY WATER DISTRICT
REGULATORY SITE MATERIAL STORAGE BINS
LOCATION MAP

P2465



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 1, 2009
SUBMITTED BY:	Stephen Dobrawa, Purchasing and Facilities Manager <i>[Signature]</i>	W.O./G.F. NO:	DIV. NO. All
APPROVED BY:	Mark Watton, General Manager (Chief)		
APPROVED BY:	German Alvarez, Assistant General Manager (Asst. GM):		
SUBJECT:	ADOPTION OF RESOLUTION NO. 4133 APPROVING PURCHASE OF REAL PROPERTY LOCATED AT 2500 SWEETWATER SPRINGS BOULEVARD, SPRING VALLEY, CALIFORNIA (APN 505-230-52-00) AND RELATED ACTIONS		

GENERAL MANAGER'S RECOMMENDATION:

That the Board adopt Resolution 4133 approving the purchase of real property located at 2500 Sweetwater Springs Blvd., Spring Valley, California (APN 505-230-52-00) (the "Property"); Approving Related Agreements and Documents and Authorizing Related Actions.

COMMITTEE ACTION: _____

Not applicable.

PURPOSE:

To purchase the Property for public purposes including the possible expansion of District facilities for storage of District vehicles and property.

ANALYSIS:

General:

On November 13, 2008 the Board authorized the General Manager to enter into negotiations with Rancho San Diego Industrial Center, LLC (BLC, Inc.) for the purchase of .993 acres of vacant property located adjacent to the District's Operation facility.

Concurrently, the Board amended the FY 2009 CIP Budget by adding \$600,000 to fund CIP P2479, Operation's Yard Property Acquisition, to provide funding for the purchase and improvement of the subject property.

On June 30, 2008, the District commissioned Pacific Alliance Appraisals to perform an appraisal of the subject property. The appraiser's opinion of the market value of the property was \$425,000, set between the range of \$380,000 and \$456,000.

Based on the appraised value, on January 8, 2009 the District made an offer to BLC, Inc. to purchase the property for \$300,000. On January 15, 2009, BLC, Inc. submitted a counter offer in the amount of \$500,000. On February 19, 2009, after negotiations, BLC, Inc. submitted a final counter (counteroffer) offer of \$350,000.

On February 19, 2009 the District discussed the offer with Pacific Alliance Appraisals and asked for an opinion of the cost compared to the initial appraisal and current real estate market trends.

On February 20, 2009 the appraiser submitted an opinion that the price was 82% of the most recent appraised value (\$350,000 compared to \$425,000) and that the "difference of approximately 18% is both a reflection of the downturn of demand for industrial properties and within the allowable tolerances of estimating market values for unique properties in volatile markets. The final accepted offer to purchase price of \$350,000 is considered to be both reasonable and supportable."

Buyer's Conditions Precedent to Purchase:

The counteroffer allows the District a thirty calendar day (30-day) feasibility period from the date of full execution by parties, and delivery to Escrow, of the Purchase and Sale Agreement to disapprove the sale or waive the conditions of the review. This allows the District at its sole judgment based upon its own criteria to perform due-diligence related to:

- Approving a survey,
- A preliminary title report,
- Soils test,
- Engineering reports,
- Environmental reports,
- Zoning and,
- The feasibility of development and use of the property.

Initial Environmental Review:

A Phase I environmental assessment was completed by SCS Engineers (SCSE), a branch of Southern California Soils & Testing (SCS&T). The assessment focused on the identification of any potential sources of hazardous substances and petroleum products that could be considered a recognized environmental condition (contamination) if they were present in significant concentrations.

SCSE performed various tasks to complete the assessment including:

- Site Reconnaissance, Site Research and User Requirements
- Topography, Geology, Soils, Hydrogeology, and Water Quality Survey
- Site Vicinity Reconnaissance and Off-site Survey
- Historical Site and Site Vicinity Land Use Review
- Identification of Data Gaps
- Data Evaluation, Figure Preparation, and Assessment Report Preparation

The conclusion of the Phase I assessment is that there is a low likelihood of environmental conditions being present on the site and a low likelihood of any environmental conditions from any off-site sources.

This conclusion is consistent with the results of two earlier studies by Applied Geosciences and Geocon for a larger parcel of land that included the smaller parcel discussed above. Applied Geoscience concluded, from a Phase I assessment, that there was potential for hydrocarbon contamination because of automobile and elevator equipment repair areas that had been operating on the property. Based on Applied Geosciences conclusions, Geocon performed sampling in these areas and did not find any hydrocarbons present in the samples.

Feasibility of Development and Use of the Property:

Given that the District's Phase I environmental review of the property concludes that there is a low likelihood of adverse environmental conditions present and given that the property borders existing District property it is expected that with minimum improvements to the lot, the anticipated uses of the Property will be feasible.

Acquisition and development of the property will provide the additional space needed to:

- Increase operational flexibility;
- Accommodate for future expansion of parking and storage facilities at current locations; and
- Centrally locate equipment and materials currently stored off site.

Immediate use will be to provide additional parking and storage of vehicles, equipment and materials, including emergency equipment currently stored off-site. This use may require some improvements to be made to the Property, including fencing and possibly paving of portions of the Property.

CEQA:

The California Environmental Quality Act (CEQA) requires that the District analyze potential environmental impacts of any discretionary project approved by the District, unless the project is exempt from CEQA under its provisions or under the provisions of the California Code of Regulations, which provides Guidelines (Guidelines) for Implementation of CEQA. The District proposes to use the Property for the storage of District vehicles, which might require the installation of fencing around the Property and possibly the paving of portions of the Property. Pursuant to Section 15303 of Title 14 of Chapter 3 of the Guidelines, the "construction and location of limited numbers of new, small facilities or structures" is exempt from CEQA. In addition, Section 15303(e) indicates that examples of such construction exempted from CEQA includes "[a]ccessory (appurtenant) structures including garages, carports, patios, swimming pools, and fences." Based on the foregoing the District concludes that the purchase of the Property and the proposed use thereof are categorically exempt from CEQA. The Resolution makes a finding of categorical exemption and directs Staff to file notices required by CEQA.

FISCAL IMPACT:



Approximately \$350,000 for the purchase of the Property plus related and incidental costs and expenses to establish an escrow, purchase title insurance and other related actions.

The total budget for CIP P2479, as approved in the amended FY 2009 budget is \$600,000. Total expenditures, outstanding commitments and forecasts, are \$600,000.

Based on a review of the financial budget, the Project Manager has determined the budget will be sufficient to support this project. Finance has determined that 100% of the funding is available from the Betterment Fund.

STRATEGIC GOAL:

This project supports the District's Mission Statement, "To provide safe, reliable water recycled water, and wastewater services to our community in an innovative, cost efficient water wise and environmentally responsible manner," as well as the General Manger's vision of, "...planning for the future..." by supporting the District in its efforts to meet future water supply obligations and plan, design, and construct new facilities.

LEGAL IMPACT: _____

The General Manager would be specifically authorized to enter into an agreement for purchase of the Property in an amount not to exceed \$350,000 and to execute documents and take actions necessary or appropriate to accomplish the acquisition of the Property.



General Manager

RESOLUTION NO. 4133

RESOLUTION OF THE GOVERNING BOARD OF THE OTAY WATER DISTRICT APPROVING PURCHASE OF REAL PROPERTY LOCATED AT 2500 SWEETWATER SPRINGS BOULEVARD, SPRING VALLEY, CALIFORNIA (APN 505-230-52-00); APPROVING RELATED AGREEMENTS AND DOCUMENTS AND AUTHORIZING RELATED ACTIONS

WHEREAS, pursuant to Water Code section 71690, the Otay Water District (“District”) is authorized to acquire real or personal property of every kind; and

WHEREAS, the District has previously authorized its negotiators, the General Manager and the Purchasing and Facilities Manager, to negotiate the terms of a Purchase and Sale Agreement with the owners of the real property located at 2500 Sweetwater Springs Boulevard, Spring Valley, California, identified by APN 505-230-52 (the “Property”) and to conduct initial required due diligence in connection with said acquisition; and

WHEREAS, the Property is located within the jurisdictional boundaries of the District and the District intends to purchase the Property for public purposes, which may include the establishment of facilities for the storage of District personal property; and

WHEREAS, Government Code section 7267.2 provides that where a public agency contemplates the acquisition of real property by eminent domain, the agency must establish an amount that it believes to be just compensation for the property based on an agency approved appraisal of the fair market value of the property and make a written offer including a written statement and summary of the basis of the amount including valuation information; and

WHEREAS, pursuant to Government Code section 7267.2, by entering into negotiations with the owners of the Property, the requirements that the District make a written offer to purchase the Property which includes a summary of the basis of the appraisal of the Property have been waived; and

WHEREAS, pursuant to Section 15303 of Title 14 of Chapter 3 of the California Code of Regulations, which provides Guidelines (Guidelines) for Implementation of the California Environmental Quality Act (CEQA), the District has determined that project, consisting of the acquisition of the Property and that any new construction, such as the anticipated installation of a fence and possibly paving portions of the Property, would be categorically exempt from CEQA under Section 15303; and

WHEREAS, the owners of the Property have agreed, pursuant to the terms of the Purchase and Sale Agreement, to sell and the District desires to purchase the Property for the amount of Three Hundred Fifty Thousand and 00/100 Dollars (\$350,000) (the “Purchase Price”), payable by wire transfer of funds to escrow; and

WHEREAS, the Purchase Price to be paid for the Property is appropriate, under the circumstances presented; and

WHEREAS, the District desires to authorize the General Manager and the Purchasing and Facilities Manager to finalize negotiating the terms of the purchase of the Property in lieu of eminent domain, to execute and deliver the Purchase and Sale Agreement on behalf of the District in an amount not to exceed the Purchase Price, plus incidental costs deemed adequate and necessary by the General Manager, and to undertake all actions and investigations contemplated under such agreement to effect the acquisition of the Property; and

WHEREAS, the Governing Board of the District has determined that the District may acquire the Property for the District purposes.

NOW, THEREFORE, THE GOVERNING BOARD DOES HEREBY DETERMINE, RESOLVE, AND ORDER AS FOLLOWS:

Section 1. The facts and conclusions above, and the findings made by the Governing Board of the District (“Board”) herein, are supported by substantial evidence.

Section 2. The Board finds that the acquisition of the Property is in the District’s best interest.

Section 3. The Purchase and Sale Agreement, in the form currently on file with the District Secretary, is hereby approved. The General Manager is authorized to execute and deliver said agreement, in substantially the form on file with the District’s Secretary on this date, but with such changes as are deemed necessary or appropriate by the General Manger, upon the advice of the General Counsel, to complete the transactions herein contemplated, which changes are to be deemed hereby approved upon the execution and delivery by the General Manager of the agreement or any amendment or written instrument required thereby or contemplated therein, including but not limited to waivers, closing statements, escrow forms and assignments of intangible property. The General Manger is also specifically authorized to cause the deposit and any other payments therein required to be made and to retain consultants and direct the preparation of any reports deemed necessary or appropriate by the General Manager in connection with the acquisition of the Property.

Section 4. The requirements of Government Code section 7267.2 that a written offer to purchase the Property be made, in compliance with statutory requirements, has been waived by the owner of the Property in light of the extensive negotiations regarding the terms of the purchase and sale of the Property.

Section 5. The Board finds that the acquisition of the Property pursuant to the Purchase and Sale Agreement is a project that is categorically exempt from CEQA because such acquisition and the use anticipated to be made of the Property by the District will not result in changes to existing uses that might have a significant environmental effect, and because the improvements anticipated to be required for the anticipated use the District will make of the Property are categorically exempt from CEQA under Section 15303 of the Guidelines. The

Board hereby directs the General Manager and the District's Environmental Compliance Specialist to file the appropriate notices to ensure this finding takes effect as provided under CEQA.

Section 6. The General Manager and the Purchasing and Materials Manager of the District are hereby authorized to continue negotiations for the acquisition of the Property. The General Manager of the District is hereby authorized and directed to execute and deliver such further documents and certificates and to take such further actions as may be necessary or appropriate to acquire the Property for the District.

Section 7. This Resolution shall be effective immediately.

APPROVED, ADOPTED, AND SIGNED this _____th day of April, 2009.

Gary D. Croucher, District President

Susan Cruz, District Secretary

STATE OF CALIFORNIA)
)
COUNTY OF SAN DIEGO) ss.

I, Susan Cruz, Secretary to the Board of Directors of the Otay Water District, do hereby certify that the foregoing the foregoing is a full, true and correct copy of Resolution No. 4133, which Resolution was duly adopted by said Board at a regularly scheduled meeting thereof for which all notice required by law was timely given, held on the ____ day of April, 2009, at the regular meeting place of such Board and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
Susan Cruz, District Secretary



AGENDA ITEM 6e

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 1, 2009
SUBMITTED BY:	Armando Buelna <i>AB</i> Communications Officer	W.O./G.F. NO:	DIV. NO. All
APPROVED BY:			
SUBJECT:	2009 Legislative Program		

GENERAL MANAGER'S RECOMMENDATION:

That the Board of Directors adopt the 2009 Otay Water District Legislative Program.

PURPOSE:

To provide direction and guidelines to staff in the formulation of the District's response to legislative initiatives on issues affecting the District during the 2009 legislative session.

COMMITTEE ACTION:

See Attachment A

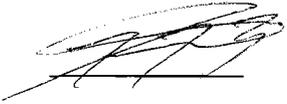
BACKGROUND

Each legislative session, representatives to the California legislature sponsor some 2,000 to 3,000 bills or significant resolutions. Many of these measures become law and affect special districts in substantive ways.

Legislative programs establish guidelines and policy direction that can be used by staff when monitoring legislative activity, and facilitate actions that can be taken to quickly in response to legislative initiatives.

The principles provided in the 2009 Legislative Program, changed very modestly from the 2008 program yet serve as guidelines for staff and its representatives in formulating a consistent response to legislative initiatives. This is helpful in dealing with time sensitive matters such as last minute amendments should calls or letters to legislators be needed. Nevertheless, sensitive or controversial policy matters will always be brought to your board for deliberation and direction.

FISCAL IMPACT:



Adopting the principles of the 2009 Legislative Program in and of itself has no fiscal impact. However, Legislative Advocacy is included in the budget for the General Manager's office (GL 11-1211-5261).

LEGAL IMPACT:

None.



General Manager

Attachments

Attachment A - *Committee Action Report*

Attachment B - *2009 Otay Water District Legislative Program*



ATTACHMENT A

SUBJECT/PROJECT:	2009 Legislative Program
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COMMITTEE ACTION:

The Finance, Administration & Communications Committee reviewed this item at a meeting held on March 5, 2009. The following comments were made:

- It was discussed that once yearly staff presents the Legislative Program for the Board's review. The Legislative Program provides a guideline to staff when drafting responses to pending legislation.
- There is little change from the 2008 guidelines. Changes include:
 - Guidelines to encourage the State to complete and finalize comprehensive plans to address the Bay-Delta environmental and water quality issues.
 - Encourage the State to finalize ongoing studies of new water storage facilities.
 - Encourage State to develop and adopt comprehensive State water plans that balances California's competing water needs and results in a reliable supply of high-quality water for the San Diego region.

The following were eliminated from the Guidelines:

- Establishing standards for reporting directors' expenditures, compensation and reforming special districts as State statute has already been adopted to address these issues. The Board also updated Policy 8 that addresses these issues as well.
- Establishing practical limits on the use of eminent domain as this issue was addressed by Proposition 99 which limits government acquisition of owner occupied residences.

- Staff noted that any controversial/sensitive matters or that are not within the guidelines would be presented to the board for discussion and to provide direction to staff.

The Committee supported staffs' recommendations and presentation to the full Board on the consent calendar.

Otay Water District 2009 Legislative Program

Legislative Policy Guidelines

Effective Date: __/__/__

Legislative Policy Guidelines

The Otay Water Legislative Policy Guidelines for the 2009 Legislative Session includes the following:

Water Services

Support efforts to:

- a. ~~Provide~~ *Develop and finalize* a comprehensive plan to address Bay-Delta environmental *and water quality* issues.
- b. Study, *finalize* and promote “Around-the-Delta” alternatives as a way to improve water quality or water transport and reduce the possibility of levee failure.
- c. *Complete and finalize long-term Delta planning work and ongoing studies of new water storage facilities, and* support efforts to promote additional surface and underground water storage infrastructure to ensure water availability and quality.
- d. Study Global Climate Change and its potential impact on the snow pack, rising sea levels, increased salinity in the Delta, the possibility of reduced precipitation or more severe storms.
- e. Provide financial support to projects designed to mitigate the potential negative impacts of Global Climate Change on water supply reliability.
- f. Provide ongoing federal and state funding for the California Bay-Delta.
- g. Support implementation of the Quantitative Settlement Agreement.
- h. Provide reliable water supplies to meet California’s short and long-term needs.
- i. *Develop and adopt* a comprehensive state water plan that balances California’s competing water needs and results in a reliable supply of high-quality water for the San Diego region.
- j. Provide conveyance and storage facilities that are cost effective, improve the reliability and quality of San Diego region’s water supplies as well as the Bay-Delta region.
- k. Equitably allocates costs of the Bay-Delta solution to all those benefiting from improvements.
- l. Support agriculture to urban water transfers.
- m. Promote desalination pilot studies and projects.
- n. Reduce restrictions on recycled water usage.
- o. Reduce restrictions on injecting recycled water into basins where there is no direct potable use.
- p. Provide financial incentives for recharge of groundwater aquifers using recycled water.
- q. Encourage feasibility studies of water resource initiatives.
- r. Increase funding for infrastructure and grant programs for construction, modernization or expansion of water, wastewater treatment, reclamation facilities and sewer systems.

Otay Water District 2009 Legislative Program

- s. Provide funding for water recycling, groundwater recovery and recharge, surface water development projects and seawater desalination.
- t. Mandate uniform or similar regulations and procedures by state agencies in the processing and administering of grants and programs.
- u. Streamline grant application procedures.
- v. Limit the availability, or prohibit the installation, of water softening appliances that discharge brine to the sewer systems feeding treatment plants that produce recycled water.
- w. Improve the existing Sacramento-San Joaquin River Delta water conveyance system to increase flexibility and enhance water supply, water quality, levee stability and environmental protection.
- x. Evaluate long-term threats to the Delta levee and conveyance system and pursue actions to reduce risks to the state's water supply and the environment.
- y. Promote or assist voluntary water transfers between willing buyers and willing sellers *and move those transactions through without delay.*
- z. Establish reasonable statewide approaches to sewer reporting standards.
- aa. *Provide the State Water Project with more flexibility to operate their systems to maximize water deliveries while avoiding unacceptable impacts to third parties, habitat or the environment.*
- bb. *Fast-track design, permits and construction for pilot projects in the Sacramento-San Joaquin Delta to create barriers to keep fish away from Delta water pumps, improve water quality and supply reliability.*

Oppose efforts to:

- a. Make urban water supplies less reliable or substantially increase the cost of imported water without also improving the reliability and/or quality of the water.
- b. Create unrealistic or costly water testing protocol.
- c. Create unrealistic or costly to obtain water quality standards for recycled water or storm water runoff.
- d. Restrict use of recycled water for groundwater recharge.
- e. Disproportionately apportion costs of water.
- f. Establish new water or recycled water fees solely to recover State costs without also providing some benefit.
- g. Create undo hurdles for seawater desalination projects.
- h. Ban the use of or make the use of eminent domain for water infrastructure projects more costly or burdensome.
- i. Create regulatory schemes that alter or limit the existing authority to reuse and recycle water.
- j. Create unreasonable or confusing sewer reporting standards.
- k. *Create administrative or other barriers to sales between willing buyers and willing sellers that delay water transfers.*

Otay Water District 2009 Legislative Program

Financial

Support efforts to:

- l. Support efforts to clarify procedures and provisions of Proposition 218 in the wake of the Bighorn decision.
- m. Require the federal government and State of California to reimburse special districts for all mandated costs or regulatory actions.
- n. Give special districts the discretion to cease performance of unfunded mandates.
- o. Provide for fiscal reform to enhance the equity, reliability, and certainty of special district funding.
- p. Provide incentives for local agencies to work cooperatively, share costs or resources.
- q. Provide for the stable, equitable and reliable allocation of property taxes.
- r. Continue to reform workers compensation.
- s. Authorize financing of water quality, water security, and water supply infrastructure improvement programs.
- t. Promote competition in insurance underwriting for public agencies.
- u. Establish spending caps on State of California overhead when administering voter approved grant and disbursement programs.
- v. Require disbursement decisions in a manner appropriate to the service in question.
- w. Encourage funding infrastructure programs that are currently in place and that have been proven effective.
- x. Produce tangible results, such as water supply reliability or water quality improvement.
- y. Provide financial incentives ~~to~~ *for energy* projects that increase reliability, diversity, and reduce green house gasses.

Oppose efforts to:

- a. Impose new, unfunded state mandates on local agencies and their customers.
- b. Undermine Proposition 1A - Protection of Local Government Revenues – and the comprehensive reform approved by voters in 2004.
- c. Reallocate special district reserves in an effort to balance the state budget.
- d. Reallocate special district revenues to fund infrastructure improvements in cities or counties.
- e. Usurp special district funds, reserves, or other state actions that force special districts to raise rates, fees or charges.
- f. Complicate existing conservation-based rate structures.
- g. Establish funding mechanisms that put undue burdens on local agencies or make local agencies *de facto* tax collectors for the state.
- h. Complicate compliance with SB 610 and SB 221.

Otay Water District 2009 Legislative Program

Governance/Local Autonomy

Support efforts to:

- a. Expand local autonomy in governing special district affairs.
- ~~b. Establish reasonable standards for reporting director expenditures. (Addressed by State statutes and codified in OWD Board of Directors Policy 8, Section (6)(e)~~
- c. ~~Establish meaningful, targeted special district reform. (Addressed by AB 1234, Chapter 700, 2005 and codified as Board of Directors Policy 8, *Et seq.*)~~
- ~~d. Create consistent definitions of types of meetings directors may use for purposes of compensation. (Addressed by State statutes and codified in OWD Board of Directors Policy 8, Section A, Exhibit A)~~
- ~~e. Set fair, consistent and reasonable standards for board member compensation. (Addressed by State statutes and codified in OWD Board of Directors Policy 8, Section (A)(Exhibit A))~~
- f. Promote comprehensive long-range planning.
- g. Assist local agencies in the logical and efficient extension of services and facilities to promote efficiency and avoid duplication of services.
- h. Streamline the Municipal Service Review Process or set limits on how long services reviews can take or cost.
- i. Establish clear and reasonable guidelines for appropriate community sponsorship activities.
- j. Reaffirm the existing “all-in” financial structure, or protect the San Diego County Water Authority voting structure based on population.

Oppose efforts to:

- a. Assume the state legislature is better able to make local decisions that affect special district governance.
- b. Create one-size-fits-all approaches to special district reform.
- c. Unfairly target one group of local elected officials.
- d. Usurp local control from special districts regarding decisions involving local special district finance, operations or governance.
- e. Limit the board of directors’ ability to govern the district.
- f. Create unfunded local government mandates.
- g. Create costly, unnecessary or duplicative oversight roles for the state government of special district affairs.
- h. Change the San Diego County Water Authority Act regarding voting structure, unless it is based on population.
- i. Shift the liability to the public entity and relieve private entities of reasonable due diligence in their review of plans and specifications for errors, omissions and other issues.
- j. Place a significant and unreasonable burden on public agencies, resulting in increased cost for public works construction or their operation.

Otay Water District 2009 Legislative Program

Conservation

Support efforts to:

- a. Provide funding for water conservation programs.
- b. Encourage the installation of water conserving fixtures in new and existing buildings.
- c. Promote the environmental benefits of water conservation.
- d. Enhance efforts to promote water awareness and conservation.
- e. Offer incentives for landscape water efficiency devices such as ET controllers and soil moisture sensors.
- f. Develop landscape retrofit incentive programs and/or irrigation retrofit incentive programs.
- g. Permit local agencies adopting stricter ordinances requiring water wise landscaping for commercial and residential development.
- h. Create tax credits for citizens or developers who install water wise landscapes.
- i. Create tax credits for citizens who purchase high efficiency clothes washers, dual flush and high-efficiency toilets and irrigation controllers above the state standards.
- j. Expand community-based conservation and education programs.
- k. Develop incentives for developers to install water wise landscape in new construction.
- l. Encourage large state users to conserve water by implementing water efficient technologies in all facilities both new and retrofit.
- m. Create higher incentives for solar power.
- n. Encourage large state water users to conserve water outdoors.
- o. Educate all Californians on the importance of water, and the need to conserve, manage, and plan for the future needs.

Oppose efforts to:

- a. Weaken federal or state water efficiency standards.

Safety, Security and Information Technology

Support efforts to:

- a. Provide funding for information security upgrades-; *to include integrated alarms, access/egress, and surveillance technology.*
- b. Provide incentives for utilities and other local agencies to work cooperatively, share costs or resources.
- c. Provide funding for communication enhancements, wireless communications, GIS or other technological enhancements.
- d. Encourage or promote compatible software systems.
- e. Fund infrastructure and facility security improvements-; *include facility roadway access, remote gate access and physical security upgrades.*
- f. Protect state, local and regional drinking water systems from terrorist attack or deliberate acts of destruction, contamination or degradation.
- g. Provide funds to support training or joint training exercises-; *to include contingency funding for emergencies and emergency preparedness.*

Otay Water District 2009 Legislative Program

- h. Equitably allocate security funding based on need, threats and/or population.
- i. Encourage or promote compatible communication systems.
- j. *Encourage and promote funding of Department of Homeland Security Risk Mitigation programs.*

Oppose efforts that:

- a. Create unnecessary, costly, or duplicative security mandates.

Optimize District Effectiveness

Support efforts to:

- a. Continue to reform Workers Compensation.
- b. Give utilities the ability to avoid critical peak energy pricing or negotiate energy contracts that save ratepayers money.
- c. Develop reasonable Air Pollution Control District engine permitting requirements.
- d. Reimburse or reduce local government mandates.
- e. Allow public agencies to continue offering defined benefit plans.
- f. Result in predictable costs and benefits for employees and taxpayers.
- g. Eliminate abuses.
- h. Retain local control of pension systems.
- i. Be constitutional, federally legal and technically possible.
- j. ~~Establish practical limits on the use of eminent domain.~~ (Addressed by Prop. 99 - Limits on Government Acquisition of Owner Occupied Residence).

Oppose efforts to:

- a. Restrict the use of, or reallocate, district property tax revenues to the detriment of special districts.
- b. Create unrealistic ergonomic protocol.
- c. Micromanage special district operations.
- d. Balance the state budget by allowing regulatory agencies to increase permitting fees.

Bi-National Initiatives

Support efforts to:

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

Oppose efforts to:

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

AGENDA ITEM 7a



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 1, 2009		
SUBMITTED BY:	Ron Ripperger <i>[Signature]</i> Engineering Manager	PROJECT/ SUBPROJECT:	P2009- 001102	DIV. NO.	5
APPROVED BY: (Chief)	Rod Posada <i>[Signature]</i> Chief, Engineering				
APPROVED BY: (Asst. GM):	Manny Magaña <i>[Signature]</i> Assistant General Manager, Engineering and Operations				
SUBJECT:	Change Order No. 1 to the Contract with Lee & Ro, Inc. for Design of the 36-Inch Pipeline, SDCWA Otay FCF No. 14 to the Regulatory Site Project				

GENERAL MANAGER'S RECOMMENDATION:

That the Otay Water District (District) Board approve Change Order No. 1 to the existing contract with Lee & Ro, Inc. (Lee & Ro) for design of the 36-Inch Pipeline, SDCWA Otay FCF No. 14 to the Regulatory Site (36-Inch Pipeline) Project in an amount not to exceed \$61,629 (see Exhibit A for project location).

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To obtain Board authorization for the General Manager to execute Change Order No. 1 (see Exhibit B) in an amount not to exceed \$61,629 to the contract with Lee & Ro.

ANALYSIS:

At the August 6, 2008 Board meeting, Lee & Ro was awarded a professional engineering services contract for completion of the design of the 36-Inch Pipeline project. The contract amount approved by the Board was an amount not to exceed \$769,000.

The staff report presented to the Board on August 6, 2008 included two scenarios for resolution of remaining design services for the project. The first scenario was the optimistic case, and assumed

that the transfer of work product from Infrastructure Engineering Corporation (IEC) was 90% complete. Lee & Ro's level of effort to complete the contract documents would then require a design fee of \$515,000. The second scenario assumed that the transfer of data indicated a completion level less than the claimed 90%, or was delayed significantly. Under this scenario, Lee & Ro's fee would be \$769,000.

Transfer of data from IEC occurred quickly, allowing Lee & Ro staff an opportunity to review all submitted data, and work product, from IEC to more accurately determine the level of effort required to complete the design and the corresponding fee for the revised effort. The District subsequently executed a contract with Lee & Ro for \$580,183.

However, as Lee & Ro progressed with their scope of work, it became evident that the permit process for Caltrans was not as far along as previously represented to the District by IEC. Specifically, the Caltrans traffic control plans provided by IEC to the District (and then provided by the District to Lee & Ro) were actually 60% complete, rather than 100% complete as represented by IEC. After Caltrans' review of the 60% plans, Caltrans requested Signal Plans, Signing and Striping Plans, and a Traffic Management Plan. Lee & Ro and their subconsultant submitted all the above information to Caltrans, and then responded to the comments made by Caltrans regarding the information provided. This also required that Lee & Ro, and their subconsultant, meet with Caltrans' staff on several occasions to discuss the comments in detail.

In addition to the added Caltrans scope of work, District staff requested Lee & Ro (to attend additional meetings with District staff) to provide updates on their progress. Key items were discussed in these meetings including the status of agencies' permits, design improvements, and the design completion schedule. An outcome from these Project Delivery meetings was staff's request of Lee & Ro to add more detailed information to the plans regarding rock and groundwater profiles and to design a static mixer to be placed in Vault No. 7 at the Regulatory Site to address Operations staff's concerns about water quality.

This Change Order will extend the contract completion date for the project from September 30, 2010 to December 31, 2010, to account for the delay in processing an encroachment permit with Caltrans.

FISCAL IMPACT:



Original contact is for \$580,183; with the approval of Change Order No. 1 the new contract will be \$641,812. The total Fiscal Year 2009 budget for CIP P2009 is \$22,000,000. The actual costs paid as of March 2, 2009, are \$2,682,711. Total expenditures, plus outstanding commitment and forecast, including this Change Order, are approximately \$4,701,265.

Attachment B lists commitments, expenditures, and projected final costs for CIP 2009 to date. Based on the financial budget, the Project Manager has determined that the budget is sufficient to support the project.

Finance has determined that 100% of the funding for CIP P2009 is currently available from the Expansion Fund.

STRATEGIC GOAL:

This project supports the District's Mission statement, "To provide the best quality of water and wastewater services to the customers of Otay Water District, in a professional, effective, efficient, and sensitive manner..." This project fulfills the District's Strategic Goals No. 1 - Community and Governance and No. 5 - Potable Water, by maintaining proactive and productive relationships with the project stakeholders, and by guaranteeing that the District will provide for current and future water needs.

LEGAL IMPACT:

None.



General Manager

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RR/RP:cd

- Attachments Attachment A
- Attachment B
- Exhibit A
- Exhibit B



ATTACHMENT A

SUBJECT/PROJECT: P2009-001102	Change Order No. 1 to the Contract with Lee & Ro, Inc. for Design of the 36-Inch Pipeline, SDCWA Otay FCF No. 14 to the Regulatory Site Project
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on March 12, 2009. The following comments were made:

- The Board awarded Lee & Ro, Inc. a professional engineering services contract for the completion of the design of the 36-inch Pipeline project at board meeting held on August 6, 2008. The Board approved an upper amount for the contract with Lee & Ro of \$769,000 based upon the completion of the work product received from IEC. Staff subsequently negotiated a contract with Lee & Ro for \$580,183.
- When the District entered into the design contract with Lee & Ro, it was thought that the design was more complete than it actually was. The permit process with Caltrans was only 60% complete as opposed to 100% as represented to the District by IEC. Lee & Ro needed to submit additional information and respond to comments from Caltrans on the Traffic Management Plan for the project to meet Caltrans' traffic plan standards.
- Staff is requesting approval of a change order with Lee & Ro in an amount not-to-exceed \$61,629 to cover the cost associated with the additional Caltrans scope of work.
- As the design plans for this project have been published, no additional change orders are expected for the design phase of this project.

The committee supported staffs' recommendation and presentation to the full board as an action item. The committee commended Lee & Ro for their work to complete the design of this project and felt that presenting this item for action by the board would provide a good opportunity to recognize Lee & Ro for their work.



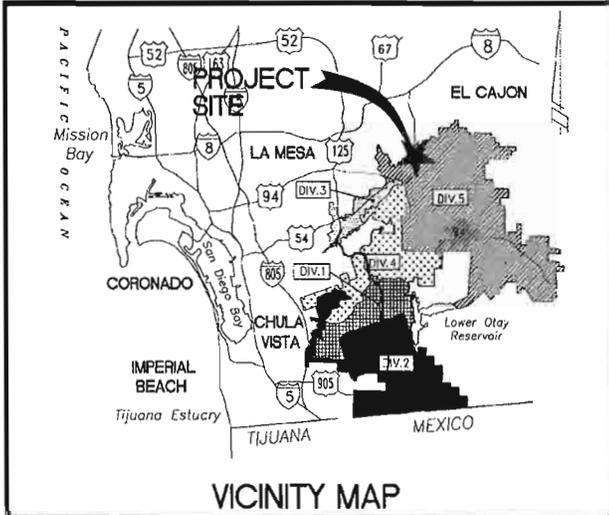
ATTACHMENT B

SUBJECT/PROJECT: Change Order No. 1 to the Contract with Lee & Ro, Inc. for Design of the 36-Inch Pipeline, SDCWA Otay FCF No. 14 to the Regulatory Site Project

P2009-001102

Otay Water District Date Updated: March 02, 2009
 P2009 - 36-Inch Pipeline from SDCWA Otay FCF No. 14 to the Regulatory Site

<i>Budget</i>	<i>Committed</i>	<i>Expenditures</i>	<i>Outstanding Commitment & Forecast</i>	<i>Projected Final Cost</i>	<i>Vendor / Comments</i>
\$22,000,000					
Planning					
Labor	233,726	233,726		233,726	
Printing	993	993	-	993	OCB REPROGRAPHICS
Business Meetings	110	110	-	110	PETTY CASH
	49	49	-	49	US BANK CORPORATE PAYMENT
Professional Legal Fees	5,595	5,595	-	5,595	BURKE WILLIAMS & SORENSEN
	50,015	50,015	-	50,015	GARCIA CALDERON & RUIZ LLP
Regulatory Agency Fee	1,927	1,927	-	1,927	COUNTY OF SAN DIEGO
Consultant Contracts	1,338,108	1,080,288	257,820	1,338,108	INFRASTRUCTURE ENGINEERING
	1,786	1,786	-	1,786	JONES & STOKES
Service Contracts	398	398	-	398	UNION TRIBUNE
	957	957	-	957	SD DAILY TRANSCRIPT
	350	350	-	350	RYAN BETHKE
	705	705	-	705	OLLI BROS
Subcontract	12,266	12,266	-	12,266	HELIX WATER DISTRICT
Temporary Labor	16	16	-	16	SEDONA STAFFING
Total Planning	\$ 1,647,000	\$ 1,389,179	\$ 257,820	\$ 1,646,999	
Design					
In House/Labor	465,661	465,661		465,661	
In House/Labor (future)				-	
Consultant Contracts	93,000	18,750	74,250	93,000	SAN DIEGO COUNTY WATER
	107,138	100,661	6,477	107,138	HARRIS & ASSOCIATES INC
	4,744	4,744	-	4,744	WRA & ASSOCIATES INC
	1,050	1,050	-	1,050	SOUTHLAND TITLE
	1,640	1,640	-	1,640	CALTRANS
	583,098	349,930	233,168	583,098	LEE & RO INC
	61,629		61,629	61,629	C.O. #1
	12,516	12,516	-	12,516	SOUTHERN CA SOIL
	13,440	13,440	-	13,440	SWINERTON MANAGEMENT
	28	28	-	28	SAN DIEGO COUNTY
Service Contracts	7,500	7,500	-	7,500	KEAGY REAL ESTATE
	43	43	-	43	SAN DIEGO DAILY TRANSCRIPT
Special Projects	48	48	-	48	SEDONA STAFFING
Meals and Incidentals	162	162	-	162	PETTY CASH
Mileage	3	3	-	3	PETTY CASH
Business Meetings	17	17	-	17	PETTY CASH
	215	215	-	215	US BANK CORPORATE PAYMENT
Advertising/Bid	87	87	-	87	SAN DIEGO DAILY TRANSCRIPT
Other Agency Fees	12,830	12,830	-	12,830	CITY OF EL CAJON
Total Design	\$ 1,364,848	\$ 989,324	\$ 375,524	\$ 1,364,848	
Construction					
In House/Labor	30,987	30,987		30,987	
Service Contracts	818	818	-	818	UNION TRIBUNE PUBLISHING CO
Consultant Contracts	1,088,785	145,935	942,850	1,088,785	RBF CONSULTING
Construction Contracts	527,000	106,250	420,750	527,000	SAN DIEGO COUNTY WATER
	5,784	5,784	-	5,784	SOUTHERN CA SOIL
Service Contracts	266	266	-	266	MCGRAW-HILL CONSTRUCTION
Meals & Incidentals	83	83	-	83	PETTY CASH CUSTODIAN
Regulatory Agency Fees	4,685	4,685	-	4,685	CITY OF EL CAJON
	9,400	9,400	-	9,400	SAN DIEGO COUNTY WATER
Inline Valve	1,609		1,609	1,609	FERGUSON WATERWORKS #1082
Accpt/close-out	20,000		20,000	20,000	
Total Construction	\$ 1,689,417	\$ 304,208	\$ 1,385,209	\$ 1,689,417	
Grand Total	\$ 4,701,265	\$ 2,682,711	\$ 2,018,553	\$ 4,701,264	



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OTAY WATER DISTRICT
 PIPELINE 36-INCH,
 SDCWA FCF NO. 14 TO REGULATORY SITE

CIP P2009

EXHIBIT A

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

CONTRACT/P.O. CHANGE ORDER No. 1

PROJECT/ITEM: 36-Inch Pipeline FCF No. 14 to Regulatory Site
CONTRACTOR/VENDOR: Lee & Ro, Inc. **REF.CIP No.:** P2009-001102
APPROVED BY: Board **REF. P.O. No:** 709237 **DATE:** 1-Apr-09

DESCRIPTION:

Additional effort was required by Lee & Ro to attend weekly project delivery meetings, respond to Caltrans' requests for additional information including a Traffic Management Plan, Signal Plans, Signing and Striping Plans and road cross section drawings. District staff also requested that detailed rock and groundwater profiles be added to the design, and requested that a static mixer be incorporated at the Regulatory Site connection. See attached Change Order Proposal from Lee & Ro dated 3/2/09.

REASON:

In order to obtain permits and sign off from Caltrans, Lee & Ro was required to prepare additional plans, and provide additional effort, to finalize the contract documents for bidding.

It was determined that more detailed rock and groundwater profile information would help clarify the subsurface conditions for contractors. In addition, incorporation of a static mixer at the Regulatory Site will increase the effectiveness of chemical injection and monitoring of water quality.

CHANGE P.O. TO READ:

Revise contract to add \$61,629.00 for a total contract amount of \$641,812.00.

ORIGINAL CONTRACT/P.O. AMOUNT:	\$	580, 183.00
ADJUSTED AMOUNT FROM PREVIOUS CHANGE:	\$	0
TOTAL COST OF THIS CHANGE ORDER:	\$	61,629.00
NEW CONTRACT/P.O. AMOUNT IS:	\$	641,812.00
ORIGINAL CONTRACT COMPLETION DATE:		9/30/2010
CONTRACT/P.O. TIME AFFECTED BY THIS CHANGE:		90 days
REVISED CONTRACT COMPLETION DATE:		12/31/2010

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

CONTRACTOR/VENDOR:

STAFF APPROVALS:

SIGNATURE: _____	PROJ. MGR : _____	Sr Eng (Int) _____	DATE: _____
NAME : _____	DIV. MGR : _____		DATE: _____
TITLE: _____	DATE : _____	CHIEF: _____	DATE: _____
ADDRESS: _____	ASST. GM : _____		DATE: _____

DISTRICT APPROVAL:

GEN. MANAGER: _____ DATE: _____

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



March 2, 2009

Ron Ripperger
Engineering Manager
Otay Water District
2554 Sweetwater Springs Boulevard
Spring Valley, CA 91978

Subject: Jamacha 36-inch Pipeline
Additions to Scope of Work and Request for Additional Compensation

File: 837A

Dear Mr. Ripperger:

As we informed you previously, there have been design scope additions requested by the District on the subject project. In addition, numerous design changes and plan revisions were required because of the conditions of the previous drawings and status of the Caltrans Permit. We have attempted to incorporate the changes into the project without requesting an increase to our consulting fees. However, we are requesting additional compensation for the changes in our scope of work as described below.

1. Addition of Weekly Progress Meetings

When we prepared our initial proposal, we proposed to attend monthly meetings with the District during design. After the first progress meeting the District determined that weekly construction meetings would be required. This change resulted in an additional three (3) meetings per month and an additional cost of \$10,266.

2. Add Rock and Ground Water Profiles

During weekly progress meetings it was indicated that rock and groundwater profiles were to be added to plans to assist the contractors in bidding the rock work. This item was initially to be prepared by the previous project consultants. The District directed Lee & Ro, Inc to prepare rock profiles. The effort consisted preparing two (2) profile sheets. The cost for this additional work is \$5,328.

3. Add Static Mixer at Regulatory Site

District operations staff indicated a need to improve water quality at the regulatory site. The District directed Lee & Ro, Inc to design a static mixer in Vault No.7 on the regulatory site. The effort consisted preparing one (1) plan sheet and specification. The cost for this additional work is \$3,416.

4. Caltrans Encroachment Permit

When we prepared our initial fee proposal, it was our understanding from District staff that the previous consultant had applied for the Caltrans encroachment permit in January 2008 and the permit would be obtained shortly thereafter. While we were preparing our initial fee proposal the District and the previous consultant were meeting with Caltrans. When we met with Caltrans October 9, 2008 Caltrans indicated that they had not started the review of the plans and would take a minimum of 14 weeks to obtain the permit. We basically were just starting the formal permit application process at this time. In addition Caltrans required that Traffic Management Plan (TPM), Signal Plans, Signing and Striping Plans and cross-sections be submitted.

This additional work required additional man hours than originally anticipated to meet with Caltrans, prepare 60%, 90%, 100% and additional submittals, numerous meetings and conference calls. In addition, our sub-consultant Darnell & Associates was also affected as noted below:

- The 100 percent traffic control plans, provided by the District were actually approximately 60%.
- A total of 41 traffic control plan sheets were estimated. This was based on the existing 35 sheets, on which 9 sheets would be deleted and 15 new sheets would be required.
- After our first meeting with Caltrans, we were advised that Signal Plans would be required and, Signing and Striping Plans would also be required. At the meeting, we were also advised a Traffic Management Plan (TPM) would be required. This resulted in the addition of six (6) Traffic Signal Plans, eleven (11) Signing and Striping Plans and one (1) Traffic Management Plan

The cost for this additional work is \$42,619.

Attached is a spreadsheet supporting the additional fee (\$61,629) we are requesting. We believe that our additional fee is reasonable and is based on our actual work hours to perform the work plus our sub-consultants' proposal to us.

We would be pleased to review this matter with you in detail. Please call me at (858) 332-4281.

Sincerely,

LEE & RO, Inc

Frank Biehl, P.E., Vice President/San Diego Regional Manager

Encl: Fee Proposal Spreadsheet

TASK DESCRIPTION	Hours/\$s	Billing Rate (\$/Hour)	Amount (\$)	TOTALS (\$)
Project Total	208			\$61,629
Task 1: Project Management & Administration	54			\$10,266
Sub-Task 1.3: Monthly Meetings with District During Design				\$9,936
F. Biehl (E-8)	18	\$200	\$3,600	
J. Stein (E-7)	36	\$176	\$6,336	
<i>Subtotal</i>	54			
Direct Expenses				\$330
Mileage	\$300	10%	\$330	
Task 2: Public Outreach, Community Relations and Liasion, Agency Permitting & Utility Coordination	82			\$42,619
Sub-Task 2.3: Prepare all Required Permit Applications and Reports				\$16,400
F. Biehl (E-8)	82	\$200	\$16,400	
<i>Subtotal</i>	82			
Direct Expenses				\$26,219
Subconsultant: Darnell & Assoc. (Traffic)	\$24,970	5%	\$26,219	
Reproduction and Mileage	\$0	10%	\$0	
Task 8: Complete Contract Documents Preparation	72			\$8,744
Sub Task 8.4: 100 Percent Design				
Add Rock & Groundwater Profile (2 sheets)				\$5,328
J. Stein (E-7)	2	\$176	\$352	
L. Tripp (E-7)	2	\$176	\$352	
K. Neson (E-4)	24	\$100	\$2,400	
Ki Chung (T-7)	16	\$139	\$2,224	
<i>Subtotal</i>	44			
Add Static Mixer				\$3,416
J. Stein (E-7)	2	\$176	\$352	
L. Tripp (E-7)	2	\$176	\$352	
K. Neson (E-4)	16	\$100	\$1,600	
Ki Chung (T-7)	8	\$139	\$1,112	
<i>Subtotal</i>	28			

Darnell & ASSOCIATES, INC.

TRANSPORTATION PLANNING & TRAFFIC ENGINEERING

January 5, 2008

Mr. Frank Biehl
Lee & Ro, Inc.
10225 Barnes Canyon, Suite 200
San Diego, CA 92121

D&A Ref. No: 080902C

Subject: Request for Proposal for Jamacha Road 36-Inch Potable Water Pipeline.

Dear Mr. Biehl,

We are requesting an augment to our contract for the project. The request for augment is based on the following:

ADDITIONAL SCOPE OF SERVICES

1. The plans provided were shown as 100%, when they were actually approximately 60%.
2. A total of 41 traffic control plan sheets were estimated. This was based on the existing 35 sheets, on which 9 sheets would be deleted and 15 new sheets would be required.
3. After our first meeting with Caltrans, we were advised that Signal Plans would be required and, Signing and Striping Plans would also be required. At the meeting, we were also advised a Traffic Management Plan (TPM) would be required.

Based on the above, we are requesting an augment for the following additional services:

- Prepare Traffic Signal Plans (Six Sheets)
- Prepare Signing and Striping Plans (Eleven Sheets)
- Prepare Traffic Management Plan

ADDITIONAL CONSULTANT FEE

The cost for this additional work is as follows:

Prepare Signing and Striping Plans: (11 Sheets)

Firm Principal	18 hrs @ \$160/hr	=	\$2,880.00
Principal Transportation Engineer	40 hrs @ \$140/hr	=	\$5,600.00
Traffic Technician	88 hrs @ \$70/hr	=	\$6,160.00
Word Processor	10 hrs @ \$60/hr	=	\$600.00
Expenses:			
Mylars	11 @ \$50/each	=	\$550.00
	Sub-Total:		\$15,790.00

Mr. Frank Biehl
Lee & Ro, Inc.
January 5, 2008
Page 2

Prepare Traffic Signal Plans (6 Sheets)

Firm Principal	8 hrs @ \$160/hr	=	\$1,280.00
Principal Transportation Engineer	20 hrs @ \$140/hr	=	\$2,800.00
Traffic Technician	40 hrs @ \$70/hr	=	\$2,800.00
Word Processor	8 hrs @ \$60/hr	=	\$480.00
Expenses:			
Mylars	6 @ \$50/each	=	\$300.00
	Sub-Total:		\$7,660.00

Prepare Traffic Management Plan

Firm Principal	4 hrs @ \$160/hr	=	\$640.00
Principal Transportation Engineer	10 hrs @ \$140/hr	=	\$1,400.00
Word Processor	8 hrs @ \$60/hr	=	\$480.00
	Sub-Total:		\$1,520.00

Not-To-Exceed Augment: \$24,970.00

Approval of this augment will increase our Not-to- Exceed Fee from \$43,130.00 to \$68,100.00.

Please feel free to contact me, should you have any questions or comments.

Sincerely,

DARNELL & ASSOCIATES, INC.


Bill E. Darnell, P.E.
RCE: 22338

BED/jam

080902 - Jamacha Road 36-Inch Pipeline

We concur with the provisions of the
augment and authorize D&A to perform the
services described above.

Lee & Ro, Inc.
10225 Barnes Canyon, Suite 200
San Diego, CA 92121

(Signature)

(Print name & title)

(Date)

AGENDA ITEM 7b



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 1, 2009
SUBMITTED BY:	Lisa Coburn-Boyd <i>for LCB</i> Environmental Compliance Specialist	PROJECT:	R2089- DIV. NO. N/A 001101
	Ron Ripperger <i>m</i> Engineering Manager		
APPROVED BY: (Chief)	Rod Posada <i>[Signature]</i> Chief, Engineering		
APPROVED BY: (Asst. GM)	Manny Magaña <i>[Signature]</i> Assistant General Manager, Engineering and Operations		
SUBJECT:	Informational Item regarding a Letter dated February 25, 2009 from the Sweetwater Authority regarding Recycled Water and Groundwater Extraction in the Middle Sweetwater Basin		

GENERAL MANAGER'S RECOMMENDATION:

No recommendation. This is an informational item only.

COMMITTEE ACTION:

Please see Attachment A.

PURPOSE:

To provide the Otay Water District (District) Board with information regarding a letter dated February 25, 2009 from the Sweetwater Authority (SWA) staff (see Exhibit A) concerning their review and report to the SWA Board on the Otay Water District's (District) North District Recycled Water Concept Study and the Middle Sweetwater Groundwater Extraction Study Request for Proposal (RFP).

ANALYSIS:

While preparing the North District Recycled Water Concept Study, the District recognized SWA as a critically important stakeholder and met with SWA staff several times to discuss the

progress and results of the Study. The final report was given to the SWA staff for their review and comment. The SWA staff prepared a staff report for their February Board meeting. The SWA Board concurred with the SWA staff's report (see Exhibit B) without additional comments. The comments to the North District Study are summarized below.

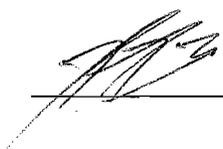
- The District should conduct an extensive and inclusive public participation/information process that includes SWA's entire service area.
- The District should conduct an extensive literature search, to provide case studies of recycled water distribution within drinking water watersheds.
- There should be a full review and approval by the California Regional Water Quality Control Board and the Department of Public Health, based on the best scientific information available. (This is addressed in the North District Study.)
- Installation of a reverse osmosis system at the District's Chapman facility to mitigate further degradation of the watershed by excessive total dissolved solids. Also, additional treatment processes, at the Chapman plant, to reduce the risk of nitrogen, viruses, and pathogens from entering the Sweetwater Reservoir.
- Monitoring by the District of BMP's to control runoff of recycled water to the Middle Basin, as well as partnering with SWA to monitor the impacts of increased recycled water use in the Middle Basin.
- A full CEQA review, including a complete Environmental Impact Report, of any and all projects proposed for the Middle Basin.
- SWA staff has requested a Memorandum of Understanding (MOU) between SWA and the District describing the process for reviewing any projects in the Middle Basin, required findings, and a path for approval to address all the issues above. Discussion of this MOU can only be initiated once SWA is satisfied that all their other conditions have been met.

The SWA staff also reviewed the District's RFP for the Middle Sweetwater Basin Groundwater Extraction Study. The SWA staff

prepared a staff report for their February Board meeting (see Exhibit C). They suggested that the RFP include an analysis of implementing an AB 3030 groundwater management plan for the basin, expansion of the scope of work to include use of the Sweetwater Reservoir as an option for storage of imported raw water from the San Diego County Water Authority which would then be pumped to the District's system. SWA staff also suggested that this project be included in the CEQA process discussed above.

District staff included some of the suggestions from SWA in the RFP presently being circulated for a pilot well in the Middle Sweetwater Basin.

FISCAL IMPACT:



None.

STRATEGIC GOAL:

None.

LEGAL IMPACT:

None.


General Manager

P:\WORKING\CIP R2089 - North District Recycled Water\Staff Reports\BD 04-01-09, Staff Report, SWA letter Informational, (LC-B-RR).doc

LC-B/RR:cd

Attachment: Attachment A
Exhibit A
Exhibit B
Exhibit C



ATTACHMENT A

SUBJECT/PROJECT: R2089-001101	Informational Item regarding a Letter dated February 25, 2009 from the Sweetwater Authority regarding Recycled Water and Groundwater Extraction in the Middle Sweetwater Basin
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on March 12, 2009. The following comments were made:

- Staff wished to update the board concerning Sweetwater Authority's (SWA) review and report to their board with regard to the North District Recycled Water Concept Study and the Middle Sweetwater Groundwater Extraction Study Request for Proposal.
- As a stakeholder in the project (their reservoir is two miles west of Otay's North District), the District provided SWA a copy of the final report on the North District Study for their review and comment. SWA presented the final report to their board in February 2009. The report was presented on the Consent Calendar and SWA's board concurred with staff's recommendation with no comments.
- Major comments from SWA included:
 - SWA would like Otay to conduct public outreach regarding recycled water use in the Sweetwater River Basin, encompassing their (SWA's) entire service area.
 - SWA would like to see the installation of a reverse osmosis system at the District's Chapman facility to remove total dissolved solids and add additional treatment processes to reduce the risk of nitrogen, viruses and pathogens from entering the Sweetwater Reservoir.
 - SWA requests monitoring by the District of BMP's to control runoff of recycled water to the Middle Basin.
- The committee inquired what the opportunity costs are if the project is abandoned. The cost is approximately 1300 AF per year and the cost savings from no longer needing to pump recycled water to the use area.

- Staff is looking for the board's direction on this project. The committee recommended that staff reset priorities to focus on the Middle Sweetwater River Project, Otay Valley Groundwater Project and other initiatives with Sweetwater Authority. Staff will not proceed with Phase II of the North District Recycled Water Concept Study at this time.

The committee supported presentation to the full board as an action item to approve the committee's recommendation.

EXHIBIT A

cc: manny magana
Jim Peasley
Lisa Coburn-Boyd
Mark Watton



WATER

SWEETWATER AUTHORITY

505 GARRETT AVENUE
POST OFFICE BOX 2328

CHULA VISTA, CALIFORNIA 91912-2328

(619) 420-1413

FAX (619) 425-7469

<http://www.sweetwater.org>

2009 FEB 26 PM 9:23

GOVERNING BOARD

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RON MORRISON, VICE CHAIR

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MARGARET COOK WELSH

MARK N. ROGERS

GENERAL MANAGER

JAMES L. SMYTH

OPERATIONS MANAGER

February 25, 2009

Mr. Rod Posada, P.E., P.L.S.
Chief of Engineering
Otay Water District
2554 Sweetwater Springs Boulevard
Spring Valley, CA 91978

Subject: RECYCLED WATER AND GROUNDWATER EXTRACTION IN THE MIDDLE
SWEETWATER RIVER BASIN
SWA GEN. FILE: OTAY WATER DISTRICT

Sweetwater Authority (Authority) has addressed Otay Water District's (Otay) proposed recycled water and groundwater extraction projects with its Governing Board at its February 11, 2009 meeting. The Board concurred with staff's report without additional comments. Comments to each project are as follows:

A. Phase I Recycled Water Study:

1. Because of potentially negative public perception by Authority customers of recycled water entering the drinking water system, an extensive and inclusive public participation/information process must be conducted to include the Authority's entire service area. It is recommended that this public outreach would include the requirements as listed in this letter.
2. There should be an extensive literature search to provide case studies citing recycled water distribution within drinking water watersheds, including associated impacts and mitigation measures required. This was not addressed in the Phase I Study.
3. While addressed, the Authority reiterates that full review and approval by the Regional Water Quality Control Board and Department of Public Health of the proposed project is essential. This could include an amendment of the Basin Plan. Approval must only be based on the best scientific information available with full documentation of its application and findings.

Mr. Rod Posada, P.E., P.L.S.

Re: Recycled Water and Groundwater Extraction in the Middle Sweetwater River Basin

February 25, 2009

Page 2 of 3

4. One of the main triggers for the Authority's Urban Runoff Diversion System (URDS) operation is the measurement of total dissolved solids (TDS). The reported water quality data for the recycled water has a high enough TDS that staff believes it can contribute to further degradation of the watershed, even with best management practices (BMPs) to control recycled water runoff. The Middle Basin and Sweetwater Reservoir are already in non-compliance for TDS and were included on the Environmental Protection Agency's 303(d) List (Degraded Reservoirs) in 2007. Installation of a reverse osmosis system at the Chapman Facility would mitigate this impact.
5. Based on the potential impacts from nitrogen and other high-risk constituents, staff recommends that the Chapman Facility be fitted with additional treatment processes to reduce the risk of nitrogen, viruses, and pathogens entering Sweetwater Reservoir.
6. Higher TDS runoff from recycled water could result in operating the URDS more frequently, resulting in both, higher costs and a reduction in the amount of quality runoff into Sweetwater Reservoir. If the project is implemented, Otay should partner with the Authority to utilize its established monitoring practices to determine impacts of increased recycled water use in the Middle Basin and Sweetwater Reservoir.
7. Monitoring by Otay of the effectiveness of BMPs to control runoff of recycled water from individual properties must be rigorous with established monitoring and frequency protocols, and required public reporting.
8. Since it is unusual in Southern California for the introduction of recycled water into a watershed used extensively for drinking water production, California Environmental Quality Act (CEQA) documentation should include a complete Environmental Impact Report, rather than a Negative Declaration, which would require a lower level of analysis. Otay should also review other proposed projects in the Middle Basin to determine their relationship to the recycled water project. These could include the proposed groundwater extraction project and service area annexations to determine if evaluating the recycled water project could be "piece-mealing," an approach discouraged by CEQA regulations.
9. To effectively proceed further in evaluating these projects, Otay and the Authority should consider a Memorandum of Understanding (MOU) describing a cooperative review process, required findings, and a path to approval which

Mr. Rod Posada, P.E., P.L.S.

Re: Recycled Water and Groundwater Extraction in the Middle Sweetwater River Basin

February 25, 2009

Page 3 of 3

would address, at minimum, the initial issues identified above. Initiating discussion on a MOU should only occur once the Authority has been satisfied with the conditions noted in items 1 through 8 listed above.

B. Request for Proposals (RFPs) - Groundwater Extraction in the Middle Basin

1. The proposed RFP included developing the methodology to derive the return of water to the Middle Basin used by Otay customers for irrigation purposes. The Authority concurs with this task. } only
OAW customers
There are PDMOD & HOW. They are not included.
2. The issue of water rights is significant to the Authority. It is suggested that the RFP provide an analysis of implementing an AB 3030 groundwater management plan for this basin. - INCLUDED IN THE RFP
3. One of the items for the scope of work included analysis of aquifer storage of imported raw water from the San Diego County Water Authority. The Authority suggests this be expanded to consider for comparison purposes of utilizing Sweetwater Reservoir for storage of this water and subsequent pumping to Otay's system. - PHASE II.
4. Refer to item A(8) above. INCLUDED IN THE RFP

If you have any questions, or would like to discuss this further, please feel free to call me at (619) 409-6701.

Sincerely,

SWEETWATER AUTHORITY



James L. Smyth
Operations Manager

JLS:vls

EXHIBIT B



BOARD INFORMATION

TO: Governing Board (Operations Committee)

FROM: Management

DATE: January 28, 2009

SUBJECT: Proposed Recycled Water Project by Otay Water District in the Middle Sweetwater River Basin

SUMMARY

The Otay Water District (Otay) is proposing the use of recycled water within the Middle Sweetwater River Basin. The Middle Basin is located between Loveland and Sweetwater Reservoirs, as shown on the attached Map 1. Staff has concerns with this project and the potential impacts to Sweetwater Reservoir.

Otay currently owns and operates the 1.3 million-gallon per day Ralph Chapman Water Reclamation Facility (Chapman Facility) located approximately two miles upstream of Sweetwater Reservoir. The facility collects wastewater from customers in the Rancho San Diego and Spring Valley areas, converts the wastewater to recycled water, and then pumps the recycled water south to the Eastlake and Otay Ranch areas of Chula Vista, where it is used primarily for irrigation. With impending drought conditions, both locally and statewide, Otay is seeking to develop local water supplies. This project proposes to address this goal by rerouting the delivery of the recycled water from the Chapman Facility to the Middle Basin, including the construction of a new recycled water infrastructure to the Rancho San Diego area, or directly east of the Chapman Facility. One of the benefits to Otay is the significant potential savings of pumping this recycled water, as the Rancho San Diego area is closer and lower in elevation to the Eastlake and Otay Ranch areas. The attached Map 2 shows the location of the Chapman Facility, proposed water distribution infrastructure and potential connections to existing customers who would receive the recycled water.

Otay's draft Phase I Concept Study (Study) found the potential for 34 customers to be retrofitted to receive recycled water with a total quantity delivered of approximately 1,500 acre-feet per year, or about three percent of its potable water demands. The proposed recycled water system infrastructure would cost approximately \$15 million.

Memo to: Governing Board (Operations Committee)
Subject: Proposed Projects by Otay Water District in the Middle Sweetwater
River Basin

January 28, 2009

Page 2 of 3

The Authority has always taken a position of protecting the water quality of Sweetwater Reservoir that includes not allowing recycled water to be distributed within the Sweetwater Reservoir watershed. Actions to protect the watershed have included the construction of the Urban Runoff Diversion System (URDS) located along the east and north sides of Sweetwater Reservoir, and an active process of watershed development review and monitoring. While supportive of recycled water use in general, staff has concerns with the proposed project and has reviewed the Study, which addresses a number of issues including regulatory implications. Attached is a table noting recommendations by the consultant to Otay with respect to protection of Sweetwater Reservoir as well as comments by Authority staff.

FISCAL IMPACT

There are no costs other than staff time to examine the issues related to this project.

POLICY

Cooperation with adjacent water agencies has been conducted in the past as they seek projects to improve reliability. However, the Authority spends considerable resources (e.g., URDS, water quality monitoring, treatment at the Perdue Treatment Plant) to create a multi-barrier approach to protect the water quality at Sweetwater Reservoir. This includes the Governing Board's directive to have staff review development activities in the entire Sweetwater River watershed and to provide comments regarding impacts on water resources to the respective agency with planning jurisdiction.

Additionally, a resolution passed by the Governing Board established the Authority's policy regarding urban runoff protection for Sweetwater Reservoir. This resolution provides for the collection of urban runoff protection fees from all developments within the lower Sweetwater Reservoir drainage basin to pay for a portion of the URDS.

ALTERNATIVES

Implementation of staff's comments to this Study noted in the attached table will add significant costs to the project by Otay (i.e., reverse osmosis, nitrogen/virus/pathogen treatment, and comprehensive public outreach). One alternative is to follow the SR-125 air quality approach by having Otay conduct baseline and post project monitoring. If impacts greater than an established baseline are observed, Otay would be responsible for any costs associated with enhanced water treatment and/or increase in URDS operation and maintenance. These conditions would be addressed in a Memorandum of Understanding.

Memo to: Governing Board (Operations Committee)
Subject: Proposed Projects by Otay Water District in the Middle Sweetwater
River Basin

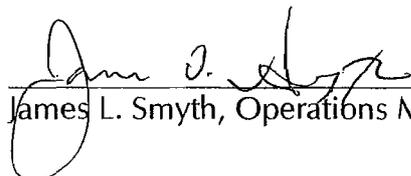
January 28, 2009

Page 3 of 3

RECOMMENDATION

This is an information item only. Staff is providing a direction that is consistent with the policies implemented to protect water quality at Sweetwater Reservoir. However, staff desires comments from the Governing Board to provide to Otay Water District.

Submitted by:


James L. Smyth, Operations Manager

Approved by:


Mark Rogers, General Manager

TABLE

Comments by Otay Water District Consultant	Sweetwater Authority Staff Responses
<p>1. The Middle Sweetwater River Basin aquifer is designated as a Beneficial Use in the Regional Water Quality Control Board (RWQCB) Basin Plan because it is a source of drinking water. The Basin Plan sets standards Otay would have to meet when discharging recycled water without degrading the aquifer in a way that diminishes this use. The California Department of Public Health (DPH) has similar standards.</p> <p>Water quality data was provided for the recycled water that is currently produced by the Chapman Facility. With the exception of Total Dissolved Solids (TDS) and Total Nitrogen (TN), most constituents found in the recycled water produced by the Chapman Facility meet both, the Basin Plan objectives and Title 22 drinking water regulations.</p>	<p>1. Full review and approval by the RWQCB and DPH of the proposed project is essential. This could include an amendment of the Basin Plan, which would be lengthy and expensive. Approval must only be based on the best scientific information available with full documentation of its application and findings.</p> <p>One of the main triggers for the URDS operation is the measurement of TDS, or the amount of mineral/salt loading that travels from sources, across streets and other hardscape and into the storm drains in the watershed. The reported water quality data for the recycled water has a high enough TDS that staff believes it can contribute to further degradation of the watershed. The Middle Basin and Sweetwater Reservoir are already in non-compliance for TDS and were included on the Environmental Protection Agency's 303(d) List (Degraded Reservoirs) in 2007. Installation of a reverse osmosis (RO) system at the Chapman Facility would mitigate this impact.</p>
<p>2. Otay would have to develop new treatment processes to mitigate nitrate and disinfection requirements. Excess nitrogen in runoff can lead to further degradation and eutrophication of Sweetwater Reservoir. Measures to mitigate the higher nitrogen content include incorporating removal of nitrogen modifications to the Chapman Facility, potential wetlands in the watershed, and nitrification uptake by landscape during nitrification. Wetlands construction (on Authority lands) would require close coordination with the Authority's Biologist to ensure the existing permits and programs are not negatively impacted.</p>	<p>2. Based on the potential impacts of TDS as well as nitrogen and other high risk constituents, staff recommends that the Chapman Facility be fitted with RO treatment to reduce TDS and additional treatment processes to reduce risk of nitrogen, viruses, and pathogens entering Sweetwater Reservoir. This comment was included in the comments addressed to Otay in the mid-1990s when this project was originally conceived.</p>
<p>3. The Authority's URDS is effective in protecting Sweetwater Reservoir from runoff of recycled water.</p>	<p>3. Higher TDS runoff from recycled water could result in operating the URDS more frequently resulting in both, higher costs and reduces the amount of runoff of good quality runoff into Sweetwater Reservoir. If the project is implemented, Otay should partner with the Authority to utilize its established monitoring practices to determine impacts of increased recycled water use in the Middle Basin and Sweetwater Reservoir.</p>

Comments by Otay Water District Consultant	Sweetwater Authority Staff Responses
<p>4. Otay would have to develop programs including rules and regulations and Best Management Practices (BMPs) for recycled water use at the proposed customer sites. This includes BMPs to minimize the amount of runoff of recycled water from properties infiltrating the Middle Basin watershed or aquifer system. Proper staffing levels for monitoring and compliance enforcement could help in lowering the risk of the recycled water reaching Sweetwater Reservoir.</p>	<p>4. Monitoring by Otay of the effectiveness of BMPs to control runoff of recycled water from individual properties must be rigorous with established monitoring and frequency protocols and required public reporting.</p>
<p>5. There is concern about public perception and political challenges to the project due to the proximity of Sweetwater Reservoir. Therefore, Otay should coordinate with the Authority to develop a comprehensive public outreach program to determine public opinions and potential project acceptance.</p>	<p>5. Because of potentially negative public perception for Authority customers of recycled water entering the drinking water system, an extensive and inclusive public participation/information process must be conducted to include the entire Authority service area. It is recommended that this public outreach note the requirement by the Authority for the addition of RO and other treatment processes at the Chapman Facility. There should be an extensive literature search to provide case studies citing recycled water distribution within drinking water watersheds and associated impacts and mitigation measures required. This was not addressed in the draft Study.</p>
	<p>6. Since the introduction of recycled water into a watershed extensively used for drinking water production is unusual in Southern California, California Environmental Quality Act (CEQA) documentation should include a complete Environmental Impact Report (EIR) rather than a Negative Declaration which would require a lower level of analysis. Otay should also review other proposed projects in the Middle Basin to determine their relationship to the recycled water project. These could include the proposed groundwater extraction project and service area annexations to determine if evaluating the recycled water project could be "piece-mealing," an approach discouraged by CEQA regulations.</p>
	<p>7. To effectively proceed much farther in evaluation of the project, Otay and the Authority should consider a Memorandum of Understanding (MOU) describing a cooperative review process, findings that would be required to be made, and a path to approval which would address at minimum the initial issues identified above.</p>

EXHIBIT C



BOARD INFORMATION

TO: Governing Board (Operations Committee)

FROM: Management

DATE: January 28, 2009

SUBJECT: Proposed Groundwater Extraction Project by Otay Water District in the Middle Sweetwater River Basin

SUMMARY

The Otay Water District (Otay) is proposing a groundwater extraction feasibility study within the Middle Sweetwater River Basin. The Middle Basin is located between Loveland and Sweetwater Reservoirs, as shown on the attached map. Staff has concerns with this project and the potential impacts to Sweetwater Reservoir. Otay is proceeding with this study due to its continued concern with regional water supply issues. Potential development of local groundwater would offset a portion of their needs for imported water. Also, Otay is requiring any new developments to provide offsets of their projected water supply requirements. Therefore, developers could provide funding to Otay for projects like this.

This project was originally analyzed by both Otay and the Authority in the early 1990s. Three reports were completed by NBS Lowry and Dr. Michael Welsh that provided a number of alternatives for extraction with the potential to pump and treat approximately 815 acre-feet per year. This amount was based on the imported water used by Otay's customers within this basin for irrigational purposes that would percolate from their properties into the Middle Basin aquifer. Otay believes this quantity is now 1,000 acre-feet per year due to growth in the area.

At this stage, Otay has developed a draft Request for Proposal and received general comments from Authority staff to this proposal. The proposed project goals are to update previous investigations completed in the 1990s, prepare a groundwater project implementation plan, and construct pilot monitoring and extraction wells. Generally, two concepts are presented in the scope of work: 1) extraction of groundwater that was placed there by customers of Otay in the area that drains into the Middle Basin by means of their

Memo to: Governing Board (Operations Committee)
Subject: Proposed Groundwater Extraction Project by Otay Water District in the Middle
Sweetwater River Basin

January 28, 2009

Page 2 of 2

use of imported water used for irrigation, and 2) extraction of groundwater that is placed by injection and/or spreading basins of imported San Diego County Water Authority untreated water (i.e., aquifer storage and recovery).

The scope of work also requires discussion on the legal setting with respect to water rights by the Authority as well as the City of San Diego and stakeholder meetings with regulatory agencies.

FISCAL IMPACT

There are no costs other than staff time to address the issues related to this project.

POLICY

Cooperation with adjacent water agencies has been conducted in the past as they seek projects to improve reliability. However, the Authority has taken a position that mitigation is required at times when water quality, water rights or other areas of operations are impacted.

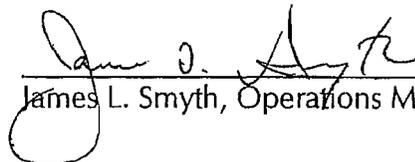
ALTERNATIVES

Not applicable.

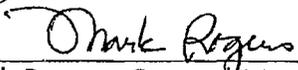
RECOMMENDATION

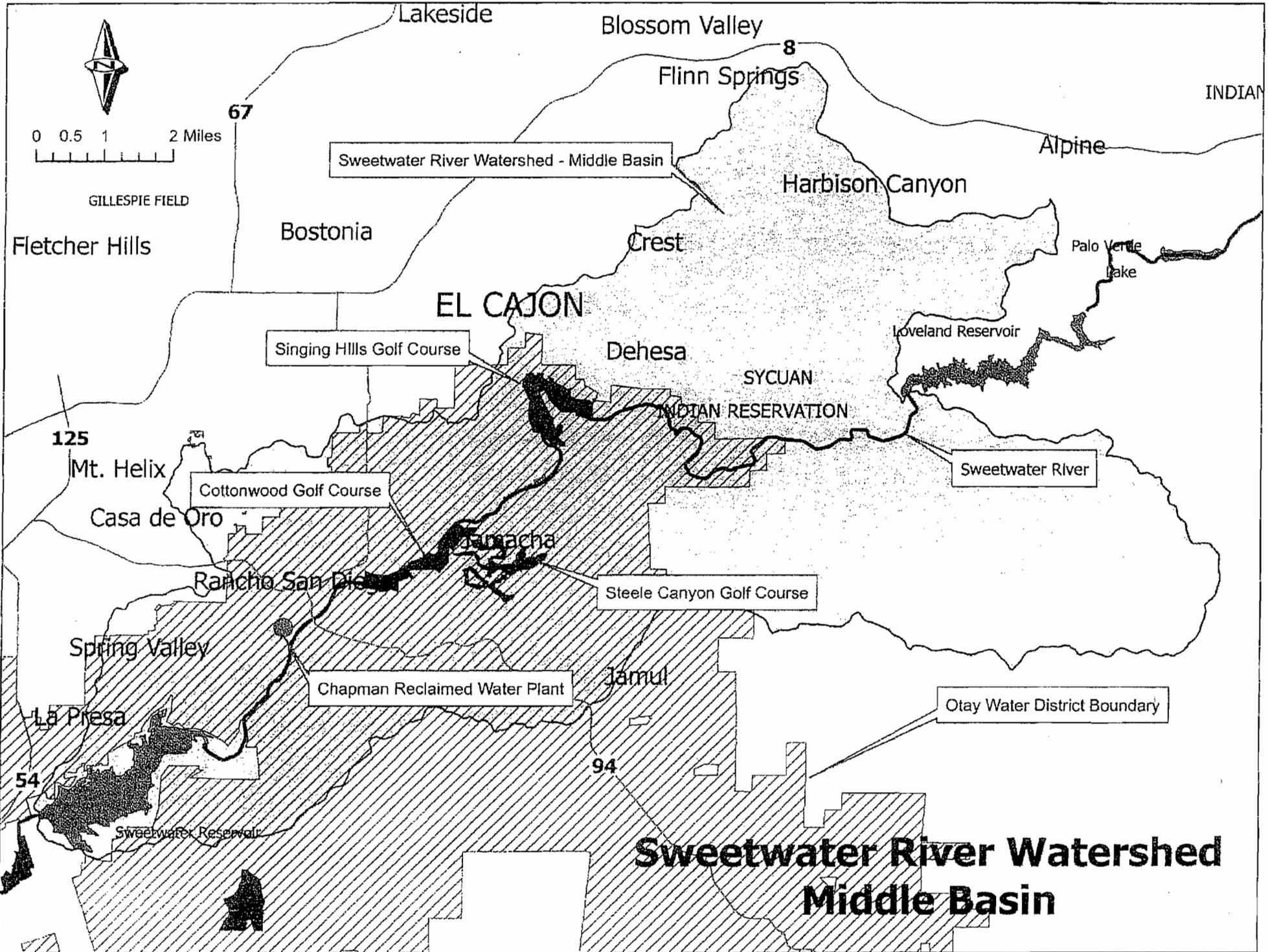
This is an information item only. However, comments from the Governing Board are desired to provide to the Otay Water District.

Submitted by:


James L. Smyth, Operations Manager

Approved by:


Mark Rogers, General Manager



Sweetwater River Watershed Middle Basin



STAFF REPORT

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	April 1, 2009
SUBMITTED BY:	Mark Watton, General Manager	W.O./G.F. NO:	DIV. NO.
SUBJECT:	Board of Directors 2009 Calendar of Meetings		

GENERAL MANAGER'S RECOMMENDATION:

At the request of the Board, the attached Board of Director's meeting calendar for 2009 is being presented for discussion.

PURPOSE:

This staff report is being presented to provide the Board the opportunity to review the 2009 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:

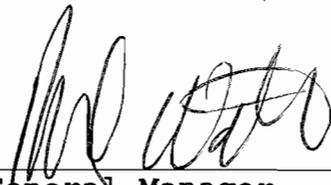
N/A

FISCAL IMPACT:

None.

LEGAL IMPACT:

None.



General Manager

Attachments: Calendar of Meetings for 2009

**Board of Directors, Workshops
and Committee Meetings
2009**

Regular Board Meetings:

January 7, 2009
February 4, 2009
March 4, 2009
April 1, 2009
May 6, 2009
June 3, 2009
July 1, 2009
August 5, 2009
September 2, 2009
October 7, 2009
November 4, 2009
December 2, 2009

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

January 21, 2009
February 18, 2009
March 18, 2009
April 22, 2009
May 20, 2009
June 17, 2009
July 22, 2009
August 19, 2009
September 23, 2009
October 21, 2009
November 18, 2009
December 16, 2009

Board Workshops:

Budget Workshop, May 21, 2009
Board Retreat Workshop, April 28, 2009

AGENDA ITEM 9a



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 1, 2009
SUBMITTED BY:	Ron Ripperger <i>[Signature]</i> Engineering Manager	PROJECT / SUBPROJECT:	D0034- DIV. 2 xx9635 NO.
APPROVED BY: (Chief)	Rod Posada Chief, Engineering		
APPROVED BY: (Asst. GM):	Manny Magaña Assistant General Manager, Engineering and Operations		
SUBJECT:	Informational Item on The Pointe Installation of a 42-Inch Pipeline in Jamacha Boulevard Right-of-Way		

GENERAL MANAGER'S RECOMMENDATION:

This is an informational item and no action by the Otay Water District (District) Board is required at this time.

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

To provide an update to the District Board on the status of the on-going coordination with The Pointe and Gosnell Builders (The Pointe) concerning installation of a 42-Inch Pipeline in Jamacha Boulevard Right-of-Way.

ANALYSIS:

Staff previously updated the Board at the December 15, 2008 Closed Session meeting regarding the on-going coordination with The Pointe including its desire to install the 42-Inch Pipeline in Jamacha Boulevard. At that time, Staff indicated that there were serious concerns about the condition of the pipe due to the long-term exposure to the elements and not following the manufacturer's standard recommendations and whether or not it complied with the applicable industry standards governing CML&C steel pipe.

To address Staff's concerns about the pipe, the District's as-needed corrosion engineering firm, Schiff & Associates (Schiff), was consulted

to help understand the condition of the pipe and whether or not it could be used for its intended use by The Pointe. As presented at the Board meeting, it was clear that the pipe in its current condition did not meet the applicable industry standards. Specifically, Schiff indicated in its November 18, 2008 report several concerns and that as a minimum, 20% of the interior lining, (randomly selected section pieces) be tested in detail. Staff had previously sent a letter to Pat Donnelly at The Pointe on December 3, 2009 (see Attachment C) outlining what steps could be taken to put the District in a better position in considering accepting the pipe.

Subsequent to the Board update, Staff followed up with Schiff to determine what testing was available to evaluate the condition of the interior lining of the pipe and the suitability of the pipe as a whole. Schiff's recommendation was to perform a pull test of the interior lining on a representative sample of pipe to determine the probable condition of all the pipe lining. Staff transmitted this information to The Pointe, recommending they perform this type of testing with Schiff or a firm similarly qualified to resolve the condition of the interior lining. The Pointe subsequently hired Schiff to perform the pull testing of their pipe and prepare a report documenting the results of the testing. Schiff was not too concerned with the exterior of the section pieces due to the existing underlying tape wrap which would provide the critical corrosion protection needed.

On March 3, 2009, Staff received Schiff's draft report from The Pointe. This report is attached as Attachment B. It is clear from the report, that based on Schiff's testing of the pipe, that a complete failure of adhesion of the cement-mortar lining to the steel cylinders has occurred. Schiff's recommendation to The Pointe is that the lining in all thirty-four (34) section pieces be replaced. To bring the pipe to a condition that allows long-term performance, the lining will have to be replaced in its entirety.

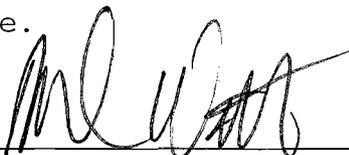
FISCAL IMPACT:



None.

LEGAL IMPACT:

None.



General Manager

P:\Public-s\Developer\The Pointe 42-inch D0034-xx9635 & 2382\BD 04-01-09, Staff Report, The Pointe, 42-Inch Pipeline, (RR-RP).doc

Attachments: Attachment A
Attachment B
Attachment C



ATTACHMENT A

SUBJECT/PROJECT: D0034-xx9635	Informational Item on The Pointe Installation of a 42-Inch Pipeline in Jamacha Boulevard Right-of-Way
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COMMITTEE ACTION:

The Engineering, Operations, and Water Resources Committee reviewed this item at a meeting held on March 12, 2009. The following comments were made:

- Staff indicated that they wished to provide the board an update on The Pointe's installation of a 42-Inch Pipeline in Jamacha Boulevard.
- Staff has been working with The Pointe with regard to concerns on the condition of the pipe to be installed in Jamacha Boulevard. The pipe has been exposed to the elements for several years and it has not been stored according to the manufacturer's standard recommendations. The District is concerned that the pipe does not comply with the applicable industry standards governing CML&C Steel pipes.
- To address staffs' concerns, the District's as-needed corrosion engineering firm, Schiff & Associates (Schiff), was consulted by The Pointe to determine the condition of the pipe and whether or not it could be used for its intended purpose. Schiff conducted a "pull" test on a representative sample of the pipe to determine the condition of all the pipe linings. Schiff found that the condition of the interior linings was not to AWWA industry standards and that a complete failure of the adhesion of the cement-mortar lining to the steel cylinders has occurred. In order to bring the pipe to a condition that allows long-term performance, Schiff recommended that the lining in all 34 section pieces be replaced.
- The Pointe is returning the pipe to the manufacturing company to replace all the linings.
- The County of San Diego has been informed of this current status. The County understands the situation, however, there is pressure to complete the pipe installation.

- It was indicated that this is The Pointe's project and it is in their hands to complete the project. The County has the option to pull the bonds to complete the project.

The committee received staffs' report and suggested presentation to the full board as an informational item. The committee also suggested that staff provide a powerpoint which includes pictures.

ATTACHMENT B



SCHIFF ASSOCIATES

FIFTY YEARS OF PROFESSIONALISM

sfox@schiffassociates.com

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Consulting Corrosion Engineers – Since 1959

March 2, 2009

THE POINTE & GOSNELL BUILDERS INTERNATIONAL
3130 Bonita Road, Suite 200
San Diego, CA 91910

Attention: Mr. Pat Donnelly, P.E.

RE: Corrosion Engineering Services
42-inch Jamacha Road Pipeline Lining
Inspection - DRAFT REPORT
Spring Valley, CA
SA#08-1442ENG

Schiff Associates (Schiff) has completed our investigation of the 42-inch Jamacha Road Pipeline lining investigation. The purpose of this investigation is to establish a level of confidence as to the long term serviceability of the pipes' lining based upon American National Standard ANSI/ASQ Z1.4-2003, "Sampling Procedures and Tables for Inspection by Attributes" Tables I and Table II-A (General Inspection Level II; Acceptance Quality limit of 1.5 per 100 items). The work was authorized by Gosnell Builders Corporation of California Agreement No.1 dated January 5, 2009.

The pipe segments under investigation are stored at the intersection of Sweetwater Springs Boulevard and Jamacha Boulevard. Because of project delays, the pipe sections have been stored onsite for approximately three years. The pipe segments were manufactured by West Coast Pipe and have a nominal inside diameter of 42-inches, a 3/4 inch thick cement-mortar interior lining, a 50 mil factory cold applied tape wrap coating to the main steel cylinder, a hand-applied cold tape wrap system over the bell, and a 1-1/4 inch thick cement-mortar overcoat. The pipe was manufactured to AWWA C200, C205, and C214 standards and well as adhering to Water Agencies' Standards (WAS), Section 15061 for the San Diego County Area as adopted by the Otay Water District (OWD).

A preliminary non-destructive lining inspection was performed October 29, 2008 by OWD with a concern for latent defects. The results of this inspection were inconclusive as to whether or not all of the cement-mortar lining was still adhered to the steel cylinder, a necessary lining feature to passivate the embedded steel cylinder. Results of the preliminary inspection were provided in a letter report to OWD dated November 6, 2008.

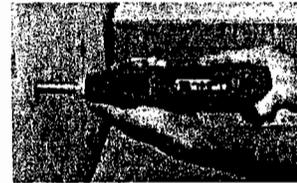
As stated above, this investigation was to establish a level of confidence as to the long term serviceability of the pipes' lining based upon ANSI/ASQ Z1.4-2003, i.e., determine with a level of confidence that the cement-mortar lining is adhered to the steel cylinder. Using this guideline,

Kearny Mesa West Business Park
7250 Engineer Road, Suite H · San Diego, CA 92111
Phone: 858.874.0014 · Fax: 858.874.8180

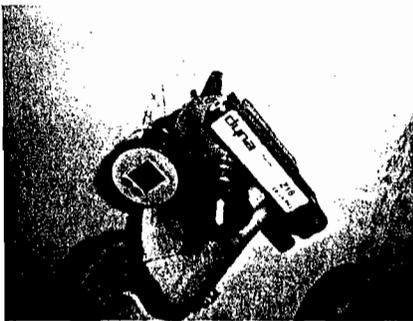
eight randomly selected pipe segments from a pipe segment population of 34 will provide a 99% level of confidence that the pipe segments' lining is adhered to steel cylinder. Should the adhesion of the cement-mortar lining to the steel cylinder be compromised in any one of the randomly selected pipe segments, a lining failure is said to occur in all 34 pipe segments based upon ANSI/ASQ Z1.4.

Initially, ten pipe segments or mark numbers (MK) were randomly selected using the Microsoft Excel random number generator: 24, 29, 9, 10, 4, 31, 14, 21, 1, and 28. MK's 14 and 1 were discounted because MK 14 has suffered fire damage and is already slated for repair and MK 1 could not be located. Once located in the yard, each pipe segment received a thorough visual and aural inspection. The results of this inspection were compiled and compared to one another ranking the pipe segments in the following descending order as to the number and frequency of anomalies documented for destructive testing purposes: 10, 24, 29, 9, 31, 4, 28, and 21. The assumption was made that the MK having the most anomalies would also be the pipe segment that was most likely to exhibit a lining adhesion problem. If no lining adhesion problems were found, the next MK from the prioritized list would be destructively tested. The results of the visual and aural inspections are included as an attachment to this letter.

After the MKs were visually and aurally inspected, the next step in Schiff's inspection was to perform additional non-destructive testing to further identify potential lining delaminations from the steel cylinder. This testing involved the use of a Proceq Schmidt Hammer Model H2975-L using American Society for Testing and Material (ASTM) C805-C805M-08, *Rebound Number of Hardened Concrete*,



as a guideline. Similar to an aural inspection, this technique is used to identify delaminated or unsound concrete by measuring the concrete's, or in this project's case, cement-mortar, rebound energy after being impacted with a calibrated hammering mechanism. Tests were performed in areas with and without suspected lining delaminations for comparison. In areas where lining delaminations were suspected, the rebound energy measurements were more varied and were approximately 20% lower than adjacent well adhered cement-mortar lining. Schmidt hammer test results are included as an attachment to this report.



The final step to Schiff's investigation involved destructive testing of the identified potential lining delamination areas. Destructive testing was performed using ASTM C1583/C 1583M-04, *Tensile Strength of Concrete Surfaces and the Bond Strength or Tensile Strength of Concrete Repair and Overlay Materials by Direct Tension (Pull-off Method)*, as a guideline and a Proceq Dyna Z16 Pull-Off Tester. This test involved coring the cement-mortar lining to the steel substrate, affixing a 50 mm diameter pull-off test disk or dolly with epoxy, and measuring the force required to pull the dolly free from the steel substrate. The force to pull off the test dolly ranged from 0 to 21 psi. A test result of 0 psi indicates a lining adhesion failure. In addition, slight corrosion was noted in some test locations which is also indicative of a lining adhesion failure. Test results are included as an attachment to this report.

Based upon Schiff's investigation and the parameters outlined in ANSI/ASQ Z1.4, a complete failure of adhesion of the cement-mortar lining to the steel cylinder has occurred. To achieve the desired long service life afforded to the steel cylinder by a cement-mortar lining system, the lining in all 34 MKs should be replaced.

Our services have been performed with the usual thoroughness and competence of the engineering profession. No other warranty or representation, either expressed or implied, is included or intended.

Please call if you have any questions.

Respectfully Submitted,
SCHIFF ASSOCIATES

DRAFT

Steven R. Fox, P.E.
Senior Corrosion Engineer

Attachments:

08-1442 Lining Invgtm rev01 (srf_ef_bc_srf).docx



**the Pointe - Jamacha Widening
 Otay Water District 36-Inch La Presa Realignment
 Visual and Aural Inspection**

Pipe #	Distance from East End (ft)	Length (ft)	Clock Position		Notes
			Start	End	
10	0	0.5	5:00	6:00	micro cracks
	0	0.5	11:30		3 micro cracks
	1		10:30		Hollow
	7		9:00		Hollow
	8		0:00	12:00	Repaired crack. At 5 o'clock chip outs probably due to the offset repair. 12 o'clock has the same problem.
	13		12:00		Hollow
	13.5		0:00	12:00	Repair is slightly offset. At 12 to 1 o'clock there are small micro cracks that stretch to 16 feet.
	16		9:00	3:30	Repair done from 9:00 to 3:30. At 3:30 a chunk is missing.
	17.5		9:00		Hollow
	17.5		3:00		Hollow
	18		4:00		Hollow
	18.5		3:00	9:00	Repaired crack. 4:00 to 5:30 is slightly offset
	22.5		9:00		Hollow
	23		0:00	12:00	Repair done on full diameter. At 9:30 to 11 o'clock there are chips missing due to offset repair.
	23		4:00		Hollow
	24		3:00		Hollow
	25		9:00		Hollow
	29.3		3:30		Hollow
	29.3		10:00		Hollow
	31		0:00	12:00	Repair job done on the full diameter of the pipe. At 5:45 there are 2 micro cracks off of the repair.
31		9:00		Hollow	
35	1.5	9:00		Small micro crack with small pin size holes	
39		2:00	5:30	Repaired crack.	



**the Pointe - Jamacha Widening
 Otay Water District 36-Inch La Presa Realignment
 Visual and Aural Inspection**

Pipe #	Distance from East End (ft)	Length (ft)	Clock Position		Notes
			Start	End	
24	0.5	1			Healing micro crack
	2.5				Healing micro crack
	3.6				Healing micro crack with T shape
	8		7:00	5:00	Offset crack. 6:00 has healing miro crack.
	8		2:00		Hollow
	9		9:00		Hollow
	14		0:00	12:00	Repaired crack runs the full diameter of the pipe. From 3:00 to 9:00 the repair is offset.
	14		3:00		Hollow
	19.5		7:00	4:00	Thick repair
	19.5		4:00		Chip away
	19.5		1:45		Hollow
	21.5		4:00		chip away pieces- see picture
	23.5		2:00		Hollow
	23.5		9:00	3:00	12:00 to 1:00 timing is offset. repair runs from 9 to 3 o'clock. Thick repair from 9 to 12 o'clock. 10 o'clock repair did not stick to the area. Recommended to smooth out area.
	27	4	5:30		Micro Crack
	30		5:00		Hollow
	31		0:00	12:00	See picture notes for the description of each clocksequence. 7:30 to 11:45 therepair is offset.
	34.5		6:30	4:00	Crack runs from 6:30 to 4 o'clock.there are chip outs at 6:30, 8:30, 9, and 10 o'clock.
	34.5		3:00	5:00	Hollow
	34.5		7:00		Hollow
35	5	4:00		Small hair line cracks	
35	5	8:00		Small hair line cracks	



**the Pointe - Jamacha Widening
 Otay Water District 36-Inch La Presa Realignment
 Visual and Aural Inspection**

Pipe #	Distance from East End (ft)	Length (ft)	Clock Position		Notes
			Start	End	
29	0.75		0:00	12:00	Repaired crack.
	0.75	0.75	11:00		Micro cracks
	6.5	1	3:00	4:00	Micro crack
	7	1	4:00		Repair job. There are small pin holes at the 8 ft mark in the 4 o'clock area. Micro crack at 4:00
	10.5		0:00	12:00	Crack runs full diameter. Small micro cracks are running off at 12, 2, 3, 10, and 11 o'clock.
	10.5		9:00		Hollow
	10.5		4:00		Hollow
	14		8:00	4:00	Chip out pieces are at 8, 10, 12, 2, and small chip outs at 3 to 4 o'clock.
	14		8:45		Hollow
	14		1:45		Hollow
	18	1	4:00		Micro crack. Pin size chipouts are noticed as well.
	23		0:00	12:00	Healing job repair
	20		4:30		Hollow
	22.5		3:00		Hollow
	23		1:30		Hollow
	25		4		Nice repair
	25		3:00		Hollow
	28.5		3:00	5:30	Micro crack with chip outs
	30.6		4:30		Hollow
	31.5		0:00	12:00	Repaired crack runs the full diameter of the pipe. Thin micro crack has formed from 2 to 2:30 o'clock. Chip outs were found at 8:30 o'clock.
36	2	5:00		Repaired crack	
38	2	7:00		Repaired crack	
39		5:00		Micro crack	
39		8:00		Hollow	



**the Pointe - Jamacha Widening
 Otay Water District 36-Inch La Presa Realignment
 Visual and Aural Inspection**

Pipe #	Distance from East End (ft)	Length (ft)	Clock Position		Notes
			Start	End	
9	0.75		5:00		Micro crack and pin size chips
	1.5		9:00	3:00	Multiple micro cracks in 1ft 6in area
	1.6	2	7:00		Repaired cracks
	7.5		2:00		Hollow
	7.5		12:00	3:00	Chip out pieces next to Micro cracks at 2:30 o'clock
	9		2:00		Hollow
	12.5	1	0:00	12:00	Spiral crack repair. Damaged at 1:30. Lining offset at 3:00 and 6:00 to 6:30. Damaged at 9:00
	12.5		10:00		Hollow
	12.5		3:00		Hollow
	12.5		1:00		Hollow
	15		3:00		Hollow
	15		1:30		Hollow
	16.5		0:00	12:00	Repair job is offset at 9 to 1:30 o'clock. Bad chip off marks at 9 to 11 o'clock.
	23.5		11:00	6:00	Crack
	27.5		1:00	3:00	Micro crack
	27.5		9:00	11:30	Large chip pieces missing from crack
	27.5		11:45		Burn marks
	28		4:00		Hollow
	30	5	8:00		Mirco cracks
	30.75		12:00	5:00	Small chips out at 1 to 2 o'clock; large chips missing from crack 4 to 5 o'clock.
35		8	1:30	Repair crack. Repair not finished. Chip pieces missing from 11:00 to 12:30	



**the Pointe - Jamacha Widening
 Otay Water District 36-Inch La Presa Realignment
 Visual and Aural Inspection**

Pipe #	Distance from East End (ft)	Length (ft)	Clock Position		Notes
			Start	End	
31	0.75	0.75	12:00		Crack
	0.75	0.75	1:00		Crack
	0.75	0.75	2:00		Crack
	0.75	0.75	3:00		Crack
	1.75		10:00	12:45	Crack
	1.75		9:00		Hollow
	2	3.5	11:30		Crack
	3.75		5:00	7:00	2 micro cracks running from 3 ft to 9 ft. one at 5 o'clock, and the other at 7 o'clock. The one at 7 o'clock curves towards 6 o'clock.
	9		0:00	12:00	Repaired crack around full diameter of pipe. 4 thru 5 o'clock has offset repair. Small chips have fallen off.
	10		2:45		Hollow
	13		3:00		Hollow
	14		8:00	3:00	Crack repair
	14	1	3:00		Micro crack
	17.5		1:00	3:00	Crack repair
	19	1	3:00		Micro crack with 3 pin size chips missing.
	20	2	3:00		Thin 24 inch micro crack with missing chip outs.
	22		3:00		Hollow
	23.5		10:00	2:45	Crack repair
	24		3:00		Hollow
	25		0:00	12:00	Full diameter of pipe has repair work done to it. Repair is offset from 4 to 8 o'clock.
25.5		10:45		Repair is offset and has large chip out areas.	
31.75		12:45	10:00	Pipe begins a full diameter repair from 12:45 thru 10 o'clock At 31 ft 9 inches. Then repair at 10 to 12:45 branches to 34 ft 6 inches. That location is repaired from 11 o'clock thru 4:30 o'clock. See pictures for	
34.5		10:00	12:45	Repair	
35		12:00		Mirco crack	
36		3:00		Mirco crack	
39		9:00		Mirco crack	



**the Pointe - Jamacha Widening
 Otay Water District 36-Inch La Presa Realignment
 Visual and Aural Inspection**

Pipe #	Distance from East End (ft)	Length (ft)	Clock Position		Notes
			Start	End	
4	1		3:00		Hollow
	1.5	0.5	12:00		Micro crack
	2.5		11:00		L-shaped micro crack
	3.5	0.5	12:00		Micro crack
	4	0.6	12:00		Micro crack. 3 inch crack in the same area.
	5	1	5:00	6:00	T-shaped crack
	5		10:00	12:00	Crack
	5		3:00		Hollow
	5		6:00		Hollow
	5		7:30		Hollow
	6	0.5	12:00		Crack
	End of Tee				
	Begin left side				
	1	1	6:00	7:00	Micro crack
	2	2.5	6:00	9:15	Micro crack
	3		7:00	2:30	Micro crack
	3	2	4:00	6:00	Y-shaped crack from 3 ft 6 inch to 4 ft 6 inch
	4	1	7:00		Micro crack
	5	0.5			Micro crack
	4	1	2:45		Crack splits two directions
1		4:00		Hollow	
1		9:00		Hollow	



**the Pointe - Jamacha Widening
Otay Water District 36-Inch La Presa Realignment
Visual and Aural Inspection**

Pipe #	Distance from East End (ft)	Length (ft)	Clock Position		Notes
			Start	End	
28	8		0:00	12:00	Repaired crack runs the full Diameter of the pipe
	9.5		4:00		Hollow
	13		3:00		Hollow
	15		9:00	3:00	At 9 o'clock where the repair begins, the first 2 inches is off set. The repair runs around the diameter to 3 o'clock
	17.5		0:00	12:00	Chipped off pieces at 3:00. Lining is offset at 9:00
	18.3		2:30	7:00	Repaired crack. Lining is offset between 5 and 7 o'clock
	26		0:00	12:00	Full Diameter has been repaired. 3, 5, 9 o'clock repair is slightly off set
	31		0:00	12:00	Full Diameter of the pipe at 30 feet 10 inches has been repaired. At 4 o'clock there were signs of calcium build up in the repaired crack
	32		3:00		Hollow



**the Pointe - Jamacha Widening
 Otay Water District 36-Inch La Presa Realignment
 Visual and Aural Inspection**

Pipe #	Distance from East End (ft)	Length (ft)	Clock Position		Notes
			Start	End	
21	0	2	6:30	8:00	4 micro cracks
	2.5		4:00	9:00	Offset repair
	10		6:00	3:00	Crack
	11.5		1:00	9:00	Crack begins at 1, and ends at 9 o'clock. Between 1 and 2 o'clock, there are large chips missing. At 8 o'clock the repair is slightly offset
	16		2:00	4:00	Crack
	16.3	1	2:30	4:00	Spiral crack repair
	20		8:45	5:00	Micro crack. Looks as if repair was performed at 10:30.
	23.5		3:00	6:30	Micro crack
	23.5	1	5:45		Intersecting micro crack
	28	1	9:00	1:30	Spiral crack repair that loops entire pipe
	35		0:00		Hollow
	35		0:00	12:00	Crack runs the full diameter of this part of the pipe. From 8 to 12 o'clock repairs look to have been made. at the locations 12, 3, and 8 o'clock, there are chip out pieces along the crack



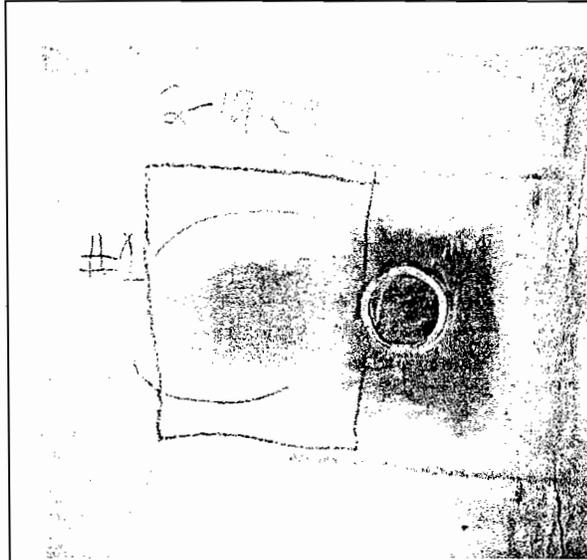
**the Pointe - Jamacha Widening
 Otay Water District 36-Inch La Presa Realignment
 Schmidt Hammer and Pull-Off Test
 Pipe # 10 1/27/2009**

Distance from East End (ft)	Pull Test Number	Clock Positions	Schmidt Hammer Reading				Suspected Adhesion Failure	Pull Test Reading (psi)	Notes
			West	East 1"	East 2"	Average			
10		11:59	53	53	55	54	No	NA	
		12:00	53	53	54				
		12:01	53	54	54				
12	4	12:03	52	34	38	44	Yes	NA	Core came off during drilling. Drill bound to cause failure.
		12:04	51	45	49				
		12:05	34	45	48				
17	3	3:00	45	41	41	45	Yes	15	The test was repeated here since core remained in place.
		3:01	47	47	45				
		3:02	47	45	43				
19	2	3:00	48	46	46	44	Yes	None	Came off with slight touch
		3:01	47	46	42				
		3:02	43	41	39				
20		3:00	46	47	46	43	No	NA	
		3:01	46	42	44				
		3:02	36	38	40				
29		3:00	34	32	32	36	No	NA	
		3:01	42	40	38				
		3:02	40	40	40				
		3:03	42	38	38				
31	1	3:00	33	24	24	22	Yes	12	The test was repeated here since core remained in place.
		3:01	30	28	25				
		3:02	24	24	32				
		3:03	28	30	42				
34		2:30	31	30	34	35	No	None	Control
		2:31	36	38	42				
		2:32	33	35	40				

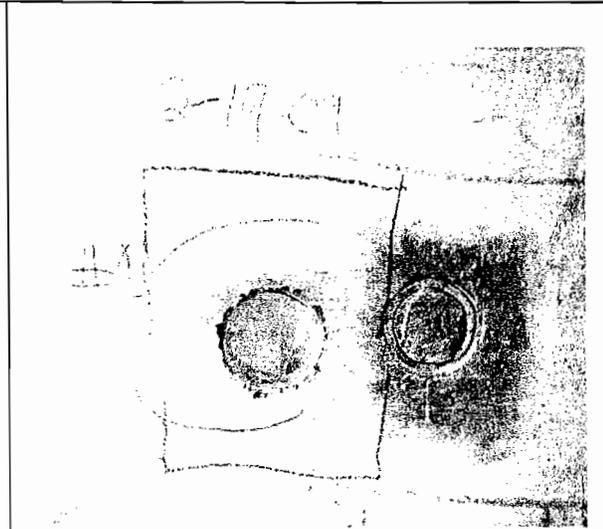


**the Pointe - Jamacha Widening
 Otay Water District 36-Inch La Presa Realignment
 Schmidt Hammer and Pull-Off Test
 Pipe # 10 2/19/2009-2/20/2009**

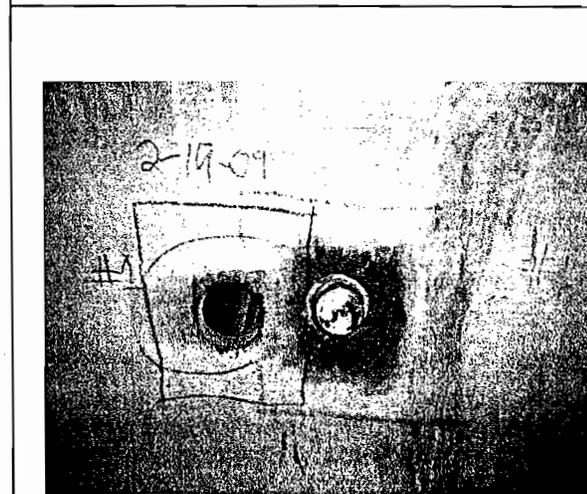
Distance from East End (ft)	Pull Test Number	Clock Positions	Schmidt Hammer Reading				Suspected Adhesion Failure	Pull Test Reading (psi)	Notes
			West	East 1"	East 2"	Average			
7	9	3:00	28	28	42	33	Hollow	Not valid	Pull tester fell off during test.
		3:01	27	32	43				
		3:02	25	30	42				
14	8	8:31	30	36	38	38	No Hollow	NA	Core came off during drilling.
		8:30	38	40	42				
		8:29	37	38	40				
17.5	7	8:31	33	31	35	36	Hollow	10	
		8:30	36	38	38				
		8:29	36	38	38				
20	2	2:31	44	42	39	42	Hollow	21	
		2:30	41	44	45				
		2:29	41	41	44				
25	6	3:00	24	24	28	27	Hollow	NA	Core came off during drilling.
		3:01	23	21	32				
		3:02	25	29	38				
29	5	8:31	40	24	28	29	Hollow	NA	Core came off during drilling.
		8:30	23	21	32				
		8:29	25	29	38				
31	1	3:31	27	36	49	37	Hollow	NA	Core came off during drilling.
		3:30	21	38	50				
		3:29	23	41	49				



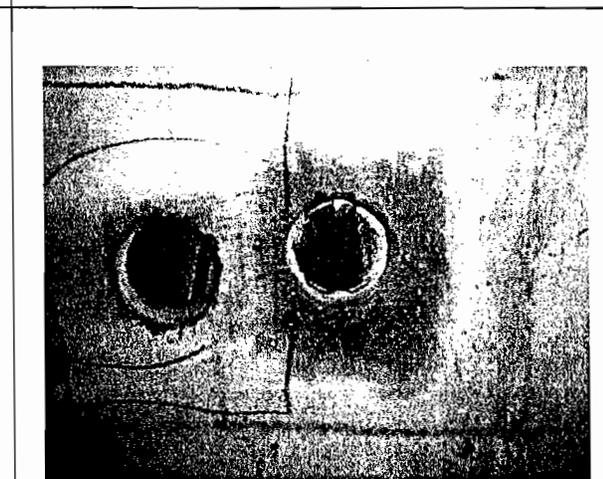
MK 10 - Pull Test 1: Site preparation



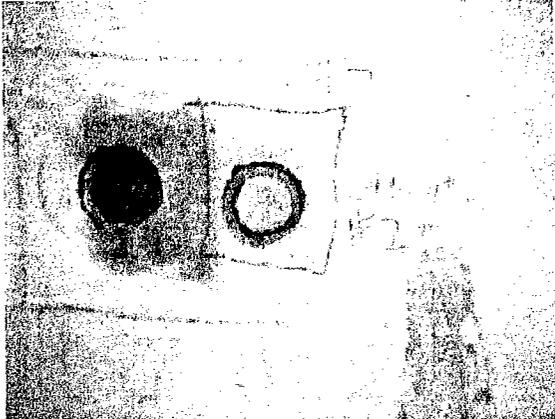
MK 10 - Pull Test 1: Core was not adhered, dust evident behind core



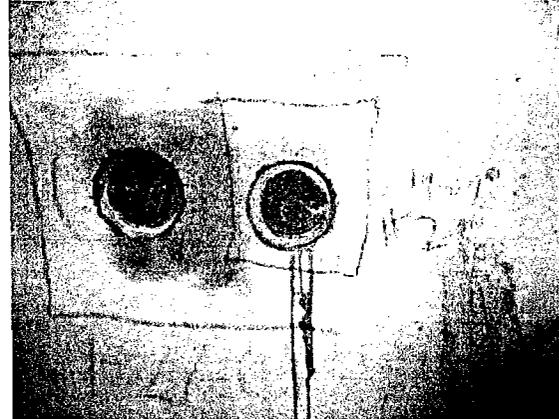
MK 10 - Pull Test 1: Core was not adhered, dust evident behind core removed



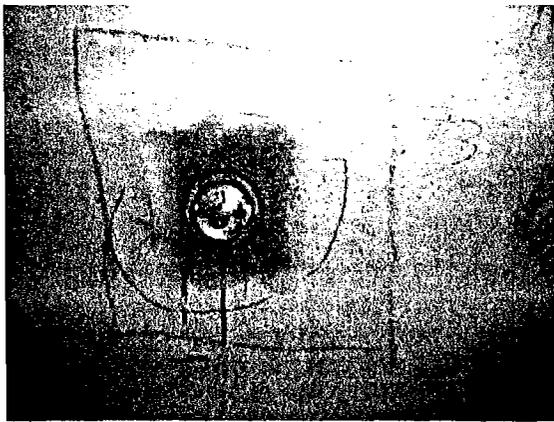
MK 10 - Pull Test 1: Slight rust in upper right corner of 2/19/09 test; adherence of core to steel substrate of 1/27/09 test.



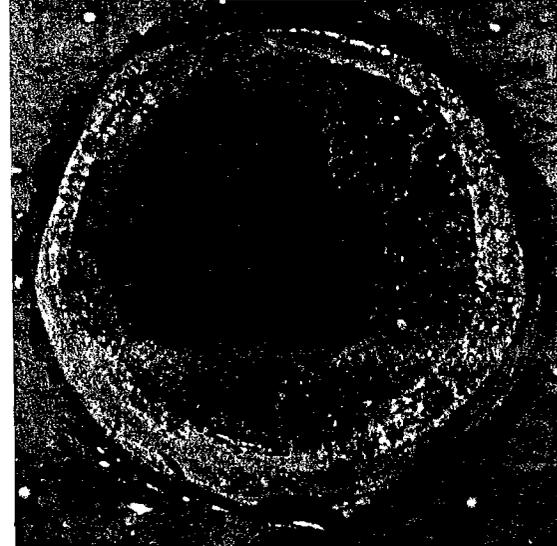
MK 10 - Pull Test 2: Site preparation; left core from 1/27/09 fell off with slight touch.



MK 10 - Pull Test 2: 1/27/09 and 2/19/09 still had adhesion as evident with the cement paste still adhered to the steel can.



MK 10 - Pull Test 3: Test preparation



MK 10 - Pull Test 3: Rust striations behind core.

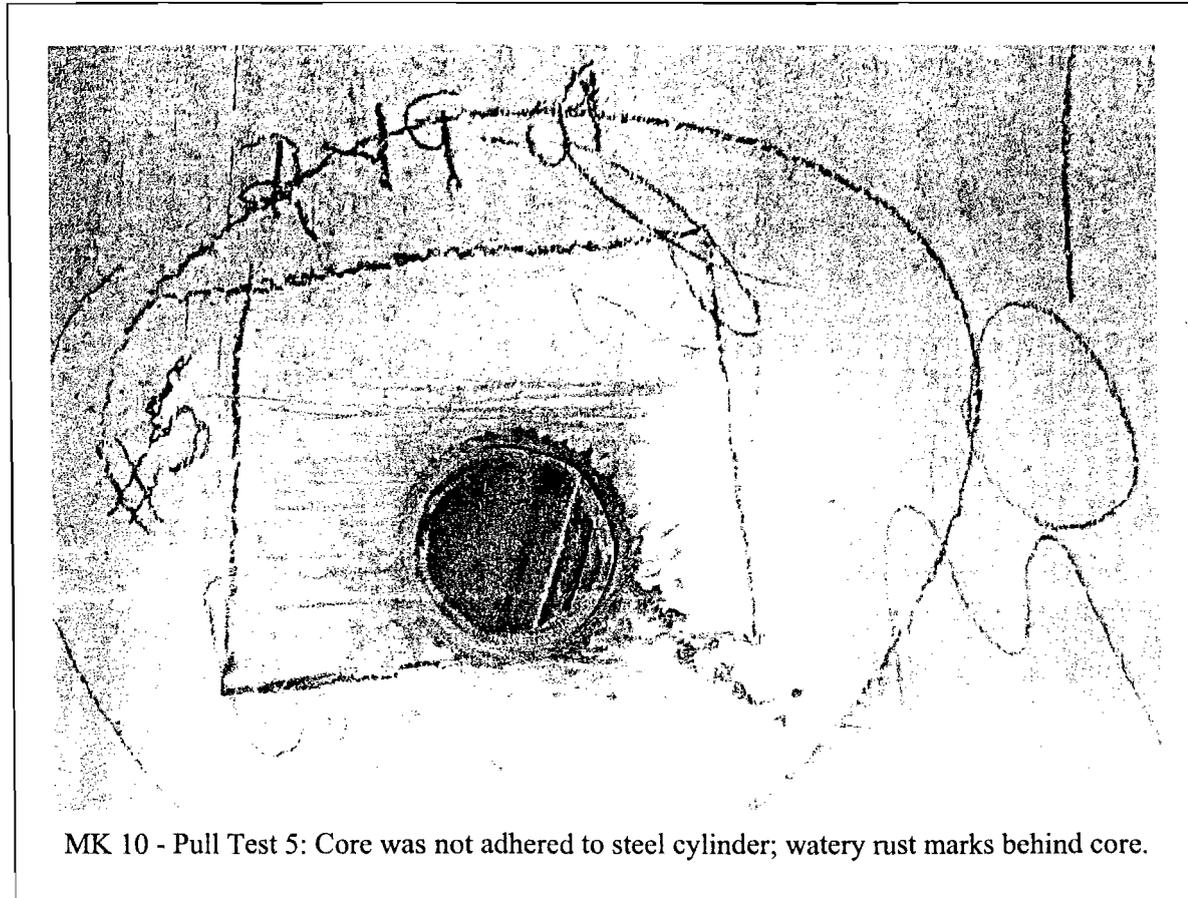


SCHIFF ASSOCIATES

CONSULTING CORROSION ENGINEERS - SINCE 1959

SFOX@SCHIFFASSOCIATES.COM

WWW.SCHIFFASSOCIATES.COM
CONSULTING CORROSION ENGINEERS - SINCE 1959



MK 10 - Pull Test 5: Core was not adhered to steel cylinder; watery rust marks behind core.

Kearny Mesa West Business Park
7290 Engineer Road, Suite A · San Diego, CA 92111
Phone: 858.874.0014 · Fax: 858.874.8180

ATTACHMENT C



...Dedicated to Community Service

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

www.otaywater.gov

December 3, 2008

Mr. Pat Donnelly
The Pointe Group, Ltd.
3130 Bonita Road, Suite 200
San Diego, CA 91910

Dear Mr. Donnelly:

Enclosed for your review are the reports issued by the two companies that, on October 29, 2008, inspected the 42-inch diameter pipe ("Pipe") that The Pointe Development – Gosnell Builders International ("The Pointe") proposes to install and connect to the Otay Water District ("District") distribution system. The first report, enclosed with this correspondence as Attachment A, was issued by Walls Inspection Company, Inc. (the "Walls Report"). The second report, enclosed with this correspondence as Attachment B, was issued by Schiff Associates (the "Schiff Report").

Both reports raise serious concerns regarding the integrity of the Pipe. Generally, the reports verify that (i) for nearly 36 months, the Pipe was not stored or maintained in accordance with either WAS standards or manufacturer specifications, (ii) as a consequence of such neglect, the Pipe suffered numerous instances of damage, some obvious and some not readily ascertainable; and (iii) some repairs have been performed but a large number of repairs are either inadequate or incomplete. The reports also state that it is difficult, based on a superficial visual inspection of the pipe, to determine whether the long term integrity and service life of the pipe have been compromised. Accordingly, at this time, the District is not able to authorize The Pointe to proceed with the installation or to make a commitment to accept the Pipe. In particular, the District will not accept the pipe sections numbered #14 and #24 in the Walls Report. Those sections suffered substantial fire damage and will need to be replaced.

With the exception of the two fire damaged pipe sections, the District is willing to accept the Pipe if The Pointe obtains a certification from West Coast Pipe that the Pipe, as repaired, is as good as new. In the alternative, the District would be in a better position to consider accepting the pipe if the following steps are taken:

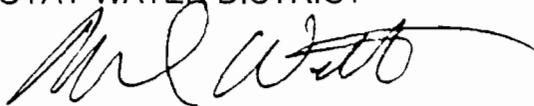
1. The Pointe engages Schiff Associates (or a similarly qualified company acceptable to the District) to conduct additional inspection and testing as set forth in the Schiff Report and

- provide a detailed report of the condition of each section of the Pipe; and
2. The report verifies that the results of the additional inspection and testing are favorable and concludes that there are no lining defects or other damage on any section of the Pipe, and/or identifies any sections of Pipe with suspect mortar lining or other damage; and
 3. All existing damage to the Pipe is repaired by a consultant retained by the Pointe and approved by the District. The damage must be remedied according to a mutually agreed upon remediation plan and consistent with the recommendations of the Walls Report, the Schiff Report, the recommendations of the report produced by the company retained by the Pointe pursuant to paragraph 1, above, and the agreed upon remediation plan.

The District understands that the Jamacha Road Project is of importance to both The Pointe and the County of San Diego and we remain committed to continue working with your personnel to move this project forward. It should be understood, however, that the District has a fiduciary obligation to its constituents to ensure that the water system, and all portions thereof, are acquired, installed and maintained in compliance with WAS standards and in accordance with all applicable requirements. To date, The Pointe has not provided evidence satisfactory to the District that the Pipe is in compliance with WAS standards for new pipe.

If you have any questions regarding this matter, you can contact Ron Ripperger at 619-670-2779 (office), 619-987-6373 (cell), or e-mail at rripperger@otaywater.gov.

Sincerely,
OTAY WATER DISTRICT



Mark Watton,
General Manager

bcc: Supervisor Dianne Jacob, Board of Supervisors

ITEM 9a

Informational Report on the Status of the On-Going
Coordination with the Pointe and Gosnell Builders
Concerning the Installation of a 42-Inch Pipeline in the
Jamacha Boulevard Right-of-Way

Please reference Attachment 1 “PowerPoint” posted to
Otay Water District website.



AGENDA ITEM 9b

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	March 4, 2009
SUBMITTED BY:	Geoffrey Stevens, Chief Information Technology and Strategic Planning	W.O./G.F. NO:	DIV. NO.
APPROVED BY: (Chief)	German Alvarez, Assistant General Manager, Administration and Finance		
APPROVED BY: (Asst. GM):			
SUBJECT:	FY 2009 Strategic Plan and Performance Measures Report		

GENERAL MANAGER'S RECOMMENDATION:

No recommendation. This is an informational item only.

COMMITTEE ACTION: _____

See Attachment A.

PURPOSE:

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

ANALYSIS:

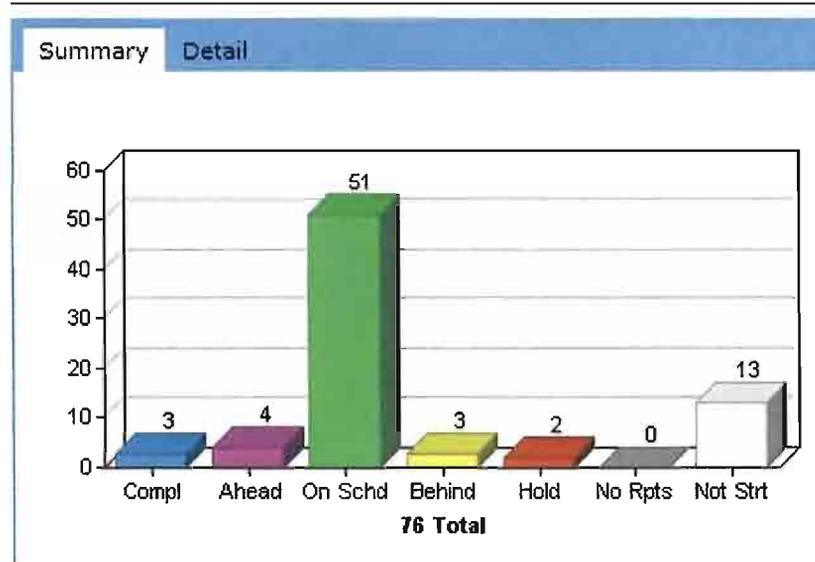
The District has completed the first half of the Strategic Plan for FY 2009. Overall, results continue to be positive with the District exceeding its target for both strategic plan objectives (at least 95% complete or on track) and performance measures (at least 88% on target). Detailed information on each objective and measure is also available electronically on the Board Extranet. Looking at these results in more detail:

Strategic Plan Objectives- Changing to Meet Future Needs

Strategic plan objectives are designed to ensure we are making the appropriate high-level changes necessary to move the agency in the planned direction to meet new challenges and opportunities. Overall performance of strategic plan objectives is positive with 58 of 76 objectives (95%) complete, ahead of or on schedule. 15 items are on hold or are not scheduled to start and are thus excluded from the calculation. Three items are behind schedule.

FY 09 Objectives

Objectives: All Scorecard Areas

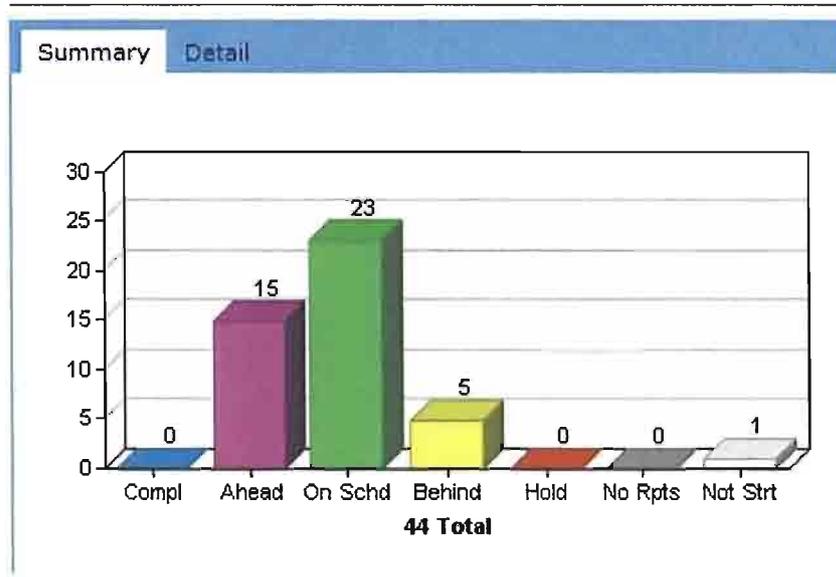


Performance Measures - Monitoring Day-To-Day Performance

Performance measures are designed to track the day-to-day performance of the District. Sometimes referred to as a "dash board", these items attempt to measure the effectiveness and efficiency of daily operations. The overall goal is that at least 75% of these measures be rated "on target". District results in this area are also positive with 38 of 44 (88%) items achieving the desired level or better. One item, which is a once yearly survey, is not scheduled to start and is thus excluded from the calculation.

FY 09 Performance Measures

Measures: All Scorecard Areas



38/44 Measures on or ahead of schedule (88%).
Target is 75%.

Balanced Scorecard - External View

The Balanced Scorecard methodology is designed to ensure that a company is performing consistently on a wide range of measures necessary to ensure both short-term and long-term improvements. From this perspective the results are also positive. In all four categories the District is on or ahead of schedule or target.

Balanced Scorecard Perspective

FY 2009 • Qtr 2 • All Departments

Customer	Financial	Learning and Growth	Business Processes
■ Objectives ■ Measures			

Green = meets or exceeds/ Red = does not meet

Departmental Perspective - Internal View of Performance

The departmental perspective, that is breaking down performance objectives and measures by the responsible internal departments, is also positive. All departments meet or exceed the expectations for objectives and performance measures.

FY 2009 • Qtr 2 • All Scorecard Areas

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

Green = meets or exceeds/ Red = does not meet

Significant Achievements

Attached to this staff report is the District's Mid-Year Achievements Newsletter. The newsletter provides a breakdown of each department's status in regard to Objectives and Performance Measures as well as a message from each chief highlighting many of their department's significant achievements. We have distributed the newsletter to all Otay staff offering them an upclose and personal view at their department's success.

FISCAL IMPACT: _____

None at this time.

STRATEGIC GOAL:

Strategic Plan and Performance Measure reporting is a critical element in providing performance reporting to the Board and staff.

LEGAL IMPACT: _____

None

Mark Walton

General Manager



ATTACHMENT A

SUBJECT/PROJECT:	FY 2009 Strategic Plan and Performance Measures Report
-------------------------	--

COMMITTEE ACTION:

This item was reviewed in detail by the Finance, Administrative Services, and Communications Committee and the Engineering, Operations and Water Resources Committee on March 5 and March 12, 2009 respectively. The following comments were made:

- It was indicated that if the board wished to make recommendation for changes for items they wish to emphasize in the upcoming fiscal year 2010, staff is open to receiving their suggestions. Staff has reviewed the Strategic Plan and does not plan on making any changes.
- This year, staff has implemented a new process to review the results of objectives. Staff must now establish that they have met objectives rather than simply indicating that they have done so.
- The Finance, Administration and Communications Committee inquired how targets were set. Targets are currently set at a level where staff believes that it can be reasonably met as there is no data to scientifically base the targets. As data is accumulated over time, then the targets will be set more scientifically. Staff could also, at that time, set target percentage improvement goals, such as, increasing the targets by 2% to 3% each year.
- Staff does measure its success against AWWA industry benchmarks which have been customized to more accurately reflect meaningful targets for the District.
- It was noted that the Strategic Plan System is a very advanced system and can be viewed by board and staff on the inet/board extranet at any time to check status.
- The Engineering, Operations and Water Resources Committee suggested that the mid-year Strategic Plan results be presented for the full board's review each year and that staff invite other agencies to the presentation.

The committees supported presentation to the full board as an informational item.



The Strategic Plan Mid-Year Achievements

VOLUME 1, ISSUE 3 FEBRUARY 26, 2009



MISSION STATEMENT

District's Mission: To provide the best quality of water and wastewater service to the customers of the Otay Water District, in a professional, effective and efficient manner.

VISION STATEMENT

General Manager's Vision Statement: "A District that is at the forefront in innovations to provide water services at affordable rates, with a reputation for outstanding customer service."

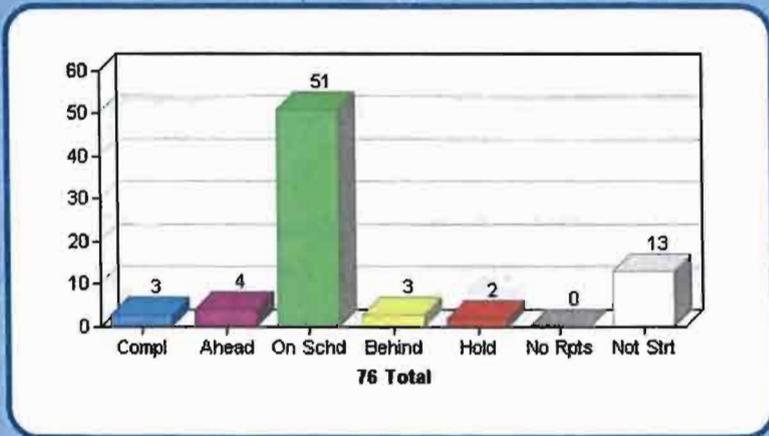
KEY CHALLENGE

The key challenge for Otay is to find the best solutions that balance our requirements with the significant constraints we face. Some of these constraints are escalating costs, drought, increasing regulatory compliance and uncertainty, customer demands for improved services, and competition for supply and resources. Meeting these challenges will require dedication and a commitment to continuous improvement and the innovative use of technologies and resources.

Inside This Issue:

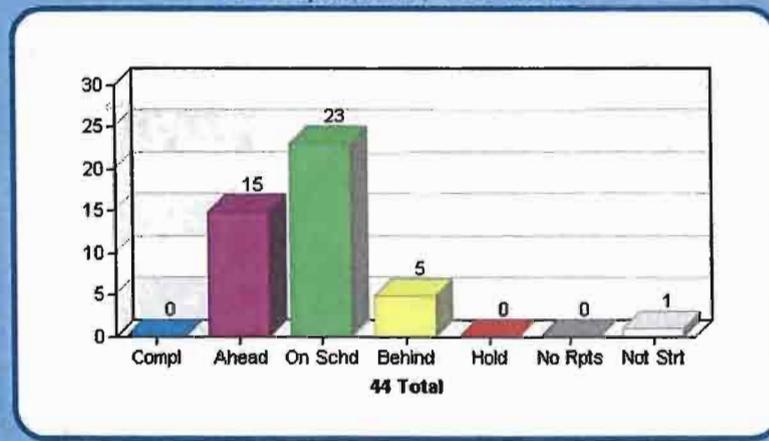
Objective and Performance Measure Status Summary	1
Administration	2
Engineering	3
Finance	4
IT	5
Operations	6

Objective Status Summary 95% Complete, Ahead, or On Schedule



Status	Objectives	Percent
Complete	3	4%
Ahead	4	5%
On Schedule	51	67%
Behind	3	4%
On Hold	2	3%
No Reports	0	0%
Not Started	13	17%

Performance Measure Status Summary 88% Complete, Ahead, or On Schedule



Status	Performance Measures	Percent
Complete	0	0%
Ahead	15	34%
On Target	23	52%
Not On Target	5	12%
On Hold	0	0%
No Reports	0	0%
Not Started	1	2%

**"We all need lots of powerful long-range goals to help us past the short-term obstacles."
-Jim Rohn**

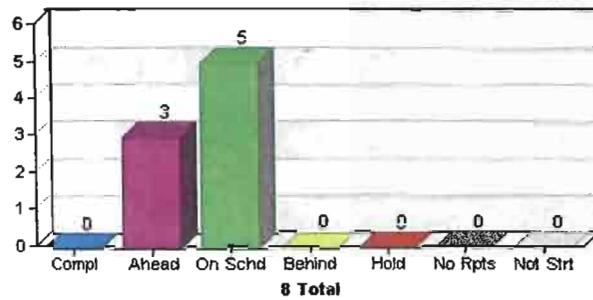
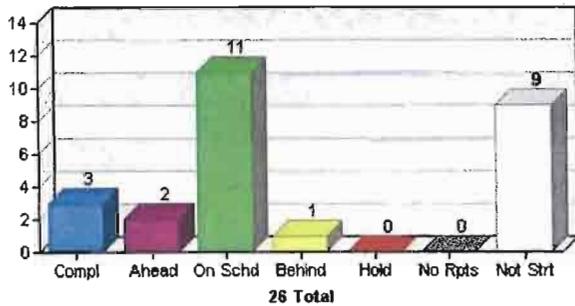


**"Define your business goals clearly so that others can see them as you do."
-George F.**

Board Report

Overall, results continue to be positive with the District exceeding its target for both strategic plan objectives (at least 95% complete or on track) and performance measures (at least 88% on target). Additionally, in all four categories of our balanced scorecard the District is on or ahead of schedule or target due to all departments meeting or exceeding the expectations for objectives and performance measures.

Administration



Objectives

Measures

Obj Id	Objective	Lead	Status	Id#	Title	Target	Result	Leads	Status
1.1.1.1	Capture customers' attitude and awareness through a repeatable customer survey program.	ARMANDO BUELNA	○	1.1.100	Customer Satisfaction	90.00	93	BUELNA, ARMANDO	●
1.1.2.7	Written Publications - Develop an effective program for producing new customer communication, including drought related communication. Evaluate bi-lingual options.	ARMANDO BUELNA	●	1.2.101	Blanket Order Activity	15.00	15.5	DOBRAWA, STEPHEN	●
1.1.2.8	Develop a comprehensive community outreach plan and materials to target specific community stakeholders with additional information or presentations on drought, recycled water, and water conservation.	ARMANDO BUELNA	●	1.3.102	Total Water Saved	120.00	65	GRANGER, WILLIAM	●
1.2.1.1	Promote and encourage adoption of conservation practices for new construction within District service territory.	WILLIAM GRANGER	●	1.3.103	Old Water Use (Distinct Meters)	76.60	32.2	GRANGER, WILLIAM	●
1.2.1.2	Participate in the revision of the 14 water conservation Best Management Practices and prepare to implement those that are locally cost-effective.	WILLIAM GRANGER	●	1.4.104	H&S Severity Rate (QualServe)	30.00	27.4	CUDAL, TED	●
1.3.1.1	Continue to actively participate in County Water Authority, Metropolitan Water District of Southern California, State policy making and pending legislative review and comment.	ARMANDO BUELNA	●	1.4.105	Turnover Rate	5.00	1.88	WILLIAMSON, KELLI	●
1.3.1.2	Promote enhancements to City, County, and State water conservation requirements and implement appropriate BMPs. (political aide).	WILLIAM GRANGER	○	1.4.106	Training Hours per Employee	18.00	10.02	WILLIAMSON, KELLI	●
2.1.1.1	Facilities and Staffing Plan needs.	KELLI WILLIAMSON	○	1.4.107	Safety Training Program	61.00	64	CUDAL, TED	●
3.1.1.2	Update District's Drought Management Plan including actions for enforcement.	WILLIAM GRANGER	●						
3.2.5.2	Evaluate web-based employee performance reviews.	KELLI WILLIAMSON	●						
3.2.5.5	Automate application process.	PATRICIA CARO	●						
3.2.6.1	Review/consolidate the District's Disaster Preparedness Plan.	TED CUDAL	●						
3.2.6.2	Update Security Assessment and implement Technology Recommendations.	TED CUDAL	●						
3.2.6.3	Evaluate and make recommendations regarding Environmental Health, Emergency Preparedness, and Safety Management System.	TED CUDAL	●						
4.1.1.1	Evaluate effective communication tools throughout the organization.	KELLI WILLIAMSON	●						
4.1.1.2	Evaluate the Pay For-Performance Program.	KELLI WILLIAMSON	○						
4.1.1.3	Evaluate the Employee Recognition Program.	KELLI WILLIAMSON	○						
4.1.1.4	Assess findings of 2008 Employee Survey.	KELLI WILLIAMSON	●						
4.1.1.5	Conduct Employee Survey.	KELLI WILLIAMSON	○						
4.1.2.1	Review and update classification plan and revise critical areas.	KELLI WILLIAMSON	○						
4.1.2.2	Review and revise marketing strategy and recruiting tools.	KELLI WILLIAMSON	○						
4.1.3.1	Develop and identify required and desired District-wide training for all classifications.	KELLI WILLIAMSON	●						
4.1.3.2	Develop and maintain a formal program to track employee training.	KELLI WILLIAMSON	○						
4.1.4.1	Identify core elements of Succession Planning that can be tailored to the District's needs.	KELLI WILLIAMSON	●						
4.1.5.1	Update and expand annual review process to include greater emphasis of strategic plan objectives and performance measures and understanding of career goals and how they may relate to the District's Succession Plan.	ROSEMARY DRIES	●						
4.1.7.1	Optimize community involvement throughout the District.	ARMANDO BUELNA	●						

Administration
 --Developed a comprehensive outreach plan for customers related to the drought, recycled water and water conservation.

Purchasing
 --Implemented security improvements in the Administration front lobby.
 --Steve Dobrawa, Purchasing and Facilities Maintenance Manager, attained Certified Purchasing Manager (CPM) status, awarded by the Institute for Supply Management (ISM)

Human Resources
 --Completed review of Employee Survey results and facilitated discussions between Department Chiefs and respective Managers and Supervisors
 --Assistant General Managers implemented a monthly meeting to discuss various departmental issues with the Department Chiefs to enhance interdepartmental communication

Water Conservation
 --Developed Level One and Level Two procedures for handling water waste complaints
 --Along with Facilities Management, work has begun to reduce water use and enhance security at the Administration, Operations and Treatment Plant

Safety and Security
 -- Completed review of Emergency Action Plan (EAP), National Incident Management System (NIMS) and Emergency Operations Center (EOC) procedures
 -- Completed a review of 32 out of 36 Safety Manual Procedures
 -- Attained Federal NIMS compliance
 -- Participated in the California Statewide Golden Guardian Exercise

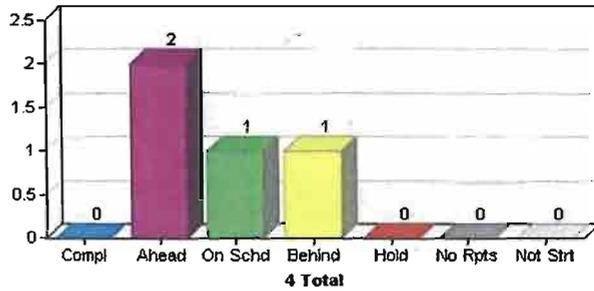
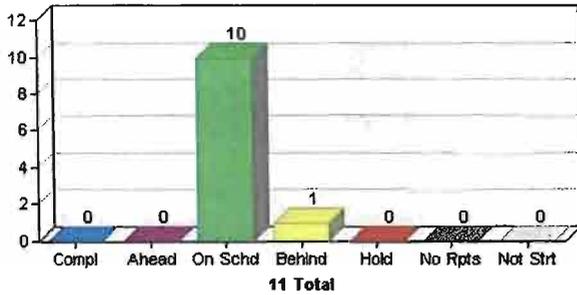
Administration and Communications
 --Developed a comprehensive outreach plan for customers related to the drought, recycled water, and water conservation
 --Developed an extensive communications and outreach plan for residents impacted by the Jamacha Pipeline Project
 --Rom Sarno, Chief of Admin Services

Significant Achievements

The second quarter was busy with significant achievements with District wide impact. Staff has been busy preparing and developing procedures and tools to address the anticipated increase in customer inquiries related to the drought. Water Conservation with Customer Service, IT and our Public Information Officer, have worked together to address issues that come with a drought and the need to provide information to our customers related to the impact of water rates and methods to conserve water.

Other significant work in Administration, included participation in the State wide Golden Guardian Exercise for disaster preparedness, completed review of the Employee Survey and implemented a monthly meeting between the Assistant General Managers and Chiefs to enhance interdepartmental communication.

Engineering



Objectives

Measures

Obj Id	Objective	Lead	Status
1.2.2.1	Continue a regional approach and expand District's recycled water outreach program to landscape architects, maintenance companies, developers, contractors, and homeowner associations.	DAVID CHARLES	●
3.1.1.1	Prioritize and implement recommendations contained in the Integrated Resources Plan and Water Resources Master plan to obtain additional potable water supply by 15%.	JAMES FEASLEY	●
3.1.1.3	Create a comprehensive environmental program that is cost-effective and proactive in response to environmental compliance.	LISA COBURN-BOYO	●
3.1.2.1	Evaluate the long-term requirement for costs and benefits of seeking additional sewer collection flow, treatment, and/or disposal capacity.	JAMES FEASLEY	●
3.1.3.1	Obtain new recycled water supplies by 10% by prioritizing and implementing the recommendations in the IAP & WRMP.	JAMES FEASLEY	●
3.1.3.2	Finalize evaluation of North District service area expansion for recycled water and seek approvals for funding.	LISA COBURN-BOYO	●
3.2.1.1	Develop and implement an Asset Management Program Plan to extend useful life of capital assets.	JAMES FEASLEY	●
3.2.1.4	Enhance Construction Inspection on construction projects by implementing IMS.	DAVID CHARLES	●
3.2.4.1	To obtain access to shared electricity, gas, telephone, and other utilities from cell site vendors, San Diego County and, other agencies.	DAVID CHARLES	●
3.2.5.7	Identify existing facilities that are good candidates for conversion to separate irrigation meters (recycled and/or potable water), specifically for multi-family/industrial/commercial projects.	JAMES FEASLEY	●
3.2.5.8	Enforce use of separate meters for irrigation during the Sub-Area Master Plan (SAMP) Review Process to maximize the use of recycled water. Irrigation of landscaped areas shall have a separate meter regardless if potable or recycled water is available, while maximizing the use of recycled water.	JAMES FEASLEY	●

Id#	Title	Target	Result	Leads	Status
2.2.200	CIP Project Expenditures vs. Budget	100.00	26.5	RIPPERGER, RONALD	●
2.2.201	Construction Change Order Incidence	2.00	0	RIPPERGER, RONALD	●
2.3.202	Mark out Accuracy	100.00	100	O'DONNELL, MICHAEL	●
2.3.203	Project Closeout Time	90.00	231	RIPPERGER, RONALD	●

Significant Achievements

Objectives

One of Engineering's strategic objectives is to help larger users of potable water for irrigation to convert to recycled water. To that effect, David Charles, Public Services Manager, is working with specific Home Owners Associations to devise a transfer program. The net gain will be that potable water will be saved helping our conservation programs.

Measures

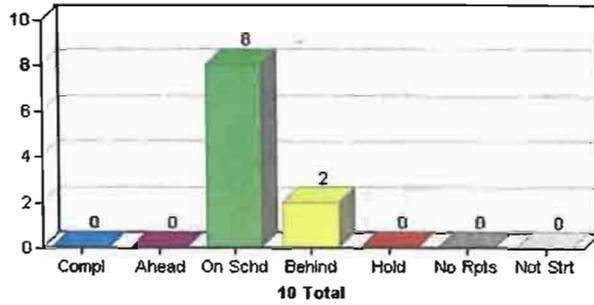
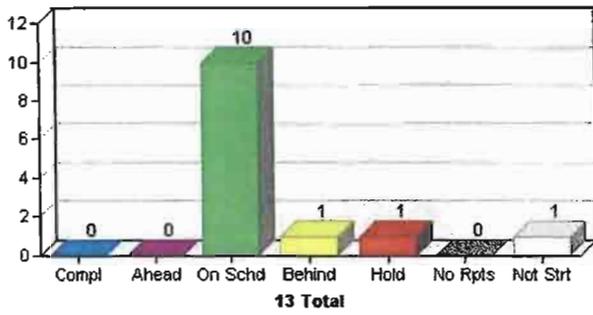
A critical performance measure is "mark-out accuracy." Every contractor is obligated, by state law, to report an excavation. In turn, utility companies are obligated to mark-out their facilities within 24-hours of the contractor's report. If we failed to identify any of our facilities within the 24-hour period and it gets damaged, the District is responsible for repairs. This can amount to hundreds of thousands of dollars, loss of service to our rate-payers, and waste of potable water. Therefore, our measure is that 100% of our facilities get identified around a particular excavation within that 24-hour window. We have consistently met this measure for the past several years.

-Rod Posada, Chief of Engineering

"Our goals can only be reached through a vehicle of a plan, in which we must fervently believe, and upon which we must vigorously act. There is no other route to success."

-Stephen A. Brennan

Finance



Objectives

Measures

Obj Id	Objective	Lead	Status	Id#	Title	Target	Result	Leads	Status
1.1.1.2	Expand a more detailed customer complaint tracking and reporting system.	ALICIA HENDEZ-SCHONER	🔴	3.1.300	Answer Rate	97.00	97.40	CAREY, ANOREA	🟢
1.1.2.1	Incoming calls - Streamline and document the District's incoming customer call processes.	ELAINE HENDERSON	🟢	3.2.301	OBM Cost per Account (QualServe)	483.00	230	BELL, RITA	🟢
1.1.2.6	Evaluate the most cost effective and efficient processes and tools to communicate service related issues to customers. For example: E-Mail, Target mail, door hanger, etc.	ELAINE HENDERSON	🟢	3.2.302	Billing Accuracy (QualServe)	99.80	99.99	HENDERSON, ELAINE	🟢
2.1.1.2	Develop the long term financial plan.	JOSEPH BEACHEM	🟢	3.2.303	Overtime Percentage	100.00	80.0	BELL, RITA	🟢
2.1.2.0	Conduct financial threat assessment for growth, water availability, inflation and other revenue sources.	JAMES CUDLIP	🟢	3.2.304	Sewer Rate Ranking	50.00	28	BELL, RITA	🟢
2.1.3.0	Re-calculate all Capacity and Annexation Fees with New Rehabilitation and Repair Plan.	JOSEPH BEACHEM	🟢	3.2.305	Water Rate Ranking	50.00	30	BELL, RITA	🟢
2.2.1.1	Simplify residential fee structures and the billing system.	RITA BELL	🟢	3.2.306	Debt Coverage Ratio (QualServe)	169.00	217.11	CUDLIP, JAMES	🟢
2.2.1.2	Reduce complexity of and simplify rate structure.	ELAINE HENDERSON	🟢	3.2.307	Reserve Level	100.00	100.00	CUDLIP, JAMES	🟢
2.2.1.3	Evaluate drought stage rates and propose changes.	RITA BELL	🟢	3.3.308	System Renewal/Replacement Rate (QualServe)	34.00	42	BELL, RITA	🟡
2.2.1.4	Evaluate and improve effectiveness of bill (including fees for Chula Vista sewer billing).	ELAINE HENDERSON	🟢	3.3.309	Distribution System Loss (QualServe)	3.00	5.01	BELL, RITA	🟡
3.2.3.3	Evaluate implementing a fixed network Automated Meter Reading.	ELAINE HENDERSON	🟢						
3.2.5.3	Enhance AP to electronically pay bills for frequent vendors and routine bills and maximize the use of e-bills.	JOHN PRENDERGAST	🟡						
3.3.1.1	Develop and measure cost per unit expenditures and forecasts.	RITA BELL	🟡						

Rate Testing: Staff has been very focused on verifying that the new billing structure, if approved, will have a smooth transition into the billing system. With significant help from the IT department the Finance staff has been paralleling all the billing cycles to identify any problems that might occur in the billing system. This testing has been very successful and staff anticipates a smooth transition.

218 Process Completed - The 218 notices were mailed in October to all of the Otay customers. These notices informed each customer of the rate changes that were proposed. To avoid overly complicated notices, each type of customer had a customized notice tailored so that they would only receive information relevant to them. In the list below, showing the various notices, the total number of notices sent is significantly more than the number of Otay customers. This is because the District is also required to send a notice to all land owners even if they are not customers.

Residential Water Only	45,012
Mater Metered	268
Commercial and Publicly Owned	968
Landscape, Agriculture, Construction	656
Reecycled	124
Residential Sewer	1,995
Commercial Sewer	39
Schools Sewer	7
Residential Water & Sewer	3,689
Land Owners	10,858
Total	63,581

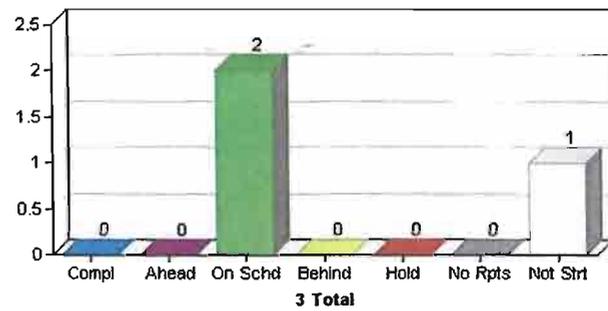
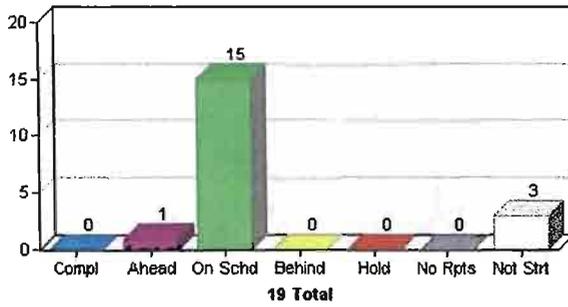
In order to comply with the Prop 218 requirements, at the December 15th, 2008 meeting the District held a Public Hearing. During this hearing the members of the public were able to share their comments related to the proposed rate changes. Any written comments received at the District were also provided to the Board. In this way the Board was fully informed of the customer's opinions as they related to the rates prior to any action on the proposed rates.

-Joe Beachem, Chief of Finance

Significant Achievements

Credit Rating Upgrade: On Monday the 17th of December 2008, Standards & Poor's notified the District that it was upgrading the District's credit rating from AA- to AA. For many years the District had an A+ rating and issued debt with that underlying rate. Over the past number of years, the District has been developing as an industry leader. With excellent leadership and management the District has developed exceptional planning tools and policies. These fundamental improvements in the operations of the District were noticed and acknowledged by the rating agencies in February of 2007 when Fitch, a rating agency, upgraded the District's credit rating from A+ to AA-. Shortly after Standards & Poor's also gave the District a AA-. This was a significant rating change for the District as it moved the District from the single A to the double A range. The District has continued to demonstrate exceptional leadership and management, receiving numerous technological, engineering, financial, and accounting awards. Less than 19 months after that last ratings upgrade, and with the ongoing demonstration of forward thinking and skilled management, the District has received its second credit rating upgrade in 19 months. The combined affect of these rating upgrades will save the Otay Water District's customers millions of dollars on the costs to build infrastructure. The District is proud of its efforts to provide outstanding service to their customers and looks forward to continuing its record for exceptional service.

Successful Payroll Year-End: Staff geared up for the payroll year-end. At the end of each year a significant effort is made to organize and prepare all the new tax and deduction information. This is a key part of the accounting system as all this information is linked into the general ledger and budgeting systems. Also, central to that time of year is the preparation of all tax documents sent to the state, fed, vendors, and employees.



Objectives

Measures

Obj Id	Objective	Lead	Status
1.1.2.2	Interactive Voice Response - Enhance the usefulness of the Interactive Voice Response for better customer service across the District.	CYNTHIA ALCANTARA	●
1.1.2.3	Auto dialer - Evaluate enhancing the usefulness of the Auto dialer to efficiently notify customers of District events.	THERESA KREINBRING	●
1.1.2.4	Web Page - Evaluate and enhance the District's web site design to allow easier use and navigation.	WILLIAM JENKINS	●
1.1.2.5	E-Customer Account - Enhance the customer's ease of access to personalized account information including water use, payment status, and historical trending.	SHAMALA SARIPALLI	●
1.3.2.1	Promote and encourage leadership opportunities for District staff in water industry committees.	GEOFFREY STEVENS	●
1.3.2.2	Evaluate and implement American Water Works Association Peer Review for District.	GEOFFREY STEVENS	●
3.2.2.1	Evaluate the long-term viability of Eden financials and billing system.	GEOFFREY STEVENS	○
3.2.2.2	Enhance the integration of Infrastructure Management System, Eden, Customer Information System, Supervisory Control and Data Acquisition, Geographic Information System.	GEOFFREY STEVENS	⊗
3.2.2.3	Enhance existing Capital Project Tracking System.	SHAMALA SARIPALLI	○
3.2.2.4	Enhance the District's data management, data update process, and data architecture including enterprise standard data. Update process for ensuring GIS data is accurate.	MING ZHAO	●
3.2.2.5	Develop and deploy the field wireless network for key facilities.	WILLIAM JENKINS	●
3.2.3.2	Optimize use of Voice Over Internet Protocol and unified messaging.	WILLIAM JENKINS	○
3.2.3.4	Optimize the use of SharePoint.	SHAMALA SARIPALLI	●
3.2.3.5	Develop optimized field work processing using integrated technology.	MING ZHAO	●
3.2.3.6	Assess and implement security best practices for all Otay networks.	WILLIAM JENKINS	●
3.2.5.1	Investigate using electronic signatures on staff reports, shutdown plans, contracts, magazines, newsletters, reimbursements, project closeout, etc.	WILLIAM JENKINS	●
3.3.2.1	Utilize SCADA to calibrate water model.	MING ZHAO	●
4.1.6.1	Update District-wide Records Management Program.	WILLIAM JENKINS	●
4.1.6.2	Develop information systems support for asset management program.	MING ZHAO	●

Id#	TRite	Target	Result	Leads	Status
4.1.400	Customer Satisfaction with website	77.00	0	JENKINS, WILLIAM	○
4.3.401	Network Availability	99.00	100	JENKINS, WILLIAM	●
4.4.402	Web Site Hits	11000.00	12048	JENKINS, WILLIAM	●

Significant Achievements

Records Management:
We have finalized the steps for implementing our Records Management application (AX) and revised the retention policy to work congruently with the new system. In order to keep the process moving forward, we have formed a records committee composed of the department secretaries who are currently working together to compile information required to categorize all types of files. In addition, the scanning project is completed as we have deployed scanners to all departments.

Wireless Project:
The wireless broadband connection to the Treatment Plant is in its final stages and close to completion. We are coordinating with SCADA staff to extend the wireless broadband to Regulatory and 30 Million Gallon Reservoir by June 30, 2009.

Mobile Platform:
Selection of the field mobile devices (Panasonic F8 and F30 models) for field staff and management has been finalized.

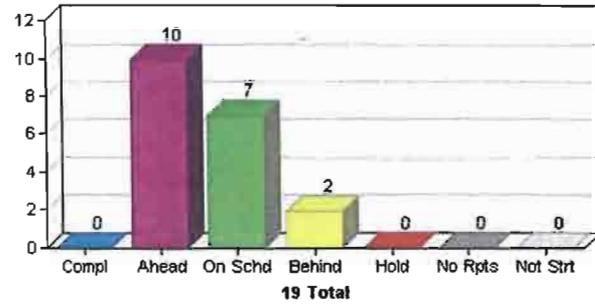
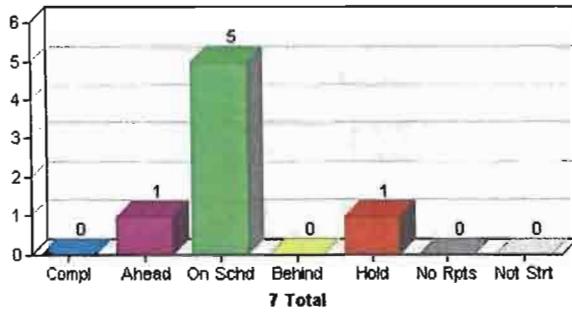
SharePoint:
We have implemented SharePoint in Customer Service as the first step in updating our INET using technology to improve our billing process.

AWWA Peer Review:
We have explored doing a brief "Peer Review-Best Practices" evaluation with AWWA. It is likely we will proceed with some type of survey for all staff in the Spring.

-Geoff Stevens, Chief Information Officer

**"An archer cannot hit the bulls eye if he doesn't know where the target is."
-Anonymous**

Operations



Objectives

Measures

Obj Id	Objective	Lead	Status
3.1.1.4	Develop and implement a proactive leak detection program to reduce distribution system water loss.	GARY STALKER	🟢
3.1.2.2	Develop and implement Treatment Plant Enhancements including automation for remote operation and shutdown, technology improvements, and upgrade of facilities.	DALE KREINBRING	🟢
3.2.1.2	Expand meter testing for 3" and larger calibration and replacement program.	TIMOTHY KEERAN	🟢
3.2.1.3	Evaluate increasing the completion schedule of District's valve actuation, valve replacement, and air vac programs.	RICHARD ACUNA	🟢
3.2.3.1	Optimize functionality, business continuity, bandwidth, and use of SCADA.	GENE PALOP	🟡
3.2.5.4	Enhance fuel tracking and reporting system.	DOUGLAS RAHDERS	🔴
3.2.5.6	Develop a Heavy Equipment Capital Replacement Plan.	DOUGLAS RAHDERS	🟢

Id#	Title	Target	Result	Leads	Status
5.1.500	Unplanned Disruptions (QualServe)	0.70	0	VACLAVEK, JACOB	🟢
5.1.501	Technical Quality Complaint (QualServe)	9.00	4.19	VACLAVEK, JOANNE	🔴
5.2.502	Planned Drinking Water Maintenance Ratio in \$ (QualServe)	69.00	69	KUBE, SCOTT	🟢
5.2.503	Planned Recycled Water Maintenance Ratio in \$	70.00	70	HOLLY, ROGER	🟢
5.2.504	Planned Wastewater Maintenance Ratio in \$ (QualServe)	77.00	85.6	KREINBRING, DALE	🔴
5.2.505	Direct Cost of Treatment per HGO (QualServe)	1008.00	851.85	KREINBRING, DALE	🔴
5.2.506	O&M Cost per HGP-wastewater (QualServe)	1959.00	1543.78	KREINBRING, DALE	🔴
5.3.507	% PMs completed-Fleet Shop	90.00	98	RAHDERS, DOUGLAS	🟢
5.3.508	% PMs completed-Reclamation Plant	90.00	100	KREINBRING, DALE	🟢
5.3.509	% PMs completed-Pump/Electric Section	90.00	100.00	ANDERSON, DONALD	🟢
5.3.510	% PMs completed-Valve Maint. Program	90.00	103	VACLAVEK, JACOB	🟢
5.3.511	Valve Exercising Program	1692.00	823	VACLAVEK, JACOB	🟢
5.3.512	Water Distribution System Integrity (QualServe)	16.00	9.59	VACLAVEK, JACOB	🟡
5.3.513	Planned Water Service Disruption Rate (QualServe)	2.50	1.34	VACLAVEK, JACOB	🟡
5.3.514	Drinking Water Compliance Rate (QualServe)	100.00	100	STALKER, GARY	🟢
5.3.515	Collection System Integrity (QualServe)	3.50	0.6	KREINBRING, DALE	🟢
5.3.516	Replace manual read meters with automated meter.	4500.00	3192	KEERAN, TIMOTHY	🟢
5.3.517	Recycled Water System Integrity	8.60	0	HOLLY, ROGER	🔴
5.3.518	Sewer Overflow Rate (QualServe)	0.00	0	KREINBRING, DALE	🟢

Significant Achievements

We have completed the automation of the flow control metering valves at the Regulatory Site. The four valves control the gravity flow from the new 640 reservoirs to the 520 reservoirs and allow for control and monitoring via SCADA.

Additionally, we have increased the reliability of the reclamation plant/sewer lift station SCADA control system by installing a back-up server and upgrading the software.

Objective: 3.2.5.6 CARB & APCD Replacement Plan:

The Fleet Maintenance's goal during the Second Quarter was to monitor and implement the District's fleet so as to be within code compliance per CARB and/or APCD regulations. The Fleet Maintenance Section successfully managed to assure all data was registered, and the maintenance/repair costs are properly being tracked through the IMS system.

Objective: 3.2.1.2 Expand Meter Testing for Three-inch and Larger Calibration and Replacement Program:

The Meter Maintenance Section's accomplishment during the Second Quarter resulted in the development of a detailed listing for all three-inch and larger meters. Further evaluation will continue in FY 2010 and onward. Furthermore, Tim Keeran contacted other local agencies and coordinated with Customer Service (meter readers), and with IT to properly set up a recorded meter testing program. His research then developed a "Priority Testing" schedule of which is to commence in February 2009 as planned.

Pedro Porras, Chief of Operations

ITEM 9b

Mid-Year Fiscal Year 2009 Strategic Plan and Performance
Measures Update

Please reference Attachment 2 “PowerPoint” posted to
Otay Water District website.



AGENDA ITEM 9c

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 1, 2009
SUBMITTED BY:		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:	To inform the Board of the various issues related to the potential drought rate increases and the standard annual rate increase		

GENERAL MANAGER'S RECOMMENDATION:

To inform the Board of the various issues related to the potential drought rate increases and the standard annual rate increase.

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

To inform the Board of the various issues related to the potential drought rate increases and the standard annual rate increase.

ANALYSIS:

Background

Given the current information and discussions, it is likely that MWD will implement a Drought Stage II to be effective July 1st. Water allotments and corresponding penalties for water usage over the allotments may also be implemented. CWA may or may not follow suit. In addition, it is expected that MWD and CWA will both implement their regular annual rate increase early. Instead of a January 1st implementation they are considering a September 1st implementation.

The District is well positioned to react to the July 1st drought pricing as it has already approved drought pricing schedules through a 218 process. This gives the District the ability to

react quickly and implement drought pricing on July 1st if that is the desired course of action.

The timing of the September 1st increase does not pose any significant challenge. While the District still needs to go through the 218 process, if the Board were to approve the budget by the June 3rd Board meeting, this gives staff adequate time to implement a change by September 1st.

Timing of Annual Increase

The District has always been sensitive to matching CWA's annual rate increases with timely District rate increases. This is motivated by the desire to maintain the debt coverage ratio at a targeted level without the need to spike rates to make up for lost time. The debt coverage ratio is a measure of how much net revenue is available to pay the annual debt obligations. The District's target of 150% requires that net revenues are at 150% of annual debt payments. Meeting the District's minimum debt coverage ratio is not only a binding obligation to the bond holders, but meeting a targeted level above that minimum is a key financial indicator used in the determination of the District's credit rating. In the May budget workshop and the June 3rd Board meeting, staff will be recommending that the District matches the timing of the annual rate increase from CWA.

Timing of Drought Rates

The timing of the drought rate implementation is not nearly as clear as the annual increase. There are a number of issues to consider in determining the timing and level of the drought rate implementation. These issues are equal in their significance and this staff report provides the opportunity to consider all the issues listed below:

1. Administrative factors
2. Customer education
3. Over allotment penalties
4. Financial risks
5. Sales volume uncertainty

While each of these issues is discussed in the sections below, it is understood that the Board's primary concern is that the District maintains its financial stability. So, while administrative and customer factors are certainly important, the financial health of the District will be considered heavily in any recommendations brought to the Board. If a July 1st implementation date is desired, then a Board action at the May

6th Board meeting would be needed in order to notify customers in a timely manner.

Administrative Factors

There are various pros and cons to consider when evaluating the best timing of the drought rates. From a customer service perspective, dealing with customers would be much easier if there was only one combined rate increase. Two rate increases will require two notifications, two training sessions for staff, and two testing periods. Even though the opportunity for errors is twice as great, staff feels that the risks related to this are well managed. The additional cost is approximately \$15,000 and four added weeks of staff time. Two rate increases would however, create some clarity as the notices would not be as complicated and the timing of the rate increases would coincide with the underlying events.

Customer Education

An informed and educated public is the primary challenge in overcoming the potential negative perceptions customers could form. This is a challenge that staff will be focused on as the communications are being developed for the rate increases, whether the increases are consolidated or separate. Carefully prepared notices would be able to educate the public on the reasons, timing, and amounts of the increases.

Earlier implementation of the drought rates would promote added conservation and also allow staff to have two additional months of water usage data under higher rates. This information may be valuable as the District may be considering mid-year adjustments to the drought rates. Another positive for separate increases is that this option would be consistent with the messages put out by the media. A counter argument favoring one consolidated increase is that customers would have a longer time period of media exposure before the rate change, giving them time to adjust their usage and also time for the education efforts to create a more positive outlook on water conservation.

Over Allotment Penalties

The calculation of the penalties is as follows: $\text{Penalty} = 2 \times \text{Tier II water rates} \times \text{Otay's share of the CWA overage}$. Currently, the Tier II water rate is projected to be approximately \$850/aft. This means the price of water purchased over the allotment level would be approximately 3 times the cost of water purchased under the allotment level. The penalties will only be assessed to the agencies that exceed their

allotment and only in the event that CWA exceeds its allotment from MWD.

Knowing that Otay's costs for potable water are approximately 50% of the total potable operating budget, these penalties are a significant change that must be considered carefully. Otay is expected to be notified soon about the amount of its annual allotment. This, in conjunction with the District's sales projections, will give staff an estimate of potential penalties and in the amount of sales variability it would take to incur penalties.

Financial Risk Assessment

The District has always maintained healthy reserves which protect it from the cash flow risk caused by budget fluctuations. In the event of a budget shortfall, the District may opt to use reserves and recuparate the reserves in the next budget cycle. The drought rates provide added flexibility however, they are not essential to manage the cash flow risk.

Maintenance of the debt coverage ratio is much more sensitive to net revenues and therefore to the over allotment penalties. Unlike the management of cash flows above, the debt coverage ratio cannot use reserves to offset added costs or lower revenues.

Looking at the upcoming years, lower sales will have the same impact that they have had in the past; they will generate modestly lower net revenues slightly affecting the debt coverage ratio. This modest impact is because the lost revenues are offset by the reduced cost of purchasing water. In the past, higher sales would have generated approximately \$207/aft positive net revenue. This would generate a higher debt coverage ratio and a positive financial effect. Looking to the upcoming years, the impact of over allotment penalties will cause higher sales to create a net loss of approximately \$1,519/aft or a \$670,000 net loss for every 1% increase in actual sales over budgeted sales. It is expected that the budget will incorporate any anticipated penalties and therefore the debt coverage ratio will be insulated from these penalties; however, any sales over budget will have a direct negative impact on the debt coverage ratio.

In the event of selling substantially more water than is budgeted, the drought rate pricing will be a critical tool to manage the financial risk.

Budgeting Dynamic

The impact of over projecting sales remains modestly negative while the impact of under budgeting sales has become substantial. This has significantly changed the dynamic of budgeting. For example, a 3% positive variance in the 2009 water sales would have swung the net revenues to the point where the bond covenants would not be met. This is a fairly tight model to work within and where the flexibility of the drought rates will be valuable. Staff will be monitoring sales closely in the upcoming years to anticipate the potential for unbudgeted penalties and will be making recommendations to implement adjustments to the drought pricing level, as needed.

Because of the changed dynamic, when staff looks at the range of potential water sales, they will recommend a projection on the higher end of that range. This will incorporate a moderately higher level of penalties into the budget and rates (assuming allotted sales are lower than budgeted sales). It would reduce the risk of selling at higher levels than budgeted and therefore reduce the risk of unbudgeted penalties.

The higher the allotment relative to budget, the less pressure to motivate added conservation. It is possible that the allotted sales will come in close, or even greater, than budgeted sales. At this level drought pricing may be considered unnecessary at the initial stages. Again, the monitoring of the sales volumes will be critical to ensure that the District is able to react in a timely manner and minimize the risk of net losses.

Water Sales Projections

Accurately projecting sales has become more important in this new budgeting dynamic. Accurate sales projections will narrow the band of potential water sales and minimize the potential for over or under collecting revenues. Unfortunately, the heightened need for accurate sales projections comes at a time when the reliability of sales projections is facing new challenges. Three significant changes add to the difficulty of this task.

- Economic conditions add to the uncertainty of conservation and water sales.
- Media and water agency outreach add to the uncertainty of water sales.
- Rate increases will motivate customers to conserve, however due to the very recent implementation of these rates, the level of that conservation is fairly uncertain.

- o Jan. 2009 - 12.4% general rate increase
- o Jan. 2009 - rate study had varying impacts
- o Sept. 2009 - CWA pending increase potential for 15% to 20% increase

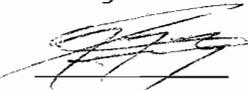
To help offset the increased challenges in projecting sales, staff is not only using growth projections, rainfall projections, and historical usage data by class, but is also surveying large customer on usage. Staff has also developed more sophisticated reports to evaluate the most up-to-date usage information.

Conclusion

The need to meet the allocations is twofold. First, that the region is able to maintain its water supply, and second, so that the District can avoid substantial penalties. To accomplish the needed level of conservation, the District has already established Drought Stages and the Drought Stage pricing, with the expectation that these tools will be used, as necessary, to motivate conservation, fund conservation programs, and offset potential penalties.

The timing of the implementation of drought pricing is being evaluated. Significant factors in the recommendation will be the District's water allotment, the projected water sales, and customer input.

Timing of the annual CWA rate increase is currently anticipated to be September 1, 2009. Staff will be recommending that the timing of the Otay annual rate increase match this timing in order to maintain the District debt coverage ratio and balance the budget without large fluctuations in the proposed rates.

FISCAL IMPACT: 

Informational only. No Impact

STRATEGIC GOAL:

Ensure financial health through formalized policies, prudent investing, and efficient operations.

LEGAL IMPACT: _____

Mark Watton LLC
General Manager

Attachments:

- A) Committee Action Form
- B) Presentation



ATTACHMENT A

SUBJECT/PROJECT:	To inform the Board of the various issues related to the potential drought rate increases and the standard annual rate increase
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COMMITTEE ACTION:

This is an informational item only.

NOTE:

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

ITEM 9c

Informational Report Regarding the Timing of Potential
Rate Increases

Please reference Attachment 3 “PowerPoint” posted to
Otay Water District website.

AGENDA ITEM 10



STAFF REPORT

TYPE	Regular Board Meeting	MEETING	April 1, 2009		
MEETING:		DATE:			
SUBMITTED BY:	Mark Watton, General Manager	W.O./G.F.	N/A	DIV.	N/A
		NO:		NO.	
SUBJECT:	General Manager's Report				

GENERAL MANAGER:

FLAGSHIP PROJECTS:

Update on the design of the **36-Inch Potable Water Pipeline from FCF #14 to Regulatory Site** (CIP P2009) for the month of February 2009:

- Otay Flow Control Facility No. 14 Temporary Reconnection Contract with TC Construction has been signed and work for the first phase of the temporary reconnection has been coordinated with the San Diego County Water Authority (CWA). FCF #14 to be shut down for the planned upgrade between March 1-July 31, 2009. The LMSE will continue to receive water from FCF #8 until this upgrade is complete and the temporary reconnection is made by TC Construction.
- Staff is coordinating with CWA to include their comments on the final plans where the 36-inch pipeline crosses CWA's aqueduct. In addition, CWA has been very helpful in processing three (3) Joint Use Agreements to establish rights where the 36-inch pipeline will be in their right-of-way.

(Note: The District received the Encroachment Permit from Caltrans on March 5, 2009 and the Advertisement for Bid was sent out on March 6, 2009. A Pre-Bid Meeting was held on March 24, 2009 and the Bid Opening is scheduled for April 9, 2009.)

ADMINISTRATIVE SERVICES, INFORMATION TECHNOLOGY AND FINANCE:

Administrative Services:

Human Resources:

- HR staff is working with our Benefit Broker and COBRA administrators to implement temporary revisions to the COBRA laws enacted by the American Recovery and Reinvestment Act signed by President Obama on February 17, 2009. The new law is requiring an employer subsidy of 65% of the health plan costs. The subsidy is required for nine months for employees who were involuntary terminated from September 1, 2008 through December 31, 2009. This subsidy is reimbursable to the employer through payroll tax or year-end tax credits.
- **New Hires** - There were two new hires in the month of March: Confidential Secretary and Utility Services Manager.

Safety & Security:

- **SDRMA Safety Education Conference** - Ted Cudal (Safety and Security Administrator) and Jerry Muñoz (Utility Maintenance Supervisor) attended an SDRMA conference on March 17, 2009.
- **Safety Training** - Completed Fire Prevention Training for Operations' field employees on March 19, 2009. The training was conducted by the San Miguel Fire Department.
- **Hazardous Materials Business Plan (HMBP)** - Completed the updating of all HMBP plans. Plans have been posted on the "Y" Drive and will also be posted on the Inet.

Purchasing and Facilities:

- **Dual Flush Toilet Valves** - Facilities Maintenance has begun installing dual flush toilet valves on the District's 39 toilet fixtures. The valves are designed to reduce water use by providing a lower flow of water for liquid waste (pull up on the handle) and a higher flow (push down on the handle) for solid waste. Signs with diagrams and instructions that depict the proper use of the valve have been installed in bathroom stalls.
- **Landscape Modifications** - The District continues to modify landscaping to increase safety and security and

reduce water consumption. Vegetation between the customer and upper and lower parking lots has been removed and overgrown shrubbery in the entrance courtyard area is being removed.

- There were 121 purchase orders processed in March 2009 for a total amount of \$266,109.07.

Water Conservation and School Education:

- **4th Annual Plant Sale at the Water Conservation Garden (renamed the Water Smart Plant Fair this year) on March 14** - District staff organized two water agency booths at this event, one promoting water agency incentive programs and the other was a children's booth. The District was well represented, with staff and Otay volunteers helping at the booths throughout the day. There was an estimated 2,237 attendees, which was 29% higher than last year's attendance of 1,740.
- **School Education Programs** - The District received seven applications this year for the California Special District's Association scholarship. The District's top candidate will have an opportunity to win its scholarship along with one of the CSDA scholarships. In the past, the District received an average of five applications. In addition, Metropolitan's Traveling Art Exhibit was displayed at the District's offices the week of March 12-19. Staff also sent out a third mailing promoting the free Garden tours. Two more Garden tours were conducted this month, and to date, 20 Garden tours have been conducted for schools within the District.
- The District sent out another 400 letters to its top single-family customers in March encouraging them to participate in our residential survey program. We had a response rate of 6%, which is about double the previous response rate when targeting residential surveys to our very top single family customers.
- District staff participated in the Water Conservation Summit advisory committee as well as the California Urban Water Conservation Council's Plenary meeting and the CUWCC Residential Committee as well as the DWR's Urban Drought Workshop and their DWR AB 1420 Compliance Workshop. AB 1240 requires that DWR and other State funding agencies condition loans and grants for water management programs made to an urban water supplier on implementation of demand management measures.

- **Water Conservation: FY09 to-date vs. FY08** - Potable water use is down by approximately four percent to date this fiscal year as compared to the first-eight months of fiscal year 2008. The Water Authority allocation numbers are expected very soon and the calculation will align with the official Water Authority allocation methodology at that time. The District is currently using this number as an indication as to how well it is doing with regard to the 10% voluntary 20 Gallon Challenge target.

Information Technology and Strategic Planning:

- IT staff will deliver a new web based system designed to track customer complaints and issues the first week of April. The system will allow all staff to share information about customer issues and to automate responses to customers to automatically generate letters, emails, or return phone calls. In addition, it will link customer complaints to their billing history to provide better functionality to deal with customer issues.
- IT is working with Customer Service to improve the process of tracking and reporting meter reading statistics and to improve the change out process of manual to automated meters. A task force is developing a prioritized list of improvements.
- IT staff are training Engineering staff in both Inspection and Survey sections for use of the IMS system. Survey will begin using the system for timekeeping this week and expand to daily reporting in the next few weeks. This step is the first in the process of transitioning to being "live" on IMS for these sections in Engineering.
- IT staff is meeting with all of the departments to implement the new records management system. A team of administrative workers from all departments is reviewing the new user interface prior to full implementation. Scanning of the existing records in the records room is almost complete. Final requirements for each department are being finalized as the document schedules are being reviewed one last time before the system is finalized. The vendor (IKON) is customizing the user interface.
- Staff completed the mid-year strategic plan reporting to two Board committees in March. Results are positive meeting both our strategic objectives and performance measure targets. Staff reviewed the results with the

Senior Team as well. As a result, we will be redoing our performance graphs to make them easier to read and interpret.

- Staff is hosting a site visit for the Eastern Municipal Water District to discuss how Otay's GIS system is being utilized at the District.
- Staff submitted an article to "GeoSpatial News" at their request regarding how Otay is deploying an enterprise GIS solution.
- Geoff Stevens will be attending in March a Gartner Group Conference on utilizing systems to enhance business process improvement.

Finance:

- **CWA/MWD Drought Rate Increases** - MWD and CWA are both considering a Stage II drought to become effective on July 1st. The exact timing will not be certain until after MWD's April 7th Board meeting. The District is well positioned to adjust its rates in response, as the District already has approved drought stage rates that can be implemented at the Board's discretion. While an action to implement the District's drought pricing does not require another 218 hearing, a notice to customers would be given in the May/June bills. This helps to insure that no customer would be caught off guard. If MWD and CWA take action to implement a Drought Stage II on July 1st, then staff will bring forward proposed drought rates at either the May Board meeting or the May Budget Workshop depending on the Board's desired implementation date.
- **CWA/MWD Annual Rate Increase** - MWD and CWA are both considering moving their normal annual rate increases from January 1st to September 1st. This action is not certain and will not be set until the April 7th MWD Board meeting. If in the event this implementation date is moved, Otay is well positioned to respond. Staff has revisited the budget timeline to ensure the District could react in kind. Matching the timing of the rate increase would be necessary in order to meet the obligation to the bond holders on the relative level of revenues to expenses. Maintaining the District's bond covenants is critically important as the District intends to issue another sizable amount of debt in FY 2010. If MWD and CWA take action to implement a September 1st rate

increase, the timing of the rate increase can be addressed in the May Budget Workshop.

- **Revisions to the Drought Rate Increase** - With the change in economic conditions, staff will be evaluating how the drought pricing may be modified. Much of the uncertainty in water sales was focused on the question of water supply and drought motivated conservation. With the ongoing and serious economic problems, staff believes that much of the conservation that will be achieved will not reverse itself in the event of a drought reversal. The economic challenges will continue to motivate significant conservation. This reduction in water sales motivated by economic factors may be rolled out of the drought rates and into the regular rates in order to keep the District's rate structure aligned with the risks.
- **Pass-Through Ordinance** - Staff and legal counsel have reviewed the option to pass any CWA and MWD increases through to customers without annual 218 notices and believe this option is available to the District. It can be done via a single five-year pass-through 218 notice and hearing. This provides significant flexibility to the District to react to CWA and MWD increases. The District would continue to notice all customers of increases but the notice process would be much less time sensitive and the wording much less onerous. Numerous agencies have already implemented, or are about to implement, this five-year pass-through 218 notice.
- **Five-Year 218 Notice for Otay Rates** - Staff and legal counsel have reviewed the option to do a five-year 218 notice for the non-pass through rates. Just as in the last bulleted item, the objective is to prepare one 218 notice and hearing to cover the next five years. This gives the District greater flexibility and reduces costs while still complying with the 218 requirements. This option would need to set a "not to exceed" limit to the annual increase. Only if the increase exceeded the stated limit would an additional 218 notice be required. Staff is still looking into this matter to ensure it is a viable option and will bring before the Finance, Administration and Communications Committee for direction.

The financial reporting for February 28, 2009 is as follows:

- For the eight months ended February 28, 2009, there are total revenues of \$43,525,517 and total expenses

of \$41,776,288. The revenues exceeded expenses by \$1,749,230.

The financial reporting for investments for February 28, 2009 is as follows:

- The market value shown in the Portfolio Summary and in the Investment Portfolio Details as of February 28, 2009 total \$80,075,895.73 with an average yield to maturity of 2.558%. The total earnings year-to-date are \$1,725,097.66.

ENGINEERING AND WATER OPERATIONS:

Engineering:

- **850-4 Reservoir** - Spiess Construction has begun placing and welding the steel for the reservoir. The reservoir is for increased capacity in the 850 Pressure Zone, as required by the 2002 Water Resource Master Plan. This project is expected to be completed in June 2009. This project is on schedule and on budget. (P2191)
- **20-Inch Recycled Pipeline Conversion** - ARB, Inc. continues with the conversion of a 20-inch potable pipeline to a recycled pipeline in Chula Vista within the District's use area. The 20-inch converted line is now on-line and in service. Project is 96% complete and is expected to be completed in April 2009. This project is on schedule and total expenditures will not exceed the CIP budget. (R2081)
- **RWCWRF Forcemain/Air Vac and Road Improvement Project** - Arrieta Construction has completed the installation of the remaining air/vacs on the RWCWRF forcemain. The project is complete and in the closeout process. The project was completed on schedule and total expenditures will not exceed the CIP budget. (R2086)
- **1296-3 Reservoir** - RSH, a subcontractor of Natgun Corporation, has begun clearing and grubbing the site for construction of the reservoir. The reservoir is for increased capacity in the 1296 Pressure Zone, as required by the 2009 Master Plan. This project is on budget and expected to be completed in February 2010. (P2143)

- **1485-1 Pump Station Replacement** - SCW Contracting has begun relocating the existing generator and clearing a portion of the site to begin construction of the new pump station. The existing pump station is exposed to the elements and is at the end of its useful life. The new pump station will be enclosed, provide more efficient pumps and provide for expansion when demands increase in the 1485 zone. The project is on budget and expected to be completed in February 2010. (P2172)

- **North District Recycled Water Regulatory Compliance System Development Project, Phase I Concept Study** - Sweetwater Authority staff provided the District with a letter detailing their comments regarding the North District Study. These comments are included in an informational report to the Board with a request for board action for direction to staff. (R2089)

- **Water Resources Master Plan Program Environmental Impact Report (PEIR)** - The District has received the first draft of the PEIR from PBS&J. Staff is working with PBS&J to ensure that the PEIR is a comprehensive document that will streamline the CEQA process for the upcoming CIP projects included in the WRMP. (CIP 00210)

- For the month of February 2009, the District sold 9 meters (9.5 EDUs) generating \$51,415 in revenue. Accumulated revenue through February 28, 2009 was \$1,309,657 for 83 meters (268.5 EDUs). Projection for this period was 224 meters (346.3 EDUs) with budgeted revenue of \$1,893,733. Projected revenue from July 1, 2008 through June 30, 2009 is \$2,840,600.

- The following table summarizes Engineering's Project purchases and change orders issued during the period of February 1 thru February 28, 2009 that were within Staff signatory authority:

Date	Action	Amount	Contractor/ Consultant	Project
02/03/09	Check Request	\$1,000	City of Chula Vista	Industrial Waste Permit for 450-1 Recycled Reservoir (P1253)
02/05/09	C.O. #1	\$21,500	Arrieta Construction	Ralph W. Chapman Water Recycling Facility Air/Vac Replacements and Access Road Improvements (R2086)
02/05/09	Check Request	\$1,643	County of San Diego, Air Pollution Control	Permit processing and renewal fees for Engine #43 (P1253)
02/12/09	Check Request	\$1,760	City of El Cajon	36-Inch Pipeline Encroachment Permit (P2009)

Water Operations:

- San Diego County Water Authority (SDCWA) conducted a partial treated water shutdown beginning on February 8, 2009 and concluded on February 18, 2009. Staff was prepared and maintained 100 percent service levels to all our customers.
- During the SDCWA shutdown, and with the consent of Mexican representatives, flows to Mexico were suspended on February 6, 2009 and resumed on February 19, 2009.
- In the month of February, 2009 there were 17 new potable Automated Meter Reading (AMR) meters installed, four new recycled AMR meters installed, and 100 meters were retrofitted to AMR meters. One AMR meter was pulled and the account closed.
- As of March 2, 2009 there was a total of 23,075 3-G Master Meter radio-read units installed.
- Total number of potable water meters is 47,893.

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

Total consumption was 149 acre-feet or 48,542,208 gallons and the average daily consumption was 1,733,650 gallons per day.

Total number of recycled water meters is 645.

Total recycled water consumption to date for FY 2009 is 3215.4 acre-feet.

- Wastewater flows for the month of February were as follows:
 - Total basin flow, gallons per day: 1,976,000.
 - Spring Valley Sanitation District Flow to Metro, gallons per day: 656,000.
 - Total Otay flow, gallons per day: 1,320,000.
 - Flow Processed at the Ralph W. Chapman Water Recycling Facility, gallons per day: 176,581.
 - Flow to Metro from Otay Water District, gallons per day: 1,144,000.

For the month of February there was one new wastewater connection; total EDUs is 6,070.



General Manager

AGENDA ITEM 10

Exhibit A

**OTAY WATER DISTRICT
COMPARATIVE BUDGET SUMMARY
FOR EIGHT MONTHS ENDED FEBRUARY 28, 2009**

	Annual Budget	YTD Actual	YTD Budget	YTD Variance	Var %
REVENUE:					
Water Sales	\$ 32,836,500	\$ 19,807,489	\$ 21,727,700	\$ (1,920,211)	(8.8%)
Energy Charges	2,047,100	1,315,275	1,333,000	(17,725)	(1.3%)
System Charges	10,619,400	6,518,258	6,874,800	(356,542)	(5.2%)
Penalties	906,900	442,877	614,700	(171,823)	(28.0%)
MWD & CWA Fixed Charges	2,819,500	2,130,734	1,822,300	308,434	16.9%
Total Water Sales	49,229,400	30,214,632	32,372,500	(2,157,868)	(6.7%)
Reclamation Sales	6,344,500	3,978,219	4,125,300	(147,081)	(3.6%)
Sewer Charges	2,145,300	1,442,161	1,444,400	(2,239)	(0.2%)
Meter Fees	103,800	43,449	69,200	(25,751)	(37.2%)
Capacity Fee Revenues	1,301,900	931,410	868,000	63,410	7.3%
Betterment Fees for Maintenance	895,900	424,751	597,300	(172,549)	(28.9%)
Annexation Fees	483,600	147,773	322,400	(174,627)	(54.2%)
Non-Operating Revenues	1,633,100	3,652,657	1,062,400	2,590,257	243.8%
Tax Revenues	4,137,300	2,337,260	2,358,400	(21,140)	(0.9%)
Interest	667,800	273,105	362,600	(89,495)	(24.7%)
General Fund Draw Down	120,100	80,100	80,100	-	0.0%
Total Revenue	\$ 67,062,700	\$ 43,525,517	\$ 43,662,600	\$ (137,083)	(0.3%)
EXPENSES:					
Potable Water Purchases	\$ 25,183,600	\$ 14,934,908	\$ 16,871,000	\$ 1,936,092	11.5%
Recycled Water Purchases	1,490,800	814,333	987,100	172,767	17.5%
CWA-Infrastructure Access Charge	1,227,500	792,248	792,340	92	0.0%
CWA-Customer Service Charge	1,049,800	689,226	689,520	294	0.0%
CWA-Emergency Storage Charge	1,774,700	1,170,424	1,170,400	(24)	(0.0%)
MWD-Capacity Res Charge	602,800	399,600	399,300	(300)	(0.1%)
MWD-Readiness to Serve Charge	665,100	443,392	443,200	(192)	(0.0%)
Subtotal Water Purchases	31,994,300	19,244,131	21,352,860	2,108,729	9.9%
Power Charges	2,780,500	1,928,424	1,869,200	(59,224)	(3.2%)
Payroll & Related Costs	17,185,400	10,775,503	11,051,338	275,835	2.5%
Material & Maintenance	3,872,800	2,261,572	2,503,867	242,295	9.7%
Administrative Expenses	5,467,600	3,061,751	3,374,600	312,849	9.3%
Legal Fees	467,500	975,106	311,667	(663,439)	(212.9%)
Expansion Reserve	5,016,700	3,344,500	3,344,500	-	0.0%
Replacement Reserve	277,900	185,300	185,300	-	0.0%
Total Expenses	\$ 67,062,700	\$ 41,776,288	\$ 43,993,332	\$ 2,217,044	5.0%
Excess Revenue (Expense)	\$ -	\$ 1,749,230	\$ (330,732)	\$ 2,079,961	*

* The \$2,079,961 positive variance reflects the net effect of the successful settlement of the AIG/Kemper litigation. The District received \$1,506,000 as net proceeds after deducting agreed upon fees and expenses of about \$744,000 from the \$2.25 million settlement.

**OTAY WATER DISTRICT
INVESTMENT PORTFOLIO REVIEW
FEBRUARY 28, 2009**

INVESTMENT OVERVIEW & MARKET STATUS:

The federal funds rate has remained constant for the last 3-months. On December 16th, at the Federal Reserve Board's regular scheduled meeting, the federal funds rate was lowered from 1.00% to "a target range of between Zero and 0.25%" in response to the nation's ongoing financial crisis, as well as banking industry pressure to ease credit and stimulate the economy. This marked the ninth reduction in a row since September 18, 2007, when the rate was 5.25%. They went on to say: "The Committee anticipates that weak economic conditions are likely to warrant exceptionally low levels of the federal funds rate for some time." There were no further changes made to the federal funds rate at the Federal Reserve Board's subsequent regular scheduled meeting, held on March 18, 2009.

Despite the large drop in available interest rates, the District's overall effective rate of return on at February 28th was 2.82%. At the same time the LAIF return on deposits has also dropped over the last several months, reaching an average effective yield of 1.87% for the month of February 2009. Based on our success at maintaining a competitive rate of return on our portfolio during this extended period of interest rate declines, no changes in investment strategy are being considered at this time.

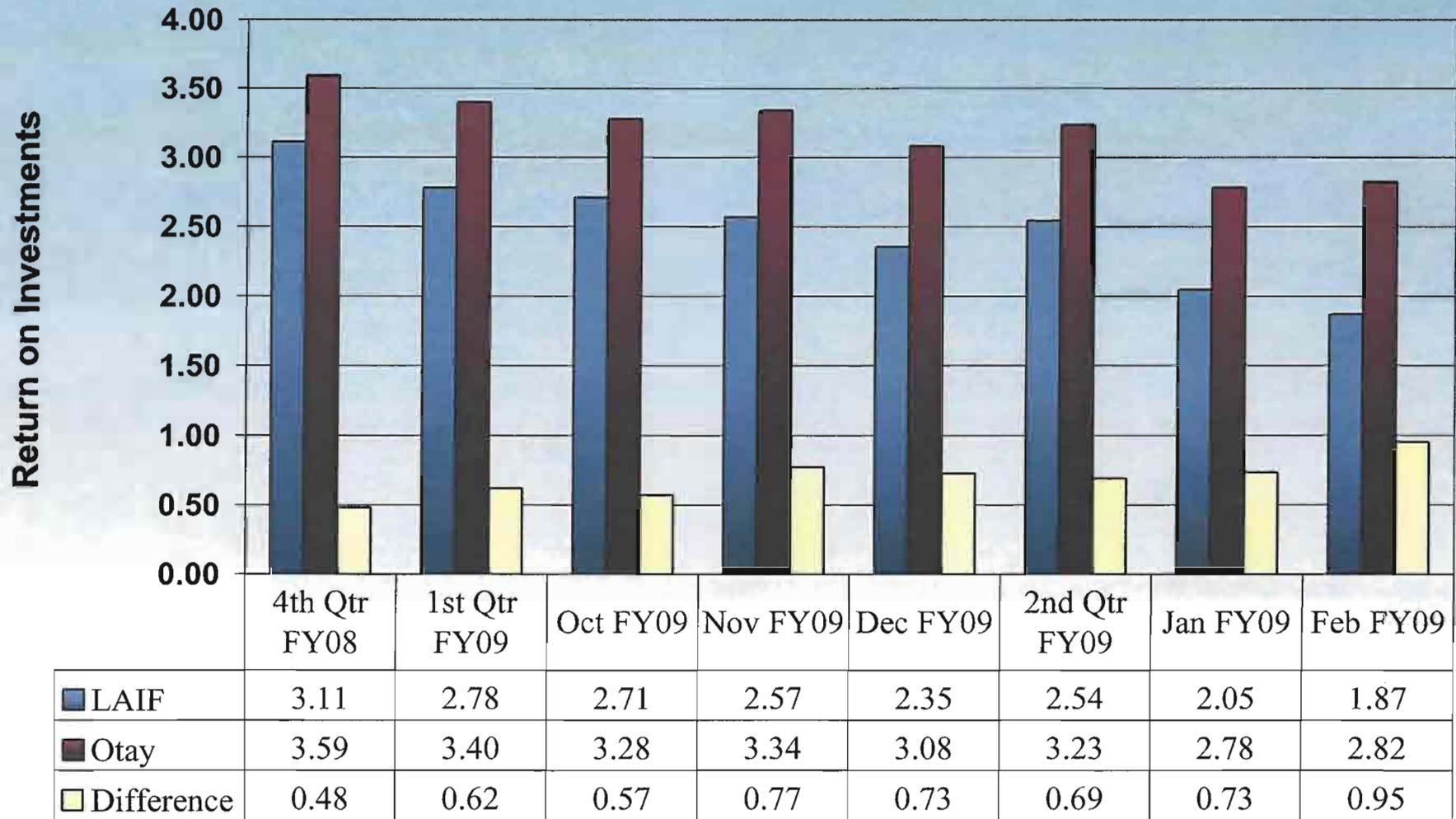
In accordance with the District's Investment Policy, all District funds continue to be managed based on the objectives, in priority order, of safety, liquidity, and return on investment.

PORTFOLIO COMPLIANCE: February 28, 2009

	<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	\$14.00 Million
8.02:	Local Agency Investment Fund (Bonds)	100%	100%	1.84%
8.03:	Federal Agency Issues	100%	100%	45.14%
8.04:	Certificates of Deposit	30%	15%	3.86%
8.05:	Short-Term Commercial Notes	25%	15%	0
8.06:	Medium-Term Commercial Debt	30%	15%	2.51%
8.07:	Money Market Mutual Funds	20%	15%	0
8.08:	San Diego County Pool	100%	100%	25.65%
12.0:	Maximum Single Financial Institution	100%	50%	3.44%

Performance Measure F-12 Return on Investment

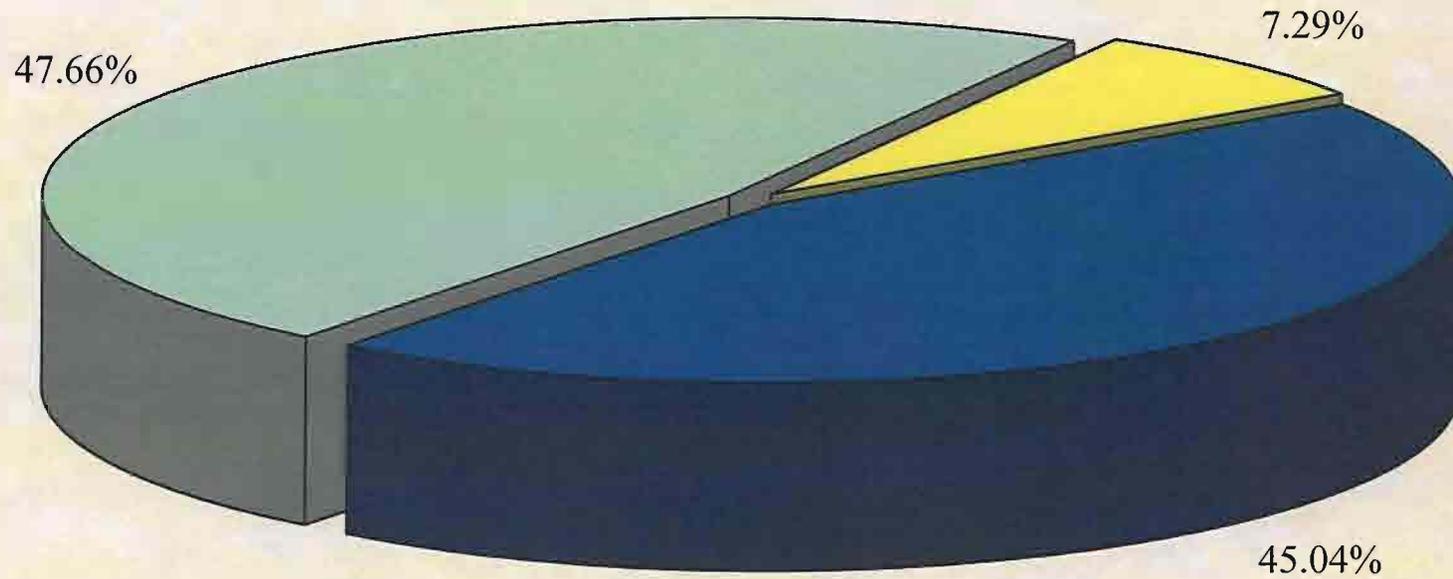
Target: Meet or Exceed 100% of LAIF



Month

LAIF Otay Difference

Otay Water District Investment Portfolio: 02/28/09



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

OTAY
Portfolio Management
Portfolio Summary
February 28, 2009

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	2,015,640.00	2,019,412.05	2.62	1,111	640	1.973	2.000
Federal Agency Issues- Callable	36,000,000.00	36,107,380.00	35,998,798.97	46.74	836	595	3.166	3.210
Certificates of Deposit - Bank	3,079,108.00	3,079,108.00	3,079,108.00	4.00	373	321	2.794	2.832
Local Agency Investment Fund (LAIF)	15,473,286.96	15,519,914.34	15,473,286.96	20.09	1	1	1.843	1.869
San Diego County Pool	20,455,230.48	20,615,043.63	20,455,230.48	26.56	1	1	2.049	2.077
	77,007,625.44	77,337,085.97	77,025,836.46	100.00%	435	308	2.558	2.593
Investments								
Cash								
Passbook/Checking (not included in yield calculations)	2,738,809.76	2,738,809.76	2,738,809.76		1	1	0.329	0.333
Total Cash and Investments	79,746,435.20	80,075,895.73	79,764,646.22		435	308	2.558	2.593

Total Earnings	February 28 Month Ending	Fiscal Year To Date
Current Year	171,737.26	1,725,097.66
Average Daily Balance	79,500,319.59	81,378,888.69
Effective Rate of Return	2.82%	3.18%

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.


 _____ 3-23-09
 Joseph Beachem, Chief Financial Officer

OTAY
Portfolio Management
Portfolio Details - Investments
February 28, 2009

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	2,015,640.00	2,019,412.05	5.000	Aaa	1.973	640	12/01/2010
Subtotal and Average			2,019,887.45		2,000,000.00	2,015,640.00	2,019,412.05			1.973	640	
Federal Agency Issues- Callable												
31331YB74	2073	Federal Farm Credit Bank		04/07/2008	2,000,000.00	2,004,380.00	2,000,000.00	3.180		3.136	767	04/07/2011
3133XPX90	2067	Federal Home Loan Bank		03/05/2008	2,000,000.00	2,000,620.00	2,000,000.00	3.020		2.979	369	03/05/2010
3133XQF23	2071	Federal Home Loan Bank		03/25/2008	2,000,000.00	2,002,500.00	2,000,000.00	3.250		3.205	754	03/25/2011
3133XQJ78	2072	Federal Home Loan Bank		04/14/2008	2,000,000.00	2,005,000.00	2,000,000.00	3.150		3.107	774	04/14/2011
3133XQMC3	2074	Federal Home Loan Bank		04/14/2008	2,000,000.00	2,004,380.00	2,000,000.00	2.900		2.860	592	10/14/2010
3133XQUX8	2075	Federal Home Loan Bank		04/29/2008	2,000,000.00	2,006,260.00	2,000,000.00	3.100		3.058	607	10/29/2010
3133XRNM8	2083	Federal Home Loan Bank		06/30/2008	2,000,000.00	2,004,380.00	2,000,000.00	3.650		3.598	394	03/30/2010
3133XS6Q6	2086	Federal Home Loan Bank		10/01/2008	2,000,000.00	2,003,760.00	2,000,000.00	3.500		3.452	579	10/01/2010
3133XSCC0	2088	Federal Home Loan Bank		10/14/2008	2,000,000.00	2,006,880.00	2,000,000.00	4.000		3.945	957	10/14/2011
3133XSFC7	2089	Federal Home Loan Bank		10/02/2008	2,000,000.00	2,004,380.00	2,000,000.00	3.400		3.353	32	04/02/2009
3128X7TT1	2079	Federal Home Loan Mortgage		06/02/2008	2,000,000.00	2,013,020.00	2,000,000.00	3.625		3.575	823	06/02/2011
3128X8JA1	2092	Federal Home Loan Mortgage		02/18/2009	2,000,000.00	1,995,540.00	2,000,000.00	2.000		1.973	719	02/18/2011
3136F9LP6	2076	Federal National Mortgage Assoc		04/28/2008	2,000,000.00	2,006,260.00	1,999,478.75	3.000		2.989	423	04/28/2010
3136F9NB5	2077	Federal National Mortgage Assoc		05/12/2008	2,000,000.00	2,007,500.00	2,000,000.00	3.100		3.058	437	05/12/2010
31398ARD6	2078	Federal National Mortgage Assoc		05/19/2008	2,000,000.00	2,011,260.00	1,999,320.22	3.600		3.570	809	05/19/2011
3136F9SA2	2080	Federal National Mortgage Assoc		06/10/2008	2,000,000.00	2,011,880.00	2,000,000.00	3.265		3.220	466	06/10/2010
3136F9VW1	2085	Federal National Mortgage Assoc		07/02/2008	2,000,000.00	2,019,380.00	2,000,000.00	4.000		3.945	488	07/02/2010
3136FHAA3	2091	Federal National Mortgage Assoc		02/11/2009	2,000,000.00	2,000,000.00	2,000,000.00	2.000		1.973	712	02/11/2011
Subtotal and Average			38,855,909.40		36,000,000.00	36,107,380.00	35,998,798.97			3.166	595	
Certificates of Deposit - Bank												
205003183	2066	California Bank & Trust		01/22/2008	79,108.00	79,108.00	79,108.00	3.180		3.180	327	01/22/2010
1005581024	2090	Neighborhood National Bank		12/11/2008	1,000,000.00	1,000,000.00	1,000,000.00	3.150		3.150	284	12/10/2009
Subtotal and Average			1,079,108.00		1,079,108.00	1,079,108.00	1,079,108.00			3.152	287	
Local Agency Investment Fund (LAIF)												
LAIF	9001	STATE OF CALIFORNIA		07/01/2004	14,003,080.09	14,045,277.13	14,003,080.09	1.869		1.843	1	
LAIF COPS07	9009	STATE OF CALIFORNIA		03/07/2007	1,470,206.87	1,474,637.21	1,470,206.87	1.869		1.843	1	
Subtotal and Average			17,394,715.53		15,473,286.96	15,519,914.34	15,473,286.96			1.843	1	

Portfolio OTAY

AP

PM (PRF_PM2) SymRept 6.41.200

OTAY
Portfolio Management
Portfolio Details - Investments
February 28, 2009

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity	Maturity Date
San Diego County Pool												
SD COUNTY POOL	9007	San Diego County		07/01/2004	20,455,230.48	20,615,043.63	20,455,230.48	2.077		2.049	1	
Subtotal and Average			17,776,659.05		20,455,230.48	20,615,043.63	20,455,230.48			2.049	1	
Total and Average			79,500,319.59		77,007,625.44	77,337,085.97	77,025,836.46			2.558	308	

OTAY
Portfolio Management
Portfolio Details - Cash
February 28, 2009

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	2,040,065.13	2,040,065.13	2,040,065.13	0.200		0.197	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	671,739.56	671,739.56	671,739.56	0.752		0.742	1
PAYROLL	9005	STATE OF CALIFORNIA		07/01/2004	24,205.07	24,205.07	24,205.07			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			79,500,319.59		79,746,435.20	80,075,895.73	79,764,646.22			2.558	308

OTAY
Activity Report
Sorted By Issuer
July 1, 2008 - February 28, 2009

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			0.200		56,079,671.43	54,049,623.23	
UNION OPERATING PAYROLL	9004	STATE OF CALIFORNIA			0.752		3,377,548.83	4,248,217.30	
	9005	STATE OF CALIFORNIA					2,688.53	2,860.72	
Subtotal and Balance				1,579,602.22			59,459,908.79	58,300,701.25	2,738,809.76
Local Agency Investment Fund (LAIF)									
LAIF	9001	STATE OF CALIFORNIA			1.869		53,564,598.30	50,350,000.00	
LAIF COPS07	9009	STATE OF CALIFORNIA			1.869		30,552.09	0.00	
Subtotal and Balance				12,228,136.57			53,595,150.39	50,350,000.00	15,473,286.96
Issuer Subtotal				22.838%			113,055,059.18	108,650,701.25	18,212,096.72
Issuer: California Bank & Trust									
Certificates of Deposit - Bank									
Subtotal and Balance				79,108.00					79,108.00
Issuer Subtotal				0.099%			0.00	0.00	79,108.00
Issuer: FANNIE MAE									
Federal Agency Issues- Callable									
31398AMX7	2064	FANNIE MAE			3.000	02/19/2009	0.00	2,000,000.00	
Subtotal and Balance				2,000,000.00			0.00	2,000,000.00	0.00
Issuer Subtotal				0.000%			0.00	2,000,000.00	0.00
Issuer: Federal Farm Credit Bank									
Federal Agency Issues- Callable									
Subtotal and Balance				2,000,000.00					2,000,000.00

OTAY
Activity Report
July 1, 2008 - February 28, 2009

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 Subtotal			2.508%	2,000,000.00			0.00	0.00	2,000,000.00
Issuer: Federal Home Loan Bank									
Federal Agency Issues- Callable									
3133XLTL7	2037	Federal Home Loan Bank			5.550	07/30/2008	0.00	3,000,000.00	
3133XMX71	2042	Federal Home Loan Bank			4.500	08/14/2008	0.00	2,000,000.00	
3133XN6X2	2045	Federal Home Loan Bank			4.500	08/20/2008	0.00	2,000,000.00	
3133XNP52	2057	Federal Home Loan Bank			4.375	09/17/2008	0.00	2,000,000.00	
3133XNS42	2058	Federal Home Loan Bank			4.250	12/18/2008	0.00	2,000,000.00	
3133XNPR4	2059	Federal Home Loan Bank			4.350	12/24/2008	0.00	1,800,000.00	
3133XPDR2	2062	Federal Home Loan Bank			3.060	01/29/2009	0.00	2,000,000.00	
3133XPDS0	2063	Federal Home Loan Bank			3.250	01/30/2009	0.00	2,000,000.00	
3133XPWL4	2065	Federal Home Loan Bank			3.000	02/26/2009	0.00	2,000,000.00	
3133XPZN7	2068	Federal Home Loan Bank			3.350	09/03/2008	0.00	1,905,000.00	
3133XQC91	2070	Federal Home Loan Bank			3.125	12/17/2008	0.00	2,000,000.00	
3133XRK74	2084	Federal Home Loan Bank			3.500	12/30/2008	0.00	2,000,000.00	
3133XS6Q6	2086	Federal Home Loan Bank			3.500	10/01/2008	2,000,000.00	0.00	
3133XSDG0	2087	Federal Home Loan Bank			3.650	10/02/2008	2,000,000.00	0.00	
3133XSDG0	2087	Federal Home Loan Bank				01/02/2009	0.00	2,000,000.00	
3133XSCC0	2088	Federal Home Loan Bank			4.000	10/14/2008	2,000,000.00	0.00	
3133XSFC7	2089	Federal Home Loan Bank			3.400	10/02/2008	2,000,000.00	0.00	
Subtotal and Balance				36,705,000.00			8,000,000.00	26,705,000.00	18,000,000.00
Issuer Subtotal			22.572%	36,705,000.00			8,000,000.00	26,705,000.00	18,000,000.00

Issuer: Federal Home Loan Mortgage

Federal Agency Issues- Callable									
3128X7YG3	2082	Federal Home Loan Mortgage			4.750	12/26/2008	0.00	2,000,000.00	
3128X8JA1	2092	Federal Home Loan Mortgage			2.000	02/18/2009	2,000,000.00	0.00	
Subtotal and Balance				4,000,000.00			2,000,000.00	2,000,000.00	4,000,000.00
Issuer Subtotal			5.016%	4,000,000.00			2,000,000.00	2,000,000.00	4,000,000.00

Issuer: Federal National Mortgage Assoc

Federal Agency Issues- Callable									
31398AKS0	2060	Federal National Mortgage Assoc			4.500	01/07/2009	0.00	2,000,000.00	

OTAY
Activity Report
July 1, 2008 - February 28, 2009

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: Federal National Mortgage Assoc									
Federal Agency Issues- Callable									
31398ANH1	2069	Federal National Mortgage Assoc		3.250	02/25/2009		0.00	2,000,000.00	
3136F9TS2	2081	Federal National Mortgage Assoc		3.500	09/25/2008		0.00	2,000,000.00	
3136F9WV1	2085	Federal National Mortgage Assoc		4.000	07/02/2008		2,000,000.00	0.00	
3136FHAA3	2091	Federal National Mortgage Assoc		2.000	02/11/2009		2,000,000.00	0.00	
		Subtotal and Balance		14,000,000.00			4,000,000.00	6,000,000.00	12,000,000.00
		Issuer Subtotal	15.048%	14,000,000.00			4,000,000.00	6,000,000.00	12,000,000.00
Issuer: General Electric Capital									
Corporate Notes									
		Subtotal and Balance		2,000,000.00					2,000,000.00
		Issuer Subtotal	2.508%	2,000,000.00			0.00	0.00	2,000,000.00
Issuer: Neighborhood National Bank									
Certificates of Deposit - Bank									
1002812475	2061	Neighborhood National Bank		4.850	12/13/2008		0.00	1,000,000.00	
1005581024	2090	Neighborhood National Bank		3.150	12/11/2008		1,000,000.00	0.00	
1006200563	2096	Neighborhood National Bank		2.600	02/05/2009		2,000,000.00	0.00	
		Subtotal and Balance		1,000,000.00			3,000,000.00	1,000,000.00	3,000,000.00
		Issuer Subtotal	3.762%	1,000,000.00			3,000,000.00	1,000,000.00	3,000,000.00
Issuer: San Diego County									
San Diego County Pool									
SD COUNTY POOL	9007	San Diego County		2.077			10,278,130.99	2,000,000.00	
		Subtotal and Balance		12,177,099.49			10,278,130.99	2,000,000.00	20,455,230.48
		Issuer Subtotal	25.650%	12,177,099.49			10,278,130.99	2,000,000.00	20,455,230.48
		Total	100.000%	87,768,946.28			140,333,190.17	148,355,701.25	79,746,435.20

OTAY
GASB 31 Compliance Detail
Sorted by Fund - Fund
July 1, 2008 - February 28, 2009

CUSIP	Investment #	Fund	Investment Class	Maturity Date	Beginning Invested Value	Purchase of Principal	Addition to Principal	Redemption of Principal	Adjustment in Value		Ending Invested Value
									Amortization Adjustment	Change in Market Value	
Fund: Treasury Fund											
LAIF	9001	99	Fair Value		10,787,944.73	0.00	264,598.30	264,598.30	0.00	42,734.10	14,045,277.13
UNION MONEY	9002	99	Amortized		10,016.93	0.00	307.68	307.68	0.00	0.00	2,040,065.13
PETTY CASH	9003	99	Amortized		2,800.00	0.00	0.00	0.00	0.00	0.00	2,800.00
UNION OPERATING	9004	99	Amortized		1,542,408.03	0.00	12,077.92	882,746.39	0.00	0.00	671,739.56
PAYROLL	9005	99	Amortized		24,377.26	0.00	0.00	172.19	0.00	0.00	24,205.07
SD COUNTY POOL	9007	99	Fair Value		12,219,100.73	0.00	278,130.99	278,130.99	0.00	117,811.91	20,615,043.63
UNION IOC	9008	99	Amortized		0.00	0.00	0.00	0.00	0.00	0.00	0.00
LAIF COPS07	9009	99	Fair Value		1,439,583.11	0.00	30,552.09	0.00	0.00	4,502.01	1,474,637.21
3133XLTL7	2037	99	Fair Value	07/30/2010	3,006,562.50	0.00	0.00	3,000,000.00	0.00	-6,562.50	0.00
3133XMX71	2042	99	Fair Value	08/14/2009	2,004,375.00	0.00	0.00	2,000,000.00	0.00	-4,375.00	0.00
36962G2S2	2044	99	Fair Value	12/01/2010	2,051,704.10	0.00	0.00	0.00	0.00	-36,064.10	2,015,640.00
3133XN6X2	2045	99	Fair Value	08/20/2010	2,004,375.00	0.00	0.00	2,000,000.00	0.00	-4,375.00	0.00
3133XNP52	2057	99	Fair Value	09/17/2010	2,006,250.00	0.00	0.00	2,000,000.00	0.00	-6,250.00	0.00
3133XNS42	2058	99	Fair Value	06/18/2010	2,011,250.00	0.00	0.00	2,000,000.00	0.00	-11,250.00	0.00
3133XNPR4	2059	99	Fair Value	12/24/2010	1,810,687.50	0.00	0.00	1,800,000.00	0.00	-10,687.50	0.00
31398AKS0	2060	99	Fair Value	01/07/2011	2,012,500.00	0.00	0.00	2,000,000.00	0.00	-12,500.00	0.00
1002812475	2061	99	Amortized	12/13/2008	1,000,000.00	0.00	0.00	1,000,000.00	0.00	0.00	0.00
3133XPDR2	2062	99	Fair Value	01/29/2010	2,000,000.00	0.00	0.00	2,000,000.00	0.00	0.00	0.00
3133XPDS0	2063	99	Fair Value	07/30/2010	1,997,500.00	0.00	0.00	2,000,000.00	0.00	2,500.00	0.00
31398AMX7	2064	99	Fair Value	02/19/2010	1,998,125.00	0.00	0.00	2,000,000.00	0.00	1,875.00	0.00
3133XPWL4	2065	99	Fair Value	02/26/2010	1,996,875.00	0.00	0.00	2,000,000.00	0.00	3,125.00	0.00
205003183	2066	99	Amortized	01/22/2010	79,108.00	0.00	0.00	0.00	0.00	0.00	79,108.00
3133XPX90	2067	99	Fair Value	03/05/2010	1,997,500.00	0.00	0.00	0.00	0.00	3,120.00	2,000,620.00
3133XPZN7	2068	99	Fair Value	09/03/2010	1,905,000.00	0.00	0.00	1,905,000.00	0.00	0.00	0.00
31398ANH1	2069	99	Fair Value	02/25/2011	1,988,125.00	0.00	0.00	2,000,000.00	0.00	11,875.00	0.00
3133XQC91	2070	99	Fair Value	12/17/2010	1,985,625.00	0.00	0.00	2,000,000.00	0.00	14,375.00	0.00
3133XQF23	2071	99	Fair Value	03/25/2011	1,983,125.00	0.00	0.00	0.00	0.00	19,375.00	2,002,500.00
3133XQJ78	2072	99	Fair Value	04/14/2011	1,965,625.00	0.00	0.00	0.00	0.00	39,375.00	2,005,000.00
31331YB74	2073	99	Fair Value	04/07/2011	1,979,375.00	0.00	0.00	0.00	0.00	25,005.00	2,004,380.00
3133XQMC3	2074	99	Fair Value	10/14/2010	1,980,000.00	0.00	0.00	0.00	0.00	24,380.00	2,004,380.00

Portfolio OTAY
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OTAY
 GASB 31 Compliance Detail
 Sorted by Fund - Fund

CUSIP	Investment #	Fund	Investment Class	Maturity Date	Beginning Invested Value	Purchase of Principal	Addition to Principal	Redemption of Principal	Adjustment in Value		Ending Invested Value
									Amortization Adjustment	Change in Market Value	
Fund: Treasury Fund											
3133XQUX8	2075	99	Fair Value	10/29/2010	1,987,500.00	0.00	0.00	0.00	0.00	18,760.00	2,006,260.00
3136F9LP6	2076	99	Fair Value	04/28/2010	1,994,375.00	0.00	0.00	0.00	0.00	11,885.00	2,006,260.00
3136F9NB5	2077	99	Fair Value	05/12/2010	1,991,875.00	0.00	0.00	0.00	0.00	15,625.00	2,007,500.00
31398ARD6	2078	99	Fair Value	05/19/2011	1,997,500.00	0.00	0.00	0.00	0.00	13,760.00	2,011,260.00
3128X7TT1	2079	99	Fair Value	06/02/2011	1,997,510.07	0.00	0.00	0.00	0.00	15,509.93	2,013,020.00
3136F9SA2	2080	99	Fair Value	06/10/2010	2,000,625.00	0.00	0.00	0.00	0.00	11,255.00	2,011,880.00
3136F9TS2	2081	99	Fair Value	06/25/2010	2,003,125.00	0.00	0.00	2,000,000.00	0.00	-3,125.00	0.00
3128X7YG3	2082	99	Fair Value	06/26/2013	2,006,940.00	0.00	0.00	2,000,000.00	0.00	-6,940.00	0.00
3133XRNM8	2083	99	Fair Value	03/30/2010	2,011,250.00	0.00	0.00	0.00	0.00	-6,870.00	2,004,380.00
3133XRK74	2084	99	Fair Value	12/30/2009	2,008,125.00	0.00	0.00	2,000,000.00	0.00	-8,125.00	0.00
3136F9WV1	2085	99	Fair Value	07/02/2010	0.00	2,000,000.00	0.00	0.00	0.00	19,380.00	2,019,380.00
3133XS6Q6	2086	99	Fair Value	10/01/2010	0.00	2,000,000.00	0.00	0.00	0.00	3,760.00	2,003,760.00
3133XSDG0	2087	99	Fair Value	10/02/2009	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00	0.00
3133XSCC0	2088	99	Fair Value	10/14/2011	0.00	2,000,000.00	0.00	0.00	0.00	6,880.00	2,006,880.00
3133XSFC7	2089	99	Fair Value	04/02/2009	0.00	2,000,000.00	0.00	0.00	0.00	4,380.00	2,004,380.00
1005581024	2090	99	Amortized	12/10/2009	0.00	1,000,000.00	0.00	0.00	0.00	0.00	1,000,000.00
3136FHAA3	2091	99	Fair Value	02/11/2011	0.00	2,000,000.00	0.00	0.00	0.00	0.00	2,000,000.00
3128X8JA1	2092	99	Fair Value	02/18/2011	0.00	2,000,000.00	0.00	0.00	0.00	-4,460.00	1,995,540.00
1006200563	2096	99	Amortized	02/04/2010	0.00	2,000,000.00	0.00	0.00	0.00	0.00	2,000,000.00
Subtotal					87,788,742.96	17,000,000.00	585,666.98	39,130,955.55	0.00	309,663.85	80,075,895.73
Total					87,788,742.96	17,000,000.00	585,666.98	39,130,955.55	0.00	309,663.85	80,075,895.73

Portfolio OTAY
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OTAY
Duration Report
Sorted by Investment Type - Investment Type
Through 02/28/2009

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	2,019,412.05	2,000,000.00	2,015,640.00	5.000	2.000	4.534	12/01/2010	1.641
3128X8JA1	2092	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	1,995,540.00	2.000	2.000	2.451 c	05/18/2009	0.000
3133XPX90	2067	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,000,620.00	3.020	3.020	2.957 c	03/05/2009	0.010
3133XQF23	2071	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,002,500.00	3.250	3.250	2.996 c	03/25/2009	0.065
3133XQMC3	2074	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,004,380.00	2.900	2.900	2.457 c	04/14/2009	0.120
3133XQJ78	2072	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,005,000.00	3.150	3.150	2.643 c	04/14/2009	0.120
31331YB74	2073	99	Federal Farm Credit Bank	Fair	2,000,000.00	2,000,000.00	2,004,380.00	3.180	3.180	2.736 c	04/07/2009	0.101
3133XQUX8	2075	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,006,260.00	3.100	3.100	2.466 c	04/29/2009	0.161
3133XSXC0	2088	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,006,880.00	4.000	4.000	3.301 c	04/14/2009	0.120
3133XRNM8	2083	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,004,380.00	3.650	3.648	3.205 c	03/30/2009	0.000
3133XSFC7	2089	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,004,380.00	3.400	3.400	2.956	04/02/2009	0.087
3128X7TT1	2079	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,013,020.00	3.625	3.625	2.308 c	06/02/2009	0.254
31398ARD6	2078	99	Federal National Mortgage Assoc	Fair	1,999,320.22	2,000,000.00	2,011,260.00	3.600	3.619	2.460 c	05/19/2009	0.216
3136F9WV1	2085	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	2,019,380.00	4.000	4.000	2.042 c	07/02/2009	0.336
3136F9SA2	2080	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	2,011,880.00	3.265	3.265	2.065 c	06/10/2009	0.276
3136F9NB5	2077	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	2,007,500.00	3.100	3.100	2.341 c	05/12/2009	0.197
3136FHAA3	2091	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	2,000,000.00	2.000	2.000	2.001 c	02/11/2010	0.930
3133XS6Q6	2086	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,003,760.00	3.500	3.500	3.118 c	04/01/2009	0.084
3136F9LP6	2076	99	Federal National Mortgage Assoc	Fair	1,999,478.75	2,000,000.00	2,006,260.00	3.000	3.031	2.367 c	04/28/2009	0.158
205003183	2066	99	California Bank & Trust	Amort	79,108.00	79,108.00	79,108.00	3.180	3.224	3.180	01/22/2010	0.882 †
1005581024	2090	99	Neighborhood National Bank	Amort	1,000,000.00	1,000,000.00	1,000,000.00	3.150	3.194	3.150	12/10/2009	0.764 †
1006200563	2096	99	Neighborhood National Bank	Amort	2,000,000.00	2,000,000.00	2,000,000.00	2.600	2.636	2.600	02/04/2010	0.911
LAIF	9001	99	STATE OF CALIFORNIA	Fair	14,003,080.09	14,003,080.09	14,045,277.13	1.869	1.869	1.869		0.000
LAIF COPS07	9009	99	STATE OF CALIFORNIA	Fair	1,470,206.87	1,470,206.87	1,474,637.21	1.869	1.869	1.869		0.000

Portfolio OTAY
AP

OTAY
Duration Report
Sorted by Investment Type - Investment Type
Through 02/28/2009

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 365	Current Yield	Maturity/ Call Date	Effective Duration
SD COUNTY	9007	99	San Diego County	Fair	20,455,230.48	20,455,230.48	20,615,043.63	2.077	2.077	2.077		0.000
Report Total					77,025,836.46	77,007,625.44	77,337,085.97			2.374		0.161†

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

AGENDA ITEM 10



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	April 1, 2009
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:

<u>SUMMARY</u>	<u>NET DEMANDS</u>
CHECKS (2016700-2017181)	\$3,991,688.68
WIRE TO:	
CALPERS	\$145,500.00
CITY TREASURER - METROPOLITAN SEWERAGE SYSTEM	\$260,885.00
CITY TREASURER - RECLAIMED WATER PURCHASE	\$54,464.62
DELTA HEALTH SYSTEMS - DENTAL & COBRA CLAIMS	\$18,717.65
LANDESBANK - CERTIFICATES OF PARTICIPATION	\$2,189.31
SAN DIEGO COUNTY WATER AUTHORITY - WATER DELIVERIES	\$1,491,743.17
SPECIAL DIST RISK MGMT AUTH - INS PREMIUM APR 09	\$186,664.84
UNION BANK - PAYROLL TAXES	\$277,332.23
UNION BANK OF CALIFORNIA - GENERAL OBLIGATION BOND	\$206,246.23
TOTAL CASH DISBURSEMENTS	\$6,635,431.73

RECOMMENDED ACTION:

That the Board receive the attached list of demands.

Jb/Attachment

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2016700	03/04/09	01910	ABCANA INDUSTRIES	837037	02/09/09	BULK HYPOCHLORITE SOLUTION	812.57	
				837038	02/09/09	BULK HYPOCHLORITE SOLUTION	763.23	1,575.80
2016701	03/04/09	08488	ABLEFORCE INC	1605	02/24/09	CONSULTING SERVICES - IS DEPT	3,910.00	3,910.00
2016702	03/04/09	01498	ALEXANDER HAMILTON INSTITUTE	36468114	10/14/08	SUBSCRIPTION RENEWAL	137.76	137.76
2016703	03/04/09	01463	ALLIED ELECTRONICS INC	85833K00	02/11/09	STEEL ENCLOSURES	302.30	302.30
2016704	03/04/09	06166	AMERICAN MESSAGING	L1109570JC	03/01/09	PAGER SERVICES	355.77	355.77
2016705	03/04/09	00315	AMERICAN SOCIETY OF CIVIL	16585109	02/25/09	MEMBERSHIP DUES	245.00	245.00
2016706	03/04/09	00107	AMERICAN WATER WORKS	2000692675	12/17/08	MEMBERSHIP RENEWAL	28.00	28.00
2016707	03/04/09	08967	ANTHEM BLUE CROSS EAP	40750	02/20/09	EMPLOYEE ASSISTANCE PROGRAM SERVICES	374.90	374.90
2016708	03/04/09	02829	APPLIED TECHNOLOGY GROUP INC	190650	02/04/09	RADIO EQUIPMENT	1,851.55	1,851.55
2016709	03/04/09	01971	ARMORCAST PRODUCTS COMPANY	0110096IN	02/11/09	RECLAIMED WATER VAULT	4,643.64	4,643.64
2016710	03/04/09	00501	AT&T	001016	02/12/09	CONFERENCE PHONE SERVICE	146.20	146.20
2016711	03/04/09	08024	BACKGROUND PROFILES INC	168	03/02/09	BACKGROUND CHECKS	114.00	114.00
2016712	03/04/09	00223	C W MCGRATH INC	32187	02/10/09	CRUSHED ROCK	67.58	67.58
2016713	03/04/09	06281	CALIF STATE DISBURSEMENT UNIT	Ben2393670	03/05/09	PAYROLL DEDUCTION	286.73	286.73
2016714	03/04/09	02202	CALIFORNIA MUNICIPAL	001037	03/02/09	CONFERENCE REGISTRATIONS	580.00	580.00
2016715	03/04/09	02202	CALIFORNIA MUNICIPAL	87581	01/27/09	MEMBERSHIP RENEWAL	155.00	155.00
2016716	03/04/09	03527	CARDIAC SCIENCE CORP	1124068	02/12/09	SAFETY EQUIPMENT	214.43	214.43
2016717	03/04/09	03491	CASA DE ORO CAR WASH	12	02/01/09	CAR WASH SERVICES	1,133.96	1,133.96
2016718	03/04/09	01788	CHAVARELA, GERARDO	001040	03/02/09	SAFETY BOOTS REIMBURSEMENT	150.00	150.00
2016719	03/04/09	02593	CITY OF CHULA VISTA	071060PU0040209	02/16/09	UTILITY PERMITS	3,300.00	3,300.00
2016720	03/04/09	03334	COMPUTER MASTERS	73086	02/12/09	LAPTOP DRIVES	1,623.58	
				73063	02/09/09	IT SUPPLIES	62.50	1,686.08
2016721	03/04/09	03706	CONSUMERS PIPE & SUPPLY CO	S1093017005	02/06/09	WAREHOUSE SUPPLIES	22.63	
				S1093017004	02/06/09	WAREHOUSE SUPPLIES	9.70	
				S1092516003	02/10/09	STEEL PIPE FOR EFF PS AT WWTP	654.62	686.95

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Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2016722	03/04/09	00134	COUNTY OF SAN DIEGO	2008185	02/09/09	COUNTY ASSESSOR DATA	125.00	125.00
2016723	03/04/09	02122	COUNTY OF SD AIR POLLUTION	PO97116838	02/17/09	PERMIT RENEWAL FEES FOR ENGINE #43	534.00	534.00
2016724	03/04/09	09585	DC FROST ASSOCIATES INC	3328	02/02/09	DOCTOR BLADE, TENSION LEVERS	2,249.03	2,249.03
2016725	03/04/09	02603	DELL MARKETING LP	XD496WKW2	02/10/09	MEMORY MODULE	377.02	377.02
2016726	03/04/09	00319	DEPARTMENT OF PUBLIC HEALTH	0950513	03/02/09	AB 2995 WATER SYSTEM FEES	6,086.09	6,086.09
2016727	03/04/09	01335	DICKSON COMPANY	744104	02/11/09	CHART RECORDERS	1,756.00	1,756.00
2016728	03/04/09	02447	EDCO DISPOSAL CORPORATION	001035	02/28/09	RECYCLING SERVICES	90.00	90.00
2016729	03/04/09	06525	ELECTRIC MOTOR SPECIALISTS INC	2811	02/12/09	MOTOR REPAIRED	325.00	325.00
2016730	03/04/09	02639	EW TRUCK & EQUIPMENT	226979	01/26/09	REPAIR PARTS	125.88	125.88
2016731	03/04/09	02753	FERGUSON ENTERPRISES INC #667	4972389	02/12/09	PLUMBING PARTS	114.88	
				4982058	02/17/09	PLUMBING PARTS	114.88	229.76
2016732	03/04/09	03546	FERGUSON WATERWORKS #1082	0303998	02/10/09	INVENTORY	4,741.00	
				03037401	02/12/09	INVENTORY	3,120.98	
				0303997	02/10/09	INVENTORY	2,435.15	
				0301410	01/30/09	INVENTORY	2,174.13	
				0301531	02/10/09	18" PROJECT	1,228.35	
				0303740	02/06/09	INVENTORY	1,212.19	
				0303742	02/06/09	INVENTORY	730.15	
				0304000	02/10/09	METER BOX LID LIFTER	96.98	15,738.93
2016733	03/04/09	00035	FISHER SCIENTIFIC	4277930		CREDIT MEMO	(28.72)	
				3628110	02/10/09	LABORATORY SUPPLIES	569.80	
				3739504	02/12/09	LABORATORY SUPPLIES	84.58	625.66
2016734	03/04/09	09049	FOX CONSTRUCTION	4	10/03/08	P2465/P2466 MAT'L STORAGE BINS/COVER	28,350.00	28,350.00
2016735	03/04/09	02344	FRANCHISE TAX BOARD	Ben2393672	03/05/09	PAYROLL DEDUCTION	313.82	313.82
2016736	03/04/09	04548	FRASER'S BOILER SERVICE INC	24139	02/09/09	MACHINE WORK	890.87	890.87
2016737	03/04/09	03537	GHA TECHNOLOGIES INC	531520	02/11/09	WIRELESS HEADSET	88.36	88.36
2016738	03/04/09	06276	GIFFORD ENGINEERING INC	3915	01/19/09	RADIO	431.31	
				3897	01/20/09	RADIO REPAIR	251.68	682.99
2016739	03/04/09	00131	GOVERNMENT FINANCE OFFICERS	001034	02/26/09	REFERENCE BOOKS	218.11	218.11
2016740	03/04/09	09571	GOVERNMENT JOBS.COM INC	072995	01/28/09	SOFTWARE LICENSES	2,500.00	2,500.00

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2016741	03/04/09	00101	GRAINGER INC	9848129319	02/26/09	BOLT CUTTER & REPLACEMENT JAWS	326.37	326.37
2016742	03/04/09	00174	HACH COMPANY	6107563 6099022 6080902	02/12/09 02/05/09 01/23/09	CHLORINE & AMMONIA ANALYZER ROTARY VALVES REPAIRED AUTOBURETTE MODULE REPAIR	1,963.35 859.86 186.00	3,009.21
2016743	03/04/09	08610	HENRY BROS ELECTRONICS INC	13120108	01/31/09	SECURITY CAMERAS	5,053.44	5,053.44
2016744	03/04/09	00713	HEWLETT-PACKARD COMPANY	45547294	02/03/09	PRINTERS	592.63	592.63
2016745	03/04/09	06843	HI-TECH AIR CONDITIONING	5036	02/11/09	DATA CENTER AC MAINTENANCE	375.00	375.00
2016746	03/04/09	01109	HOME DEPOT CREDIT SERVICES	0271694	02/24/09	BATHROOM CABINET	117.45	117.45
2016747	03/04/09	09806	HOPE ENGINEERING	0107433 0107432	02/09/09 02/09/09	DATA CENTER FLOOR STUDY/REPAIR DATA CENTER FLOOR STUDY/REPAIR	600.00 337.50	937.50
2016748	03/04/09	03507	INDOFF INCORPORATED	1375943	01/30/09	CONFERENCE ROOM CHAIRS	1,386.24	1,386.24
2016749	03/04/09	01010	JOBS AVAILABLE INC	905039	02/17/09	JOB POSTING	350.00	350.00
2016750	03/04/09	05109	KEARNY PEARSON FORD	107806	02/09/09	REPAIR PARTS	17.20	17.20
2016751	03/04/09	03607	LEE & RO INC	83705	02/06/09	P2009 - DESIGN OF 36-INCH PIPELINE	56,069.59	56,069.59
2016752	03/04/09	00491	LIGHTHOUSE INC	2197972 2189001 2195728	02/04/09 01/14/09 01/29/09	APCD RETRO FIT PARTS APCD LED RETROFIT LIGHTING APCD RETRO FIT PARTS	402.99 237.05 71.12	711.16
2016753	03/04/09	05329	MASTER METER INC	0151094IN	02/10/09	INVENTORY	72,561.87	72,561.87
2016754	03/04/09	01183	MCMASTER-CARR SUPPLY CO	19953637	01/21/09	REPAIR PARTS	576.75	576.75
2016755	03/04/09	01524	MESA LABORATORIES INC	0328324IN	02/09/09	REPAIR FLOW METER	214.71	214.71
2016756	03/04/09	09581	MICHAEL R WELCH PHD PE	7121	02/09/09	CONSULTANT SVCS	1,755.00	1,755.00
2016757	03/04/09	00887	MIRAMAR TRUCK CENTER-SAN DIEGO	244358 243634 244351	02/09/09 01/27/09 02/09/09	REPAIR PART GASKETS REPAIR PARTS FOR TRUCK #110	36.97 48.86 48.86	134.69
2016758	03/04/09	03401	MODULAR MERCHANTS	1835	02/11/09	TREATMENT PLANT OFFICE CABINETS	866.43	866.43
2016759	03/04/09	02293	MWH SOFT INC	07528AM	01/02/09	ANNUAL SUBSCRIPTION FOR INFOWATER 4.0	3,600.00	3,600.00
2016760	03/04/09	04676	NAPA AUTO PARTS	136792 136318	01/14/09 01/09/09	REPAIR PARTS REPAIR PARTS	337.89 215.39	

OTAY WATER DISTRICT
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				138046	01/26/09	REPAIR PARTS	164.93	
				136539	01/12/09	REPAIR PARTS	147.12	
				138028	01/26/09	REPAIR PARTS	130.21	
				138409	01/29/09	REPAIR PARTS	86.59	
				137468	01/20/09	REPAIR PARTS	63.57	
				138191	01/27/09	REPAIR PARTS	62.71	
				136644	01/13/09	REPAIR PARTS	58.96	
				138177	01/27/09	REPAIR PARTS	58.72	
				138162	01/27/09	REPAIR PARTS	58.00	
				136223	01/08/09	REPAIR PARTS	52.60	
				136568	01/12/09	REPAIR PARTS	41.42	
				136298	01/09/09	REPAIR PARTS	36.07	
				137447	01/20/09	REPAIR PARTS	36.07	
				138161	01/27/09	REPAIR PARTS	36.07	
				138143	01/27/09	REPAIR PARTS	34.64	
				138012	01/26/09	REPAIR PARTS	32.52	
				136595	01/12/09	REPAIR PARTS	32.27	
				136083	01/07/09	REPAIR PARTS	29.07	
				136289	01/09/09	REPAIR PARTS	24.77	
				136236	01/08/09	REPAIR PARTS	23.58	
				138283	01/28/09	REPAIR PARTS	19.37	
				136976	01/15/09	REPAIR PARTS	18.65	
				137847	01/23/09	REPAIR PARTS	16.26	
				136851	01/14/09	REPAIR PARTS	10.97	
				137499	01/21/09	REPAIR PARTS	9.44	
				137444	01/20/09	REPAIR PARTS	5.12	
				136577	01/12/09	REPAIR PARTS	0.95	1,843.93
2016761	03/04/09	03523	NATIONAL DEFERRED COMPENSATION	Ben2393656	03/05/09	DEFERRED COMP PLAN	11,075.47	11,075.47
2016762	03/04/09	00510	OFFICE DEPOT INC	463114503001	02/11/09	OFFICE FURNITURE	485.58	
				463115475001	02/11/09	OFFICE SUPPLIES	387.87	
				463050949001	02/11/09	OFFICE SUPPLIES	166.22	
				463615328001	02/11/09	OFFICE SUPPLIES	113.43	
				463617345001	02/11/09	OFFICE SUPPLIES	6.66	
				463617067001	02/11/09	OFFICE SUPPLIES	545.34	1,705.10
2016763	03/04/09	03101	OTAY WATER DISTRICT	Ben2393658	03/05/09	PAYROLL DEDUCTION - ASSN DUES	819.00	819.00
2016764	03/04/09	09989	OVIDIO DE LEON	RF904382044	03/03/09	UB REFUND RE-ISSUE IN AGENT'S NAME	97.37	97.37
2016765	03/04/09	08655	PACIFIC ALLIANCE APPRAISALS	0902OTAY	02/23/09	APPRAISAL SERVICES	250.00	250.00
2016766	03/04/09	00137	PETTY CASH CUSTODIAN	001043	03/03/09	PETTY CASH REIMBURSEMENT	1,485.17	1,485.17
2016767	03/04/09	07290	PILLSBURY WINTHROP SHAW	7504605	02/13/09	LEGAL SERVICES	5,183.75	5,183.75
2016768	03/04/09	07602	PLUMBERS DEPOT	PD10554	01/27/09	HAND RODS	222.41	222.41

OTAY WATER DISTRICT
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2016769	03/04/09	06641	PRUDENTIAL OVERALL SUPPLY	0088822	02/12/09	UNIFORMS	311.90	603.33
				0088821	02/12/09	MATS, TOWELS & SUPPLIES	134.72	
				0088823	02/12/09	MATS, TOWELS & SUPPLIES	100.80	
				0088824	02/12/09	UNIFORMS	55.91	
2016770	03/04/09	02041	RBF CONSULTING	9010036	02/10/09	CIP P2009 - 36 INCH PIPELINE	16,350.00	16,350.00
2016771	03/04/09	09985	REEL 'EM IN INC	05013	02/25/09	16" PRATT BUTTERFLY HYDRO TEST	450.00	450.00
2016772	03/04/09	00164	REXEL	800560853	02/12/09	30 FT GALV ANTENNA POLE	1,090.19	1,090.19
2016773	03/04/09	04068	ROADONE TOWING	305921	02/05/09	TOWING	100.00	100.00
2016774	03/04/09	01471	ROBBINS AUTO GLASS	WO40178	02/01/09	REPLACE WINDSHIELD	226.51	226.51
2016775	03/04/09	03279	ROTH STAFFING COMPANIES LP	12278563	02/20/09	TEMPORARY SERVICES - HR DEPT	1,315.20	2,367.36
				12280228	02/27/09	TEMPORARY SERVICES - HR DEPT	1,052.16	
2016776	03/04/09	00362	RYAN HERCO PRODUCTS CORP	6540570	01/30/09	PVC DIAPHRAM VALVES	612.67	612.67
2016777	03/04/09	04661	SAN DIEGO COUNTY WATER	001042	02/26/09	MEETING REGISTRATION FEES	60.00	60.00
2016778	03/04/09	00121	SAN DIEGO GAS & ELECTRIC	Cycles 12,13,16	02/27/09	UTILITY EXPENSES	534.63	73,348.73
				001038	02/26/09	UTILITY EXPENSES	72,814.10	
2016779	03/04/09	03273	SAN DIEGO READER	001000	02/10/09	JOB POSTING	104.90	187.75
				000994	02/10/09	JOB POSTING	82.85	
2016780	03/04/09	01679	SANCHEZ, EDUARDO	001041	03/02/09	SAFETY BOOTS REIMBURSEMENT	150.00	150.00
2016781	03/04/09	05321	SCHIFF ASSOCIATES	03257	01/31/09	CIP P1043-CATHODIC PROTECTION PROGRAM	1,936.25	1,936.25
2016782	03/04/09	03103	SOUTHCOAST HEATING &	C39529	02/10/09	AIR CONDITIONING MAINTENANCE	908.00	908.00
2016783	03/04/09	06853	SOUTHERN CALIFORNIA SOIL	349834	01/31/09	ON CALL GEOTECHNICAL SERVICES	2,916.16	2,916.16
2016784	03/04/09	03516	SPECIAL DISTRICT RISK	001039	02/27/09	REIMB CLAIM #GC23071902008003372	10,515.23	11,515.23
				GC3622	01/26/09	PROPERTY DAMAGE DEDUCTIBLE	1,000.00	
2016785	03/04/09	00590	SPECIALTY SEALS & ACCESSORIES	26644	02/11/09	SEAL	380.50	380.50
2016786	03/04/09	06299	STATE DISBURSEMENT UNIT	Ben2393662	03/05/09	PAYROLL DEDUCTION	237.69	237.69
2016787	03/04/09	06303	STATE DISBURSEMENT UNIT	Ben2393666	03/05/09	PAYROLL DEDUCTION	836.30	836.30
2016788	03/04/09	08533	STATE DISBURSEMENT UNIT	Ben2393664	03/05/09	PAYROLL DEDUCTION	841.01	841.01

OTAY WATER DISTRICT
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2016789	03/04/09	00274	STATE OF CALIFORNIA	2958609	02/25/09	CERTIFICATE RENEWAL	125.00	125.00
2016790	03/04/09	02261	STATE STREET BANK & TRUST CO	Ben2393654	03/05/09	DEFERRED COMP PLAN	5,797.54	5,797.54
2016791	03/04/09	02799	TARULLI TIRE INC - SAN DIEGO	20037148 20037149 20037150 20037127	02/10/09 02/10/09 02/10/09 02/09/09	TIRE SERVICE TIRE SERVICE TIRE SERVICE TIRE SERVICE	712.97 444.49 232.78 131.46	1,521.70
2016792	03/04/09	09988	THIBAUT, DARRYL	001033	02/26/09	ID-7 RANGE CONSULTANT CONTRACT	2,500.00	2,500.00
2016793	03/04/09	00075	UNION TRIBUNE PUBLISHING CO	91806	02/10/09	JOB POSTING	773.30	773.30
2016794	03/04/09	08262	UNITED RENTALS NORTHWEST INC	79558940001	02/11/09	CONCRETE	160.55	160.55
2016795	03/04/09	05417	UNITED STATES DEPARTMENT	Ben2393668	03/05/09	PAYROLL DEDUCTION	100.00	100.00
2016796	03/04/09	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2393660	03/05/09	DEFERRED COMP PLAN	7,416.44	7,416.44
2016797	03/04/09	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2393650	03/05/09	401A PLAN	8,924.28	8,924.28
2016798	03/04/09	07595	WALTERS WHOLESALE ELECTRIC CO	282256801 282257000	02/09/09 02/06/09	METER PEDESTAL METER PEDESTAL FOR NEW SDG&E SERVICE	2,006.85 61.61	2,068.46
2016799	03/04/09	02849	WHITAKER BROTHERS BUSINESS	INV0185781	02/06/09	TIME STAMP RIBBON	49.51	49.51
2016800	03/04/09	02725	WILLIAMS SCOTSMAN INC	88505838 88505871	02/12/09 02/12/09	FINAL INVOICE/MOBILE OFFICE RENTAL FINAL INVOICE/MOBILE OFFICE RENTAL	581.00 581.00	1,162.00
2016801	03/04/09	03423	WINZER CORPORATION	3402175	02/05/09	SHOP SUPPLIES	433.88	433.88
2016802	03/11/09	01910	ABCANA INDUSTRIES	837359 837389 836944	02/18/09 02/19/09 02/05/09	BULK HYPOCHLORITE SOLUTION BULK HYPOCHLORITE SOLUTION BULK SODIUM HYPOCHLORITE	972.18 931.55 684.88	2,588.61
2016803	03/11/09	08488	ABLEFORCE INC	1620	03/03/09	CONSULTING SERVICES - IS DEPT	4,080.00	4,080.00
2016804	03/11/09	06300	AIR-TRAK INC	62854	02/13/09	GPS WARRANTY	300.00	300.00
2016805	03/11/09	07732	AIRGAS SPECIALTY PRODUCTS INC	131114701 131114700 131114702 131114703	02/13/09 02/13/09 02/13/09 02/13/09	BULK AQUA AMMONIA BULK AQUA AMMONIA BULK AQUA AMMONIA BULK AQUA AMMONIA	1,896.30 1,896.30 398.37 379.26	4,570.23
2016806	03/11/09	00002	ANSWER INC	M142	02/22/09	TELEPHONE ANSWERING SERVICES	1,000.00	1,000.00
2016807	03/11/09	08026	ARB INC	LF20210	02/09/09	R2081 - 20 INCH LANE AVENUE CONVERSION	53,438.58	53,438.58

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2016808	03/11/09	06285	BARTEL ASSOCIATES LLC	90105	02/16/09	PROFESSIONAL ACTUARY SERVICES	200.00	200.00
2016809	03/11/09	06520	BENSKIN, RONALD	001047	03/05/09	SAFETY SHOES REIMBURSEMENT	112.55	112.55
2016810	03/11/09	01232	BRODING'S BATTERY WAREHOUSE	29835 3381	02/17/09 02/17/09	AUTOMOTIVE BATTERIES AUTOMOTIVE BATTERIES	405.90 213.24	619.14
2016811	03/11/09	08542	BUCK PETROLEUM CO	2098789 2098788	02/18/09 02/18/09	UNLEADED FUEL DIESEL FUEL	8,502.68 7,418.43	15,921.11
2016812	03/11/09	00223	C W MCGRATH INC	32230 32250	02/17/09 02/19/09	CRUSHED ROCK CRUSHED ROCK	276.87 75.75	352.62
2016813	03/11/09	02969	CALIFORNIA LAND SURVEYORS	001058	02/23/09	MEMBERSHIP DUES	30.00	30.00
2016814	03/11/09	00192	CALIFORNIA WATER ENVIRONMENT	134809 134909 858909	03/09/09 03/09/09 03/09/09	MEMBERSHIP RENEWALS MEMBERSHIP RENEWAL MEMBERSHIP RENEWAL	132.00 132.00 132.00	396.00
2016815	03/11/09	04215	CAMP DRESSER & MCKEE INC	8030826111	02/14/09	P2451 - BI-NATIONAL OCEAN DESALINATION	12,335.74	12,335.74
2016816	03/11/09	02758	CARMEL BUSINESS SYSTEMS INC	6948	03/01/09	TEMPORARY SERVICES - RECORDS	1,122.90	1,122.90
2016817	03/11/09	08895	CITY OF LA MESA	709007	02/17/09	FINGERPRINTING SERVICES	80.00	80.00
2016818	03/11/09	03334	COMPUTER MASTERS	73094	02/13/09	PC EQUIPMENT	415.75	415.75
2016819	03/11/09	00134	COUNTY OF SAN DIEGO	20082011	03/10/09	COUNTY ASSESSOR DATA	125.00	125.00
2016820	03/11/09	02603	DELL MARKETING LP	XD4K12P41	02/17/09	BATTERIES FOR LAPTOP	351.24	351.24
2016821	03/11/09	03744	DEPARTMENT OF JUSTICE	726735	03/05/09	FINGERPRINT ANALYSIS SERVICES	153.00	153.00
2016822	03/11/09	01335	DICKSON COMPANY	744902	02/19/09	CHART RECORDERS	1,257.00	1,257.00
2016823	03/11/09	03417	DIRECTV	966781620 956741610	03/05/09 02/19/09	SATELLITE TV SERVICE SATELLITE TV SERVICE	10.00 4.99	14.99
2016824	03/11/09	01926	EAST COUNTY URGENT CARE	001048	02/24/09	HEALTH EXAM	43.00	43.00
2016825	03/11/09	03765	ENGINEERING PARTNERS INC, THE	059063 039052 069064	02/18/09 02/13/09 02/18/09	AS-NEEDED ELECTRICAL ENGG SERVICES 1485-1 PUMP STATION IMPROVEMENTS (P2172) AS-NEEDED ELECTRICAL ENGG SERVICES	3,020.00 2,560.00 2,015.00	7,595.00
2016826	03/11/09	03546	FERGUSON WATERWORKS #1082	0303822 0304756	02/19/09 02/17/09	18" VITOLIC 6" FLANGE ADAPTERS	1,077.03 607.93	1,684.96
2016827	03/11/09	04066	FIRST CHOICE SERVICES - SD	308668	02/19/09	COFFEE SUPPLIES	520.56	

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
				308979	02/19/09	COFFEE MACHINES WATER FILTERS	430.57	
				308740	02/13/09	COFFEE SUPPLIES	117.00	
				308962	02/17/09	COFFEE MACHINES WATER FILTERS	53.82	
				013689	02/13/09	COFFEE SUPPLIES	36.00	1,157.95
2016828	03/11/09	00035	FISHER SCIENTIFIC	3796755	02/13/09	LABORATORY SUPPLIES	77.05	77.05
2016829	03/11/09	09509	FLICK, BEN & CAROL	16	02/16/09	WELLNESS PROGRAM	150.00	150.00
2016830	03/11/09	03094	FULLCOURT PRESS	19089	02/17/09	WINTER 2009 NEWSLETTER	5,337.33	5,337.33
2016831	03/11/09	03537	GHA TECHNOLOGIES INC	531920	02/12/09	TONER	1,437.39	1,437.39
2016832	03/11/09	01576	GRAYBAR ELECTRIC CO INC	939968452		CREDIT MEMO	(8.22)	
				939792864	02/19/09	CABLES	67.96	59.74
2016833	03/11/09	00174	HACH COMPANY	6115728	02/18/09	LABORATORY SUPPLIES	2,179.72	2,179.72
2016834	03/11/09	03639	HARRIS & ASSOCIATES INC	467105	02/13/09	CIP P2009 - 36 INCH PIPELINE VALVE ENGG	1,140.00	1,140.00
2016835	03/11/09	00713	HEWLETT-PACKARD COMPANY	45620175	02/18/09	GRAPHICS WORKSTATION	5,434.91	
				45600706	02/13/09	SERVER BLADE	5,051.32	
				45593341	02/11/09	HP CARE PACK HARDWARE SUPPORT	327.00	10,813.23
2016836	03/11/09	09348	INDUSTRIAL MAINTENANCE SERVICE	12421	02/16/09	CATALYST WASH	2,167.00	2,167.00
2016837	03/11/09	03250	INTERNATIONAL PUBLIC	001046	03/03/09	MEETING REGISTRATION FEES	65.00	65.00
2016838	03/11/09	09992	KAREN LIGHTEN	RF625127329	03/09/09	OVERPAYMENT REFUND	1,009.56	1,009.56
2016839	03/11/09	04996	KNOX ATTORNEY SERVICE INC	456865	02/13/09	DELIVERY SERVICES	42.90	42.90
2016840	03/11/09	01859	LA PRENSA SAN DIEGO	22620	02/25/09	JOB POSTING	57.00	57.00
2016841	03/11/09	00491	LIGHTHOUSE INC	2204220	02/19/09	APCD RETRO FIT PARTS	124.99	124.99
2016842	03/11/09	07294	LLERENAS, JESSE	001052	03/09/09	SAFETY SHOES REIMBURSEMENT	150.00	150.00
2016843	03/11/09	05329	MASTER METER INC	0151486IN	02/18/09	INVENTORY	23,404.59	23,404.59
2016844	03/11/09	09990	MCMILLIN LAND DEVELOPMENT INC	001045	03/04/09	REFUND FOR POTABLE IRRIGATION METER	10,400.00	10,400.00
2016845	03/11/09	06648	MEASUREMENT CONTROL	145298	02/18/09	LARGE METER TESTING	1,556.88	
				145297	02/19/09	LARGE METER TESTING	1,140.00	2,696.88
2016846	03/11/09	01577	MINARIK CORPORATION	I0647961DD	02/17/09	PROGRAMMABLE CONTROLLER	860.31	860.31
2016847	03/11/09	03393	MOBILE MINI LLC - CA	904194460	02/15/09	RENTAL 40' METER STORAGE CONTAINERS	173.28	173.28

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2016848	03/11/09	04676	NAPA AUTO PARTS	141142		CREDIT MEMO	(567.33)	
				139281		CREDIT MEMO	(31.26)	
				133800		CREDIT MEMO	(6.79)	
				140501	02/18/09	REPAIR PARTS	318.03	
				139381	02/06/09	REPAIR PARTS	243.70	
				139917	02/12/09	REPAIR PARTS	211.66	
				138770	02/02/09	REPAIR PARTS	156.72	
				138565	01/30/09	REPAIR PARTS	149.79	
				139316	02/05/09	REPAIR PARTS	112.89	
				138900	02/03/09	REPAIR PARTS	91.46	
				138559	01/30/09	REPAIR PARTS	68.82	
				139635	02/09/09	REPAIR PARTS	68.71	
				139370	02/06/09	REPAIR PARTS	64.63	
				140172	02/13/09	REPAIR PARTS	56.55	
				138868	02/02/09	REPAIR PARTS	50.09	
				140121	02/13/09	REPAIR PARTS	49.07	
				139076	02/04/09	REPAIR PARTS	45.26	
				140415	02/17/09	REPAIR PARTS	43.58	
				139664	02/10/09	REPAIR PARTS	42.85	
				140487	02/18/09	REPAIR PARTS	41.26	
				138531	01/29/09	REPAIR PARTS	31.26	
				138519	01/29/09	REPAIR PARTS	29.74	
				139312	02/05/09	REPAIR PARTS	24.59	
				138869	02/02/09	REPAIR PARTS	23.68	
				139244	02/05/09	REPAIR PARTS	22.80	
				139255	02/05/09	REPAIR PARTS	16.98	
				140035	02/12/09	REPAIR PARTS	16.87	
				139945	02/12/09	REPAIR PARTS	11.30	
				139636	02/09/09	REPAIR PARTS	11.03	
				140567	02/18/09	REPAIR PARTS	11.03	
140413	02/17/09	REPAIR PARTS	9.78					
139661	02/10/09	REPAIR PARTS	9.42					
140350	02/17/09	REPAIR PARTS	8.37	1,436.54				
2016849	03/11/09	00510	OFFICE DEPOT INC	464298602001	02/18/09	OFFICE SUPPLIES	116.26	
				464295245001	02/18/09	OFFICE SUPPLIES	39.64	
				464293879001	02/18/09	OFFICE SUPPLIES	35.86	
				463617067003	02/18/09	OFFICE SUPPLIES	14.54	
				463617067002	02/18/09	OFFICE SUPPLIES	12.60	218.90
2016850	03/11/09	09142	OLIVENHAIN MUNICIPAL WATER	4870	02/26/09	SHARE OF VOCAL EXPENSES	133.12	133.12
2016851	03/11/09	08671	OMNI CONTROLS INC	30294	02/18/09	SCADA WEATHER STATION FOR EOC	3,625.00	3,625.00
2016852	03/11/09	02334	OTAY LANDFILL	007759	02/15/09	WASTE DISPOSAL SERVICES	1,230.44	1,230.44
2016853	03/11/09	03308	PBS&J	1034579	02/13/09	2009 MASTER PLAN UPDATE	28,880.00	

**OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009**

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
				1034581	02/07/09	CIP P2089-RECYCLED WATER CONCEPT STUDY	7,430.50	36,310.50
2016854	03/11/09	00227	PELL MELL SUPPLY	45759200	02/13/09	STAINLESS STEEL NUTS AND BOLTS	937.43	937.43
2016855	03/11/09	01744	PHILLIPS, MICHAEL B	001059	03/06/09	TUITION REIMBURSEMENT	175.00	175.00
2016856	03/11/09	00053	PITNEY BOWES INC	373427	02/15/09	CHECK PRINTER SERVICE AGREEMENT	330.00	330.00
2016857	03/11/09	06641	PRUDENTIAL OVERALL SUPPLY	0107142	02/19/09	UNIFORMS	311.90	
				0107141	02/19/09	MATS, TOWELS & SUPPLIES	137.54	
				0107143	02/19/09	MATS, TOWELS & SUPPLIES	100.80	
				0103395	02/18/09	MATS, TOWELS & SUPPLIES	94.95	
				0085080	02/11/09	MATS, TOWELS & SUPPLIES	93.54	
				0103394	02/18/09	UNIFORMS	83.43	
				0085079	02/11/09	UNIFORMS	69.49	
				0107144	02/19/09	UNIFORMS	47.19	938.84
2016858	03/11/09	00078	PUBLIC EMPLOYEES RETIREMENT	Ben2393652	03/05/09	PERS CONTRIBUTION	123,426.13	123,426.13
2016859	03/11/09	09804	PUBLICIA PRESS LTD	20092301	02/17/09	BUSINESS CARDS	29.63	29.63
2016860	03/11/09	01342	R J SAFETY SUPPLY CO INC	25956700	02/17/09	SAFETY JACKET	59.98	
				25821703	02/18/09	SAFETY APPAREL	54.95	114.93
2016861	03/11/09	04542	ROBAK, MARK	70140209	02/28/09	MILEAGE REIMBURSEMENT	74.80	
				70140109	01/31/09	MILEAGE REIMBURSEMENT	19.25	94.05
2016862	03/11/09	09991	SAN DIEGO COUNTY	GM09013	03/05/09	REIMB GREEN MACHINE PROGRAM	305.00	305.00
2016863	03/11/09	00003	SAN DIEGO COUNTY WATER	6844	01/30/09	FLOW CONTROL FACILITY MODIFICATION	495,000.00	495,000.00
2016864	03/11/09	04661	SAN DIEGO COUNTY WATER	001057	03/09/09	MEMBERSHIP DUES	30.00	30.00
2016865	03/11/09	00247	SAN DIEGO DAILY TRANSCRIPT	130664	02/18/09	ENGINEERING CONSULTING SVCS	58.55	58.55
2016866	03/11/09	00121	SAN DIEGO GAS & ELECTRIC	001051	03/05/09	UTILITY EXPENSES	51,269.90	
				001049	03/04/09	UTILITY EXPENSES	8,278.54	59,548.44
2016867	03/11/09	03612	SIMON WONG ENGINEERING	10009	11/07/08	1485-1 PUMP STATION DESIGN	976.50	976.50
2016868	03/11/09	03439	SO CA ALLIANCE OF PUBLICLY	91088	02/10/09	MEMBERSHIP RENEWAL	538.00	538.00
2016869	03/11/09	06853	SOUTHERN CALIFORNIA SOIL	349910	01/31/09	ON CALL GEOTECHNICAL SERVICES	1,164.24	1,164.24
2016870	03/11/09	06537	SOUTHLAND TECHNOLOGY	SI29439	02/13/09	LCD INSTALLATION	2,394.27	2,394.27
2016871	03/11/09	03760	SPANKY'S PORTABLE SERVICES INC	799770	02/13/09	PORTABLE TOILET RENTAL	79.96	
				799771	02/13/09	PORTABLE TOILET RENTAL	79.96	

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
				799769	02/13/09	PORTABLE TOILET RENTAL	79.96	
				799768	02/13/09	PORTABLE TOILET RENTAL	79.96	
				799857	02/16/09	PORTABLE TOILET RENTAL	79.96	399.80
2016872	03/11/09	02354	STANDARD ELECTRONICS	11978	02/17/09	SECURITY SERVICE & REPAIRS	1,500.00	
				11982	02/17/09	SECURITY SERVICE & REPAIRS	226.28	1,726.28
2016873	03/11/09	01560	STATE CHEMICAL MFG CO, THE	94066108	01/29/09	SHOP SUPPLIES	340.37	340.37
2016874	03/11/09	07678	STREAMLINE FORMS & GRAPHICS	34886	02/16/09	DOOR TAGS	116.37	116.37
2016875	03/11/09	08399	SWINERTON MANAGEMENT	0806900209	03/03/09	TEMPORARY SERVICES - OPS DEPT	26,671.00	26,671.00
2016876	03/11/09	02799	TARULLI TIRE INC - SAN DIEGO	20037249	02/19/09	TIRE SERVICE	20.47	20.47
2016877	03/11/09	08262	UNITED RENTALS NORTHWEST INC	79605571001	02/13/09	CONCRETE	228.98	
				79608913001	02/13/09	CONCRETE	91.59	320.57
2016878	03/11/09	07674	US BANK CORPORATE PAYMENT	001055	02/23/09	DISTRICT EXPENSES	7,269.55	
				001050	02/23/09	DISTRICT EXPENSES	144.64	7,414.19
2016879	03/11/09	04345	US CONCRETE PRECAST GROUP	0135255IN	02/17/09	VAULT	1,486.52	1,486.52
2016880	03/11/09	06829	US SECURITY ASSOCIATES INC	452181	02/19/09	AFTER HOURS SECURITY SVCS	1,053.85	1,053.85
2016881	03/11/09	09218	VACO LA JOLLA LLC	BILL000000004033	02/27/09	TEMPORARY SERVICES - ENG DEPT	5,179.24	5,179.24
2016882	03/11/09	06811	VITELA, AL	001060	03/10/09	SAFETY BOOTS REIMBURSEMENT	96.95	96.95
2016883	03/11/09	00014	WAXIE SANITARY SUPPLY	71125877	02/18/09	JANITORIAL SUPPLIES	1,416.82	1,416.82
2016884	03/11/09	01343	WE GOT YA PEST CONTROL	53058	02/19/09	PEST CONTROL - BEE REMOVAL	115.00	115.00
2016885	03/11/09	00125	WESTERN PUMP INC	0074190IN	02/16/09	APCD TESTING	538.00	538.00
2016886	03/18/09	10054	AGGIE CARPENTER	Ref002394154	03/17/09	UB Refund Cst #0000140097	123.92	123.92
2016887	03/18/09	10009	ALFONSO VALDEZ	Ref002394107	03/17/09	UB Refund Cst #0000073287	32.29	32.29
2016888	03/18/09	10000	ALLEN LININGER	Ref002394097	03/17/09	UB Refund Cst #0000001305	16.91	16.91
2016889	03/18/09	10068	AMERICAN EAGLE REAL ESTATE	Ref002394168	03/17/09	UB Refund Cst #0000142135	61.11	61.11
2016890	03/18/09	10074	AMERICAN EAGLE REAL ESTATE	Ref002394174	03/17/09	UB Refund Cst #0000142659	64.22	64.22
2016891	03/18/09	10077	AMERICAN EAGLE REAL ESTATE	Ref002394177	03/17/09	UB Refund Cst #0000142851	46.75	46.75
2016892	03/18/09	10019	ANGELO HUFF	Ref002394118	03/17/09	UB Refund Cst #0000093517	39.09	39.09

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2016893	03/18/09	10026	APRIL FISK	Ref002394125	03/17/09	UB Refund Cst #0000122790	148.10	148.10
2016894	03/18/09	10082	AXIA REAL ESTATE GROUP INC	Ref002394182	03/17/09	UB Refund Cst #0000143227	58.19	58.19
2016895	03/18/09	10017	BARBARA HERNANDEZ	Ref002394115	03/17/09	UB Refund Cst #0000090133	53.94	53.94
2016896	03/18/09	10087	BELINDA CALIXTO	Ref002394187	03/17/09	UB Refund Cst #0000144111	11.67	11.67
2016897	03/18/09	10070	BLANCA NUNO-FIELD	Ref002394170	03/17/09	UB Refund Cst #0000142165	111.39	111.39
2016898	03/18/09	10039	BRITANNIA DEVELOPMENT & CO	Ref002394139	03/17/09	UB Refund Cst #0000127057	67.45	67.45
2016899	03/18/09	10075	C W ALT INC ALTERNATIVE LOAN	Ref002394175	03/17/09	UB Refund Cst #0000142724	59.49	59.49
2016900	03/18/09	10048	CENTURY 21 FIRST CHOICE	Ref002394148	03/17/09	UB Refund Cst #0000134002	18.15	18.15
2016901	03/18/09	10021	CHARLES CHURCH	Ref002394120	03/17/09	UB Refund Cst #0000094583	37.68	37.68
2016902	03/18/09	10005	CHARLES GRISBY	Ref002394103	03/17/09	UB Refund Cst #0000049204	21.98	21.98
2016903	03/18/09	10015	CHARLES HYSTAD	Ref002394113	03/17/09	UB Refund Cst #0000087492	9.41	9.41
2016904	03/18/09	10081	CHELSEA MATZ	Ref002394181	03/17/09	UB Refund Cst #0000143082	42.23	42.23
2016905	03/18/09	10049	CHRIS MCCASLIN	Ref002394149	03/17/09	UB Refund Cst #0000138881	97.03	97.03
2016906	03/18/09	10051	CITY OF CHULA VISTA	Ref002394151	03/17/09	UB Refund Cst #0000139369	554.41	554.41
2016907	03/18/09	10088	CORPUS CHRISTI CHURCH	Ref002394188	03/17/09	UB Refund Cst #0000144697	679.96	679.96
2016908	03/18/09	10047	COUNTRYWIDE BANK	Ref002394147	03/17/09	UB Refund Cst #0000133950	23.48	23.48
2016909	03/18/09	10010	DANIEL GASTELUM	Ref002394108	03/17/09	UB Refund Cst #0000074078	85.29	85.29
2016910	03/18/09	10085	DAVID CANTOR	Ref002394185	03/17/09	UB Refund Cst #0000143811	23.92	23.92
2016911	03/18/09	10086	DRAWDECA INC	Ref002394186	03/17/09	UB Refund Cst #0000144058	58.46	58.46
2016912	03/18/09	10060	ELISA PESKIN	Ref002394160	03/17/09	UB Refund Cst #0000141064	44.91	44.91
2016913	03/18/09	10032	ELVIA DE LA CRUZ	Ref002394131	03/17/09	UB Refund Cst #0000124947	51.32	51.32
2016914	03/18/09	10028	ERICKSON HALL CONSTRUCTION CO	Ref002394127	03/17/09	UB Refund Cst #0000124298	444.22	444.22
2016915	03/18/09	10004	ESTBAN ROBINSON	Ref002394102	03/17/09	UB Refund Cst #0000037523	38.15	38.15
2016916	03/18/09	10008	FERNANDO GONZALES	Ref002394106	03/17/09	UB Refund Cst #0000065303	44.45	44.45

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2016917	03/18/09	10040	GARY KENT	Ref002394140	03/17/09	UB Refund Cst #0000127152	63.50	63.50
2016918	03/18/09	10059	GARY KENT & ASSOC	Ref002394159	03/17/09	UB Refund Cst #0000141008	63.03	63.03
2016919	03/18/09	10001	GERALD DUNCAN	Ref002394098	03/17/09	UB Refund Cst #0000001962	18.95	18.95
2016920	03/18/09	10025	GIOMAR CHAVEZ	Ref002394124	03/17/09	UB Refund Cst #0000121749	18.92	18.92
2016921	03/18/09	10080	GREAG SEALE	Ref002394180	03/17/09	UB Refund Cst #0000143031	20.70	20.70
2016922	03/18/09	10069	GREGG PHILLIPSON	Ref002394169	03/17/09	UB Refund Cst #0000142163	29.20	29.20
2016923	03/18/09	10030	HAMANN CONSTRUCTION	Ref002394129	03/17/09	UB Refund Cst #0000124683	855.16	855.16
2016924	03/18/09	10044	HERLINDA RYAN INC	Ref002394144	03/17/09	UB Refund Cst #0000128098	45.52	45.52
2016925	03/18/09	10057	HERLINDA RYAN INC	Ref002394157	03/17/09	UB Refund Cst #0000140378	45.16	45.16
2016926	03/18/09	10073	JESUS MEZA	Ref002394173	03/17/09	UB Refund Cst #0000142657	56.33	56.33
2016927	03/18/09	09936	JESUS ORALIA BELTRAN	Ref002394132	03/17/09	UB Refund Cst #0000125127	46.99	46.99
2016928	03/18/09	10024	JIM YACOO	Ref002394123	03/17/09	UB Refund Cst #0000120469	699.97	699.97
2016929	03/18/09	10016	JORGE MACIAS	Ref002394114	03/17/09	UB Refund Cst #0000088727	84.30	84.30
2016930	03/18/09	10029	JOSE RUIZ	Ref002394128	03/17/09	UB Refund Cst #0000124422	75.00	75.00
2016931	03/18/09	10014	JOVANA VALDEZ	Ref002394112	03/17/09	UB Refund Cst #0000083568	77.27	77.27
2016932	03/18/09	10037	JULIA BUNKER	Ref002394137	03/17/09	UB Refund Cst #0000126824	8.22	8.22
2016933	03/18/09	10041	KNUTE OBRIEN	Ref002394141	03/17/09	UB Refund Cst #0000127398	33.78	33.78
2016934	03/18/09	10013	LARRY WAYNE FLOYD JR	Ref002394111	03/17/09	UB Refund Cst #0000082271	12.73	12.73
2016935	03/18/09	10058	LILIANA ROBLES	Ref002394158	03/17/09	UB Refund Cst #0000140712	52.32	52.32
2016936	03/18/09	10006	LUCA ALLIERI	Ref002394104	03/17/09	UB Refund Cst #0000053010	64.56	64.56
2016937	03/18/09	08189	LUIS ISLAS	Ref002394099	03/17/09	UB Refund Cst #0000003039	86.07	86.07
2016938	03/18/09	10011	MAJIDA ARABO	Ref002394109	03/17/09	UB Refund Cst #0000075062	61.23	61.23
2016939	03/18/09	10067	MARC CARPENTER & ASSOCIATES	Ref002394167	03/17/09	UB Refund Cst #0000141980	52.45	52.45
2016940	03/18/09	10003	MARIGRACE DIAZ	Ref002394101	03/17/09	UB Refund Cst #0000012487	12.08	12.08

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2016941	03/18/09	10055	MARYANN AUGUSTINE	Ref002394155	03/17/09	UB Refund Cst #0000140123	57.27	57.27
2016942	03/18/09	10035	MAURICIO GARZA	Ref002394135	03/17/09	UB Refund Cst #0000125378	100.21	100.21
2016943	03/18/09	10002	MCMILLIN	Ref002394100	03/17/09	UB Refund Cst #0000012462	682.68	682.68
2016944	03/18/09	09920	MICHAEL MOYLAN	Ref002394117	03/17/09	UB Refund Cst #0000091838	28.00	28.00
2016945	03/18/09	10061	MIGUEL BADIOLA	Ref002394161	03/17/09	UB Refund Cst #0000141121	117.05	117.05
2016946	03/18/09	10023	MIGUEL BARRON	Ref002394122	03/17/09	UB Refund Cst #0000119855	111.12	111.12
2016947	03/18/09	10034	MIGUEL HOYOS	Ref002394134	03/17/09	UB Refund Cst #0000125265	15.91	15.91
2016948	03/18/09	10020	MIGUEL MARQUEZ	Ref002394119	03/17/09	UB Refund Cst #0000093715	50.69	50.69
2016949	03/18/09	10083	OLYMPIC PROPERTIES	Ref002394183	03/17/09	UB Refund Cst #0000143423	35.75	35.75
2016950	03/18/09	10038	OTAY MESA PROPERTY L P	Ref002394138	03/17/09	UB Refund Cst #0000127036	2,447.46	2,447.46
2016951	03/18/09	10052	OTAY MESA PROPERTY LP	Ref002394152	03/17/09	UB Refund Cst #0000139847	2,076.24	2,076.24
2016952	03/18/09	10022	PABLO ALVAREZ	Ref002394121	03/17/09	UB Refund Cst #0000094985	9.88	9.88
2016953	03/18/09	10007	PAUL CURTIS	Ref002394105	03/17/09	UB Refund Cst #0000061286	29.05	29.05
2016954	03/18/09	10012	PETRI HOLOPAINEN	Ref002394110	03/17/09	UB Refund Cst #0000079600	20.33	20.33
2016955	03/18/09	10050	ROBERT HARVERY	Ref002394150	03/17/09	UB Refund Cst #0000138905	47.86	47.86
2016956	03/18/09	10062	ROBERT SCHMIDT	Ref002394162	03/17/09	UB Refund Cst #0000141130	31.29	31.29
2016957	03/18/09	10064	ROBERT WEICHEL	Ref002394164	03/17/09	UB Refund Cst #0000141510	14.04	14.04
2016958	03/18/09	10018	ROBERTO LLAMAS	Ref002394116	03/17/09	UB Refund Cst #0000091743	28.10	28.10
2016959	03/18/09	10066	RUSSELL ELROD	Ref002394166	03/17/09	UB Refund Cst #0000141953	75.00	75.00
2016960	03/18/09	10078	SAN DIEGO REALTY INC	Ref002394178	03/17/09	UB Refund Cst #0000142853	39.28	39.28
2016961	03/18/09	10063	SAN DIEGO REO	Ref002394163	03/17/09	UB Refund Cst #0000141147	31.48	31.48
2016962	03/18/09	10042	SAN DIEGO REO REALTOR	Ref002394142	03/17/09	UB Refund Cst #0000127772	75.00	75.00
2016963	03/18/09	10043	SAN DIEGO REO REALTORS	Ref002394143	03/17/09	UB Refund Cst #0000127951	75.00	75.00
2016964	03/18/09	10053	SANDY MILLER	Ref002394153	03/17/09	UB Refund Cst #0000139897	25.46	25.46

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2016965	03/18/09	10045	SKEETER LAGACE	Ref002394145	03/17/09	UB Refund Cst #0000131420	33.64	33.64
2016966	03/18/09	10084	SOLEX CONTRACTING	Ref002394184	03/17/09	UB Refund Cst #0000143428	763.32	763.32
2016967	03/18/09	10071	STEPHANIE GARCIA	Ref002394171	03/17/09	UB Refund Cst #0000142190	58.28	58.28
2016968	03/18/09	10033	STEVE GUTIERREZ	Ref002394133	03/17/09	UB Refund Cst #0000125205	16.72	16.72
2016969	03/18/09	10056	TEAM TOWNSON INC	Ref002394156	03/17/09	UB Refund Cst #0000140167	26.39	26.39
2016970	03/18/09	09999	THE EASTLAKE COMPANY	Ref002394096	03/17/09	UB Refund Cst #0000001215	706.37	706.37
2016971	03/18/09	10076	THOMAS CARROLL	Ref002394176	03/17/09	UB Refund Cst #0000142792	58.28	58.28
2016972	03/18/09	10079	TONTZ TEAM INC	Ref002394179	03/17/09	UB Refund Cst #0000142985	32.95	32.95
2016973	03/18/09	10027	TRIMARK PACIFIC HOMES	Ref002394126	03/17/09	UB Refund Cst #0000123504	151.11	151.11
2016974	03/18/09	10031	UNITED MISSIONARY BAPTIST	Ref002394130	03/17/09	UB Refund Cst #0000124791	59.90	59.90
2016975	03/18/09	10036	WACHOVIA	Ref002394136	03/17/09	UB Refund Cst #0000126540	39.07	39.07
2016976	03/18/09	10046	WACHOVIA BANK	Ref002394146	03/17/09	UB Refund Cst #0000133851	118.19	118.19
2016977	03/18/09	10065	WACHOVIA BANK	Ref002394165	03/17/09	UB Refund Cst #0000141715	208.52	208.52
2016978	03/18/09	10072	WACOVIA BANK	Ref002394172	03/17/09	UB Refund Cst #0000142628	20.97	20.97
2016979	03/18/09	06281	CALIF STATE DISBURSEMENT UNIT	Ben2394079	03/19/09	PAYROLL DEDUCTION	286.73	286.73
2016980	03/18/09	02344	FRANCHISE TAX BOARD	Ben2394081	03/19/09	PAYROLL DEDUCTION	313.82	313.82
2016981	03/18/09	03523	NATIONAL DEFERRED COMPENSATION	Ben2394065	03/19/09	DEFERRED COMP PLAN	11,049.77	11,049.77
2016982	03/18/09	03101	OTAY WATER DISTRICT	Ben2394067	03/19/09	PAYROLL DEDUCTION - ASSN DUES	826.00	826.00
2016983	03/18/09	00137	PETTY CASH CUSTODIAN	001075	03/17/09	PETTY CASH REIMBURSEMENT	1,406.49	1,406.49
2016984	03/18/09	06299	STATE DISBURSEMENT UNIT	Ben2394071	03/19/09	PAYROLL DEDUCTION	237.69	237.69
2016985	03/18/09	06303	STATE DISBURSEMENT UNIT	Ben2394075	03/19/09	PAYROLL DEDUCTION	836.30	836.30
2016986	03/18/09	08533	STATE DISBURSEMENT UNIT	Ben2394073	03/19/09	PAYROLL DEDUCTION	841.01	841.01
2016987	03/18/09	02261	STATE STREET BANK & TRUST CO	Ben2394063	03/19/09	DEFERRED COMP PLAN	5,797.54	5,797.54
2016988	03/18/09	05417	UNITED STATES DEPARTMENT	Ben2394077	03/19/09	PAYROLL DEDUCTION	100.00	100.00

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2016989	03/18/09	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2394069	03/19/09	DEFERRED COMP PLAN	7,474.09	7,474.09
2016990	03/18/09	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2394059	03/19/09	401A PLAN	6,717.78	6,717.78
2016991	03/18/09	01910	ABCANA INDUSTRIES	537623	02/26/09	BULK SODIUM HYPOCHLORITE	1,065.04	
				537489	02/23/09	BULK SODIUM HYPOCHLORITE	979.43	
				837621	02/26/09	BULK SODIUM HYPOCHLORITE	700.84	
				837492	02/23/09	BULK SODIUM HYPOCHLORITE	683.42	
				837622	02/26/09	BULK SODIUM HYPOCHLORITE	290.20	3,718.93
2016992	03/18/09	08488	ABLEFORCE INC	1624	03/10/09	CONSULTING SERVICES - IS DEPT	4,675.00	4,675.00
2016993	03/18/09	08492	ACCESS SECURITY CONTROLS	092179	02/25/09	ENROLLMENT READER	4,484.30	4,484.30
2016994	03/18/09	02362	ALLIED WASTE SERVICES #509	0509003456094	02/25/09	TRASH REMOVAL SERVICES	757.41	
				0509003457471	02/25/09	ASBESTOS DISPOSAL CONTAINER RENTAL	189.49	
				0509003458271	02/25/09	TRASH REMOVAL SERVICES	119.21	1,066.11
2016995	03/18/09	00107	AMERICAN WATER WORKS	2000692675	12/17/09	MEMBERSHIP RENEWAL	28.00	28.00
2016996	03/18/09	01509	ARC ERGONOMICS	24933	02/20/09	ROLLER MOUSE PRO	1,001.81	1,001.81
2016997	03/18/09	05753	ARRIETA CONSTRUCTION INC	5	02/25/09	R2086 RWCWRF FORCEMAIN AIR/VAC REPL	4,751.29	4,751.29
2016998	03/18/09	05758	AT&T	0821645728022509	02/25/09	OPTE MAN INTERNET BANDWIDTH	1,905.30	1,905.30
2016999	03/18/09	07785	AT&T	000000491780	03/17/09	PHONE SERVICES	5,976.91	5,976.91
2017000	03/18/09	08330	AT&T INTERNET SERVICES	8547826250209	02/22/09	OPTE MAN INTERNET BANDWIDTH	1,200.00	1,200.00
2017001	03/18/09	00559	BOYLE ENGINEERING CORPORATION	7050124	02/24/09	RECYCLED WATER PLAN CHECKING SERVICES	361.45	361.45
2017002	03/18/09	08542	BUCK PETROLEUM CO	2099118	02/24/09	DIESEL	5,522.27	5,522.27
2017003	03/18/09	00223	C W MCGRATH INC	32271	02/23/09	CRUSHED ROCK	1,176.29	
				32263	02/20/09	CRUSHED ROCK	698.22	
				32309	02/26/09	CRUSHED ROCK	267.91	2,142.42
2017004	03/18/09	02970	CALIFORNIA LAND SURVEYORS	001062	03/11/09	CONFERENCE REGISTRATION FEE	365.00	365.00
2017005	03/18/09	01004	CALOLYMPIC SAFETY	051765	02/23/09	O2 SENSOR	191.32	191.32
2017006	03/18/09	01894	CASS, LARRY A	001071	03/11/09	SAFETY BOOTS REIMBURSEMENT	97.41	97.41
2017007	03/18/09	01719	CHULA VISTA CHAMBER OF	9419	03/05/09	ANNUAL MEMBERSHIP RENEWAL	175.00	175.00
2017008	03/18/09	06519	CHULA VISTA POLICE DEPT	0904523	03/12/09	TRAFFIC COLLISION REPORT	10.00	10.00

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2017009	03/18/09	08160	COMPLETE OFFICE	11112310	02/23/09	ELECTRIC 3-HOLE PUNCH	317.86	317.86
2017010	03/18/09	03706	CONSUMERS PIPE & SUPPLY CO	S1093017007 S1093017006 S1093017008	02/06/09 02/06/09 02/12/09	WAREHOUSE SUPPLIES WAREHOUSE SUPPLIES WAREHOUSE SUPPLIES	423.22 372.34 22.02	817.58
2017011	03/18/09	02612	COUNCIL OF WATER UTILITIES	001069	03/12/09	MONTHLY MEETING	50.00	50.00
2017012	03/18/09	00099	COUNTY OF SAN DIEGO - DPW	102768 101069	02/05/09 01/16/09	EXCAVATION PERMITS EXCAVATION PERMITS	2,062.34 960.39	3,022.73
2017013	03/18/09	05959	DIAMOND ENVIRONMENTAL SERVICES	92CO1296	02/12/09	AERATION TANK RENTAL	5,700.00	5,700.00
2017014	03/18/09	09995	EAST COUNTY CALIFORNIAN	001065	03/10/09	ANNUAL NEWSPAPER SUBSCRIPTION	35.00	35.00
2017015	03/18/09	03725	ENVIRONMENTAL SYSTEMS RESEARCH	91926131	02/20/09	PROFESSIONAL DATABASE SUPPORT	5,282.70	5,282.70
2017016	03/18/09	03546	FERGUSON WATERWORKS #1082	0304453 03039971 0305027 0300581 0304956	02/24/09 02/24/09 02/24/09 01/22/09 02/24/09	INVENTORY INVENTORY VICTAULIC COUPLING CLAVALVE HYTROL REPAIR KITS INVENTORY	11,852.50 2,435.15 1,581.79 806.83 202.03	16,878.30
2017017	03/18/09	04066	FIRST CHOICE SERVICES - SD	309022	02/23/09	COFFEE SUPPLIES	159.12	159.12
2017018	03/18/09	00035	FISHER SCIENTIFIC	3925979	02/17/09	LABORATORY SUPPLIES	110.32	110.32
2017019	03/18/09	03537	GHA TECHNOLOGIES INC	533562	02/25/09	TONER	2,394.21	2,394.21
2017020	03/18/09	00101	GRAINGER INC	9847718963 9845765255	02/25/09 02/24/09	WAREHOUSE SUPPLIES EXTENSION LADDER	518.95 385.25	904.20
2017021	03/18/09	01576	GRAYBAR ELECTRIC CO INC	939924429	02/26/09	CABLE EQUIPMENT	1,766.64	1,766.64
2017022	03/18/09	00174	HACH COMPANY	6119626 6121446	02/20/09 02/23/09	APA 6000 PM PARTS APA 6000 PM PARTS	2,567.05 347.49	2,914.54
2017023	03/18/09	00169	HAWTHORNE POWER SYSTEMS	SS100063036	02/24/09	REPAIR	662.22	662.22
2017024	03/18/09	06640	HD SUPPLY WATERWORKS LTD	8615509	02/26/09	RAS 4" AND 6" VICTAULIC VALVES	1,885.52	1,885.52
2017025	03/18/09	00713	HEWLETT-PACKARD COMPANY	45660497 45650361	02/26/09 02/24/09	SERVER HP CARE PACK HARDWARE SUPPORT	3,568.68 383.00	3,951.68
2017026	03/18/09	09994	HOUSTON MEDICAL IMAGING LLC	204643HMIL	02/17/09	HEALTH EXAM	1,330.00	1,330.00
2017027	03/18/09	03280	INFRASTRUCTURE ENGINEERING	4205	01/30/09	CONST CONSULTANTS/640-1 RESERVOIR	4,027.94	4,027.94

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2017028	03/18/09	03812	INTERNATIONAL DIARIES	901379	02/10/09	2009 PLANNERS	39.80	39.80
2017029	03/18/09	03172	JONES & STOKES ASSOCIATES	0057738	11/08/08	ON-CALL ENVIRONMENTAL SVCS	2,095.00	2,095.00
2017030	03/18/09	09996	JOSEPH PEDREGON	RF042009807	03/13/09	REFUND OF OVER-PAYMENT	50.10	50.10
2017031	03/18/09	05109	KEARNY PEARSON FORD	107982	02/10/09	REPAIR PARTS	17.20	17.20
2017032	03/18/09	05840	KIRK PAVING INC	4223	02/26/09	AS NEEDED PAVING SERVICES	16,996.00	16,996.00
2017033	03/18/09	04996	KNOX ATTORNEY SERVICE INC	458194	02/20/09	DELIVERY OF BOARD & COMMITTEE PACKETS	28.60	
				458196	02/20/09	DELIVERY OF BOARD & COMMITTEE PACKETS	28.60	
				458195	02/20/09	DELIVERY OF BOARD & COMMITTEE PACKETS	28.60	
				458197	02/20/09	DELIVERY OF BOARD & COMMITTEE PACKETS	28.60	114.40
2017034	03/18/09	07784	LICON, HECTOR	001068	03/11/09	REIMB CWEA MEMBERSHIP RENEWAL	132.00	132.00
2017035	03/18/09	00628	MANHATTAN NAT'L LIFE INS CO	001077	03/18/09	VOLUNTARY LIFE INSURANCE	327.46	327.46
2017036	03/18/09	05329	MASTER METER INC	0150434IN	01/27/09	INVENTORY	9,674.91	9,674.91
2017037	03/18/09	01183	MCMASTER-CARR SUPPLY CO	22775237	02/25/09	WAREHOUSE SUPPLIES	417.93	
				20183377	01/23/09	REPLACEMENT GAUGES	246.96	
				22527252	02/23/09	REPAIR PARTS	66.78	731.67
2017038	03/18/09	06648	MEASUREMENT CONTROL	145299	02/17/09	LARGE METER TESTING	1,642.60	1,642.60
2017039	03/18/09	01063	MIRAMAR BOBCAT INC	P04168	02/26/09	REPAIR PARTS	190.83	190.83
2017040	03/18/09	02619	MITCHELL1	3808692	02/20/09	ONLINE AUTO REPAIR DATA	1,499.00	1,499.00
2017041	03/18/09	03393	MOBILE MINI LLC - CA	904196583	02/23/09	RENTAL 40' METER STORAGE CONTAINERS	179.27	179.27
2017042	03/18/09	03401	MODULAR MERCHANTS	1837	02/25/09	WORKSURFACE RECONFIGURATION	548.26	548.26
2017043	03/18/09	02094	MOTOWORLD OF EL CAJON	1520	02/25/09	ATV VEHICLE	12,748.90	12,748.90
2017044	03/18/09	04676	NAPA AUTO PARTS	136883		CREDIT MEMO	(373.64)	
				141371	02/25/09	REPAIR PARTS	175.80	
				141504	02/26/09	REPAIR PARTS	86.30	
				141506	02/26/09	REPAIR PARTS	86.30	
				141550	02/26/09	REPAIR PARTS	29.06	
				141256	02/24/09	REPAIR PARTS	23.68	
				141067	02/23/09	REPAIR PARTS	21.10	
				141061	02/23/09	REPAIR PARTS	16.57	
				141070	02/23/09	REPAIR PARTS	11.84	
				129064	10/22/08	REPAIR PART	10.75	

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
				141522	02/26/09	REPAIR PARTS	8.82	96.58
2017045	03/18/09	02848	NEWMAN, E PATRICK	001074	03/17/09	SAFETY BOOTS REIMBURSEMENT	108.23	108.23
2017046	03/18/09	03571	NEXTLEVEL INTERNET INC	18110	03/14/09	INTERNET WEB HOSTING	416.00	416.00
2017047	03/18/09	02669	NORTHERN TOOL & EQUIPMENT CO	19579309	02/26/09	HONDA GENERATOR	1,029.99	1,029.99
2017048	03/18/09	00510	OFFICE DEPOT INC	464855853001	02/25/09	OFFICE SUPPLIES	373.76	
				465424235001	02/25/09	OFFICE SUPPLIES	252.48	
				465425199001	02/25/09	OFFICE SUPPLIES	53.31	
				464742275001	02/25/09	OFFICE SUPPLIES	28.18	
				465425393001	02/25/09	OFFICE SUPPLIES	21.32	
				464295498001	02/25/09	OFFICE SUPPLIES	19.92	748.97
2017049	03/18/09	01726	OLDS, LARRY E	001073	03/16/09	SAFETY BOOTS REIMBURSEMENT	116.89	116.89
2017050	03/18/09	07945	OLIN CORP - CHLOR ALKALI	1126974	02/25/09	CHLORINE	2,187.55	2,187.55
2017051	03/18/09	01002	PACIFIC PIPELINE SUPPLY	130893	02/23/09	18" VITOLIC	486.85	486.85
2017052	03/18/09	05499	PRAXAIR DISTRIBUTION INC	32318223	02/20/09	WELDING SUPPLIES & EQUIPMENT	556.63	556.63
2017053	03/18/09	06641	PRUDENTIAL OVERALL SUPPLY	0125455	02/26/09	UNIFORMS	323.90	
				0125454	02/26/09	MATS, TOWELS & SUPPLIES	146.54	
				0125456	02/26/09	MATS, TOWELS & SUPPLIES	105.30	
				0121709	02/25/09	MATS, TOWELS & SUPPLIES	94.95	
				0121708	02/25/09	UNIFORMS	58.37	729.06
2017054	03/18/09	09804	PUBLICIA PRESS LTD	709945	02/20/09	BUSINESS CARDS	29.63	29.63
2017055	03/18/09	03279	ROTH STAFFING COMPANIES LP	Temp 12228097	03/13/09	TEMPORARY SERVICES - HR DEPT	1,578.24	
				12281874	03/06/09	TEMPORARY SERVICES - HR DEPT	1,052.16	2,630.40
2017056	03/18/09	01700	RUBALCAVA, GILBERT R	001078	03/17/09	REIMBURSE DEP CARE FLEX DED	230.75	230.75
2017057	03/18/09	00217	RW LITTLE CO INC	91451	02/18/09	POWDERCOATING	65.00	65.00
2017058	03/18/09	00121	SAN DIEGO GAS & ELECTRIC	001072	03/06/09	UTILITY EXPENSES	1,282.38	
				001067	03/05/09	UTILITY EXPENSES	1,182.70	2,465.08
2017059	03/18/09	01651	SHARP REES-STEALY MEDICAL CTRS	209	02/21/09	PRE-PLACEMENT PHYSICALS	78.00	78.00
2017060	03/18/09	01691	SKILLPATH SEMINARS	9790113	03/17/09	SEMINAR REGISTRATION	149.00	
				1350523	03/17/09	HANDBOOK	33.83	182.83
2017061	03/18/09	02918	SOUTH BAY FOUNDRY INC	0099462IN	02/23/09	PENTA HEAD SOCKETS	317.86	317.86

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2017062	03/18/09	00725	SOUTHLAND CLUTCH	29638	02/26/09	REPAIR PARTS	970.57	970.57
2017063	03/18/09	06537	SOUTHLAND TECHNOLOGY	SI29445	02/13/09	LCD SCREEN MOUNT AND INSTALL	1,209.50	1,209.50
2017064	03/18/09	03760	SPANKY'S PORTABLE SERVICES INC	800913	02/25/09	PORTABLE TOILET RENTAL	79.96	79.96
2017065	03/18/09	04843	SPRING VALLEY KIWANIS	001064	03/09/09	SPONSORSHIP	175.00	175.00
2017066	03/18/09	02354	STANDARD ELECTRONICS	12185	02/26/09	SECURITY SERVICE & REPAIRS	255.00	
				12186	02/26/09	SECURITY SERVICE & REPAIRS	221.12	476.12
2017067	03/18/09	09578	SUPPORT PRODUCT SERVICES	805	02/19/09	REPAIR HEAT EXCHANGER	11,670.40	11,670.40
2017068	03/18/09	00340	UNION BANK OF CALIFORNIA	3	03/05/09	ADMINISTRATIVE FEES/2007 COPS	1,872.00	1,872.00
2017069	03/18/09	08262	UNITED RENTALS NORTHWEST INC	79729239001	02/20/09	JACK HAMMER	1,104.44	
				79805582001	02/25/09	CONCRETE	177.79	
				79810240001	02/25/09	CONCRETE	118.53	1,400.76
2017070	03/18/09	00350	UNITED STATES POSTAL SERVICE	001061	03/12/09	REIMBURSE POSTAGE MACHINE	1,650.00	1,650.00
2017071	03/18/09	07662	UNITEDHEALTHCARE SPECIALTY	001076	03/18/09	BASIC LIFE/AD&D & SUPP LIFE INS	5,247.15	5,247.15
2017072	03/18/09	07674	US BANK CORPORATE PAYMENT	001066	02/23/09	DISTRICT EXPENSES	19,777.96	
				001070	02/23/09	DISTRICT EXPENSES	282.73	
				001063	02/23/09	DISTRICT EXPENSES	124.85	20,185.54
2017073	03/18/09	03190	VALCO INSTRUMENTS CO INC	90079752	02/20/09	HACH APA 6000 PM PARTS	4,355.44	4,355.44
2017074	03/18/09	07595	WALTERS WHOLESALE ELECTRIC CO	282221301	02/16/09	100 AMP/120/208 VOLT PANELBOARD	630.34	630.34
2017075	03/18/09	00190	WEST PAYMENT CENTER	817777369	02/20/09	LEGAL LIBRARY UPDATES	51.73	51.73
2017076	03/18/09	03131	WESTERN HOSE & GASKET	202671	02/26/09	SUCTION HOSE ASSEMBLY	522.30	522.30
2017077	03/18/09	00125	WESTERN PUMP INC	0074499IN	02/24/09	FUEL ISLAND REPAIRS	148.75	148.75
2017078	03/25/09	01910	ABCANA INDUSTRIES	837754	03/02/06	BULK HYPOCHLORITE SOLUTION	748.72	
				837753	03/02/09	BULK HYPOCHLORITE SOLUTION	631.19	
				837907	03/05/09	BULK HYPOCHLORITE SOLUTION	542.68	1,922.59
2017079	03/25/09	08027	AD MAIL DIRECT LLC	54766	02/27/09	POSTCARD MAILING	2,796.19	2,796.19
2017080	03/25/09	10090	AECOM USA INC	7050193	02/25/09	PLAN CHECKS & INSPECTION SERVICE	6,730.95	6,730.95
2017081	03/25/09	00132	AIRGAS WEST	103190717	02/28/09	BREATHING AIR - TREATMENT PLANT	25.73	25.73
2017082	03/25/09	00002	ANSWER INC	m201	03/22/09	TELEPHONE ANSWERING SERVICES	1,000.00	1,000.00

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2017083	03/25/09	03357	APEX ADVERTISING INC	351497	03/05/09	COMMUNITY INVOLVEMENT PRIZES	499.68	2,158.05
				351501	03/05/09	COMMUNITY INVOLVEMENT PRIZES	441.86	
				351499	03/05/09	COMMUNITY INVOLVEMENT PRIZES	334.01	
				351498	03/05/09	COMMUNITY INVOLVEMENT PRIZES	333.57	
				351500	03/05/09	COMMUNITY INVOLVEMENT PRIZES	329.74	
				351383	02/27/09	SEAT CUSHIONS	219.19	
2017084	03/25/09	00501	AT&T	CPS001079	03/12/09	CONFERENCE PHONE SERVICE	520.39	520.39
2017085	03/25/09	05758	AT&T	001080	03/07/09	PHONE SERVICE	32.44	32.44
2017086	03/25/09	03679	BRG CONSULTING INC	09012616	01/31/09	CONSULTANT CONTRACT FOR ENV SVCS	6,440.50	9,889.00
				09022716	02/28/09	CONSULTANT CONTRACT FOR ENV SVCS	3,448.50	
2017087	03/25/09	00223	C W MCGRATH INC	32356	03/03/09	CRUSHED ROCK	220.52	220.52
2017088	03/25/09	08690	CALIFORNIA BANK & TRUST	5R	01/31/09	RETENTION FOR NEWEST CONSTRUCTION	3,787.10	3,787.10
2017089	03/25/09	09800	CALIFORNIA BANK & TRUST	081602R	03/05/09	RETENTION FOR NEWEST CONSTRUCTION	12,180.35	12,180.35
2017090	03/25/09	00693	CALIFORNIA SPECIAL DISTRICTS	001090	03/19/09	SPECIAL JOINT CSDA/LAFCO MEETING	148.00	148.00
2017091	03/25/09	01004	CALOLYMPIC SAFETY	052697	03/16/09	REPAIR/RECERTIFIED TRIPOD WRENCH	601.66	601.66
2017092	03/25/09	08009	CANON BUSINESS SOLUTIONS INC	4001929208	03/01/09	COPIER MAINTENANCE	739.66	2,032.64
				4001927717	03/01/09	COPIER MAINTENANCE	683.49	
				4001924672	03/01/09	COPIER MAINTENANCE	576.22	
				4001924814	03/01/09	COPIER MAINTENANCE	33.27	
2017093	03/25/09	04071	CAPITOL WEBWORKS LLC	Temp 20933	02/28/09	ELECTRONIC FILING FEE	45.00	45.00
2017094	03/25/09	02758	CARMEL BUSINESS SYSTEMS INC	6947	03/01/09	RECORDS STORAGE & SUPPORT	1,524.83	1,524.83
2017095	03/25/09	03491	CASA DE ORO CAR WASH	14	02/28/09	CAR WASH SERVICES	1,123.97	1,123.97
2017096	03/25/09	09801	CENTERBEAM INC	12891	02/27/09	NETWORK CONSULTING SERVICES	80.81	80.81
2017097	03/25/09	06519	CHULA VISTA POLICE DEPT	0901079	03/25/09	TRAFFIC COLLISION REPORT	10.00	10.00
2017098	03/25/09	02593	CITY OF CHULA VISTA	001089	03/24/09	UTILITY PERMIT DEPOSIT	5,000.00	5,000.00
2017099	03/25/09	03706	CONSUMERS PIPE & SUPPLY CO	S1093017003	02/27/09	WAREHOUSE SUPPLIES	219.59	401.90
				S1093017001	02/05/09	WAREHOUSE SUPPLIES	182.31	
2017100	03/25/09	00099	COUNTY OF SAN DIEGO - DPW	101069A	01/16/09	EXCAVATION PERMITS	694.21	694.21
2017101	03/25/09	07601	CREATIVE BENEFITS INC	71648	03/01/09	FLEXIBLE SPENDING ACCT ADMINISTRATION	600.00	600.00

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2017102	03/25/09	02603	DELL MARKETING LP	XD5524JT1	03/05/09	TONER	271.53	271.53
2017103	03/25/09	07680	DELTA HEALTH SYSTEMS	P090317	03/17/09	EMPLOYEE HEALTH ADMINISTRATION SVCS	1,316.60	1,316.60
2017104	03/25/09	03417	DIRECTV	976091693	03/19/09	SATELLITE TV SERVICE	5.00	5.00
2017105	03/25/09	00230	EDP PRODUCTS INC	805911	02/27/09	CARTRIDGE STORAGE/RETRIEVAL	219.60	219.60
2017106	03/25/09	01012	EL CAJON FORD	290758	03/21/09	2009 FORD VEHICLE	18,849.14	
				290750	03/21/09	2009 FORD VEHICLE	18,270.04	
				290751	03/21/09	2009 FORD VEHICLE	18,270.04	55,389.22
2017107	03/25/09	06525	ELECTRIC MOTOR SPECIALISTS INC	2832	03/03/09	REBUILD PUMP AND MACHINE WORK	2,926.40	2,926.40
2017108	03/25/09	08023	EMPLOYEE BENEFIT SPECIALISTS	0045675IN	03/03/09	ADMINISTRATION FEES FOR COBRA	555.00	555.00
2017109	03/25/09	03757	FANDEL ENTERPRISES INC	1337	03/02/09	TELECOMMUNICATIONS CONSULTING SVCS	4,200.00	4,200.00
2017110	03/25/09	03546	FERGUSON WATERWORKS #1082	0305755	02/27/09	INVENTORY	3,873.50	
				0302871	02/27/09	MUELLER BFV ACTUATOR	1,608.94	
				03050271	03/02/09	VICTAULIC COUPLING	816.74	
				0306528	03/05/09	RING GASKETS	498.35	6,797.53
2017111	03/25/09	08005	FIRST AMERICAN CORELOGIC INC	20439469	02/28/09	METROSCAN ONLINE DATA/MAPS	453.15	453.15
2017112	03/25/09	08893	FIRST AMERICAN DATA TREE	90034029	02/28/09	ONLINE MAP PURCHASING SERVICE	142.32	142.32
2017113	03/25/09	04066	FIRST CHOICE SERVICES - SD	309327	03/05/09	COFFEE SUPPLIES	421.66	421.66
2017114	03/25/09	09509	FLICK, BEN & CAROL	17	03/02/09	WELLNESS CHALLENGE PROGRAM	150.00	
				18	03/02/09	WELLNESS CHALLENGE PROGRAM	150.00	
				19	03/04/09	WELLNESS CHALLENGE PROGRAM	150.00	450.00
2017115	03/25/09	09998	FRANK TOYOTA	75274	03/20/09	TOYOTA VEHICLE	14,214.51	14,214.51
2017116	03/25/09	03537	GHA TECHNOLOGIES INC	533914	02/27/09	TONER	732.70	732.70
2017117	03/25/09	00101	GRAINGER INC	9849569711	02/27/09	AQUA PURE FILTERS	993.80	
				9851280843	03/03/09	SOCKET SETS	464.64	
				9849408597	02/27/09	DUAL FLUSH HANDLE	63.04	
				9849275921	02/27/09	SHOP-VAC	51.40	1,572.88
2017118	03/25/09	02187	GREENSCAPE	2129	03/01/09	LANDSCAPING SERVICES	6,090.00	6,090.00
2017119	03/25/09	03773	GTC SYSTEMS INC	28692	02/28/09	TECHNICAL SUPPORT FOR CITRIX	487.50	487.50
2017120	03/25/09	02629	HANSON AGGREGATES INC	587177	03/03/09	CRUSHED AGGREGATES & ROCK	364.26	364.26

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2017121	03/25/09	00201	HARRINGTON INDUSTRIAL PLASTICS	00495152	02/27/09	3/4" SS CAM-LOCK FITTINGS & GASKETS	29.77	29.77
2017122	03/25/09	04472	HECTOR I MARES-COSSIO	48 49	03/24/09 03/24/09	BI-NATIONAL CONSULTANT SERVICES BI-NATIONAL CONSULTANT SERVICES	3,600.00 3,600.00	7,200.00
2017123	03/25/09	00713	HEWLETT-PACKARD COMPANY	45630294	02/19/09	COMPUTER HARDWARE	2.15	2.15
2017124	03/25/09	06843	HI-TECH AIR CONDITIONING	5622	02/27/09	HVAC EQUIPMENT REPAIR	1,056.50	1,056.50
2017125	03/25/09	01109	HOME DEPOT CREDIT SERVICES	6193338	03/10/09	WAREHOUSE SUPPLIES	284.74	284.74
2017126	03/25/09	08969	INFOSEND INC	36009 35928	03/02/09 02/27/09	POSTAGE BILL PRINTING SERVICES	17,383.81 7,830.49	25,214.30
2017127	03/25/09	02372	INTERIOR PLANT SERVICE INC	30346	02/28/09	PLANT SERVICE	169.00	169.00
2017128	03/25/09	06630	J C HEDEN AND ASSOCIATES INC	OWD025	03/03/09	TEMPORARY LABOR SERVICES	17,355.00	17,355.00
2017129	03/25/09	03077	JANI-KING OF CA INC - SDO	SDO03090969 SDO03090313	03/03/09 03/01/09	JANITORIAL SERVICES OFF-SITE JANITORIAL SERVICES	3,905.00 1,042.00	4,947.00
2017130	03/25/09	03172	JONES & STOKES ASSOCIATES	0060132 0060133	02/13/09 02/13/09	P1253 SAN MIGUEL HABITAT MGMT AREA ON-CALL ENVIRONMENTAL SVCS	12,984.00 4,898.50	17,882.50
2017131	03/25/09	05109	KEARNY PEARSON FORD	184239	02/27/09	SEAT BELT ASSEMBLY	164.53	164.53
2017132	03/25/09	10089	KENNEDY, ROBERT	3833609	03/11/09	LICENSE RENEWAL REIMBURSEMENT	125.00	125.00
2017133	03/25/09	04996	KNOX ATTORNEY SERVICE INC	460781 460783 460784 460785 461659 461656 461655 461654	03/03/09 03/03/09 03/03/09 03/03/09 03/05/09 03/05/09 03/05/09 03/05/09	DELIVERY OF BOARD & COMMITTEE PACKETS DELIVERY OF BOARD & COMMITTEE PACKETS	28.60 28.60 28.60 28.60 28.60 28.60 28.60 28.60	228.80
2017134	03/25/09	09997	LAW OFFICE OF ADELE L ABRAMS	21569	02/28/09	TRAINING SERVICES	2,489.27	2,489.27
2017135	03/25/09	09886	LIEBERT CORPORATION	CI1880587	02/27/09	INTELLISOFT WEB CARD	988.30	988.30
2017136	03/25/09	05220	LOGICALIS INTEGRATION SOLUTION	S922388 S922656 S820915	02/25/09 02/28/09 10/31/08	WIRELESS MESH PILOT PROGRAM NETWORK INFRASTRUCTURE CONSULTING NETWORK INFRASTRUCTURE CONSULTING	30,500.00 4,785.00 1,072.50	36,357.50
2017137	03/25/09	01464	MAG SYSTEMS INC	165214966	03/04/09	LOPS FLOW METER TOTALIZING MODULES	944.15	944.15

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2017138	03/25/09	02902	MARSTON+MARSTON INC	20093B 20093	03/01/09 03/01/09	PUBLIC RELATIONS SERVICES PUBLIC RELATIONS SERVICES	2,940.00 2,575.00	5,515.00
2017139	03/25/09	05329	MASTER METER INC	0151908IN	02/27/09	INVENTORY	32,011.45	32,011.45
2017140	03/25/09	00282	MCGRAW-HILL CONSTRUCTION/ENR	001081	03/16/09	SUBSCRIPTION RENEWAL	149.00	149.00
2017141	03/25/09	01183	MCMaster-CARR SUPPLY CO	23485656	03/05/09	MAINTENANCE ITEMS	439.38	439.38
2017142	03/25/09	04676	NAPA AUTO PARTS	141822 141611 142329 142283 142035 141997 141659	03/02/09 02/27/09 03/05/09 03/05/09 03/03/09 03/03/09 02/27/09	REPAIR PARTS REPAIR PARTS REPAIR PARTS REPAIR PARTS REPAIR PARTS REPAIR PARTS REPAIR PARTS	485.44 64.61 28.28 14.14 11.40 5.70 5.48	615.05
2017143	03/25/09	03733	NEC UNIFIED SOLUTIONS INC	TM0000004153	02/27/09	LABOR FOR PHONES SVCS	236.00	236.00
2017144	03/25/09	08531	NEWEST CONSTRUCTION	081602 5	03/05/09 01/31/09	450-1 RESERVOIR DISINFECTION FACILITY S2015 - CALAVO SEWER LIFT STATION	109,623.15 34,083.90	143,707.05
2017145	03/25/09	08531	NEWEST CONSTRUCTION	001085	03/23/09	DOCUMENTATION REQUEST FEES	17.50	17.50
2017146	03/25/09	02669	NORTHERN TOOL & EQUIPMENT CO	19550604 19605888 19550604	 03/05/09 02/19/09	PUMP COMPRESSOR TOOL	(149.99) 641.97 450.12	942.10
2017147	03/25/09	00510	OFFICE DEPOT INC	465946246001 465637784001 465878736001 465877860001 465425394001	03/04/09 03/04/09 03/04/09 03/04/09 03/04/09	OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES	1,036.08 169.33 146.20 34.85 19.92	1,406.38
2017148	03/25/09	09048	OMEGA ENGINEERING INC	804025	02/27/09	AUTODIALER ALARM UNIT	1,107.25	1,107.25
2017149	03/25/09	05497	PAYPAL INC	3661398	02/28/09	ON-LINE PAYMENT SERVICES	457.40	457.40
2017150	03/25/09	03790	PENHALL COMPANY	21361 21326	03/04/09 02/27/09	FLAT SAW CUTTING SERVICES FLAT SAW CUTTING SERVICES	430.00 200.00	630.00
2017151	03/25/09	00053	PITNEY BOWES INC	415329	03/03/09	POSTAL SECURITY DEVICE RENTAL	206.88	206.88
2017152	03/25/09	05333	PITTMAN, TINA	001082	03/18/09	SAFETY BOOTS REIMBURSEMENT	87.27	87.27
2017153	03/25/09	01715	PORRAS, PEDRO J	000901	12/23/08	CONFERENCE EXPENSES	796.20	796.20
2017154	03/25/09	02976	PRE-PAID LEGAL SERVICES INC	001086	03/24/09	LEGAL SERVICES	15.95	15.95

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2017155	03/25/09	06641	PRUDENTIAL OVERALL SUPPLY	0143743	03/05/09	UNIFORMS	311.90	
				0143742	03/05/09	MATS, TOWELS & SUPPLIES	148.78	
				0143744	03/05/09	MATS, TOWELS & SUPPLIES	106.42	
				0140011	03/04/09	MATS, TOWELS & SUPPLIES	94.95	
				0140010	03/04/09	UNIFORMS	63.49	
				0143745	03/05/09	UNIFORMS	45.19	770.73
2017156	03/25/09	00078	PUBLIC EMPLOYEES RETIREMENT	Ben2394061	03/19/09	PERS CONTRIBUTION	123,746.57	123,746.57
2017157	03/25/09	08331	RABO BANK NA	280209R	03/04/09	RETENTION FOR SPIESS CONSTRUCTION	45,177.50	45,177.50
2017158	03/25/09	09346	RECLAIMED AGGREGATES INC	9253	02/28/09	DUMPING SERVICES	120.00	120.00
2017159	03/25/09	00217	RW LITTLE CO INC	91591	02/27/09	SAND BLAST AND POWDER COAT PIPE	300.00	300.00
2017160	03/25/09	09148	S&J SUPPLY COMPANY INC	079900	02/27/09	INVENTORY	7,407.81	7,407.81
2017161	03/25/09	00121	SAN DIEGO GAS & ELECTRIC	001087	03/20/09	UTILITY EXPENSES	36,604.77	
				001084	03/19/09	UTILITY EXPENSES	19.12	
2017162	03/25/09	03809	SAN DIEGO NEIGHBORHOOD NEWS	02527096001	02/28/09	JOB POSTING	92.00	92.00
2017163	03/25/09	09339	SANGALANG, ALEX	001088	03/20/09	SAFETY BOOTS REIMBURSEMENT	96.95	96.95
2017164	03/25/09	05983	SIEMENS WATER	4539869	03/01/09	DEIONIZED PROCESSING TANK RENTAL	68.34	68.34
2017165	03/25/09	05627	SIGNA DIGITAL SOLUTIONS INC	ARS24842	03/03/09	COPIER MAINTENANCE	200.00	
				ARS24841	03/03/09	COPIER MAINTENANCE	200.00	
				ARS24840	03/03/09	COPIER MAINTENANCE	200.00	
				ARS24864	03/03/09	COPIER MAINTENANCE	144.00	
				ARS24839	03/03/09	COPIER MAINTENANCE	34.20	
2017166	03/25/09	03103	SOUTHCOAST HEATING &	265054	03/19/09	EXHAUST FAN REPLACEMENT	2,391.00	2,391.00
2017167	03/25/09	03760	SPANKY'S PORTABLE SERVICES INC	801979	03/05/09	PORTABLE TOILET RENTAL	98.15	98.15
2017168	03/25/09	03516	SPECIAL DISTRICT RISK	0028469IN	03/10/09	WORKERS' COMPENSATION PROGRAM	60,960.00	60,960.00
2017169	03/25/09	03184	SPIESS CONSTRUCTION CO INC	280209	03/04/09	P2191 - 850-4 RESERVOIR (CONSTRUCTION)	406,597.50	406,597.50
2017170	03/25/09	05494	SPRINT	901500243030	03/12/09	GIS (AIR-TRAK) CELLULAR SERVICE	3,539.15	3,539.15
2017171	03/25/09	04977	T-MOBILE	4150860450309	03/06/09	CELL PHONE & BLACKBERRY SERVICES	1,255.79	1,255.79
2017172	03/25/09	02799	TARULLI TIRE INC - SAN DIEGO	20037329	02/27/09	TIRE REPAIR	186.81	
				20037363	03/03/09	TIRE REPAIR	17.23	

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2016700 THROUGH 2017180
RUN DATES 3/4/2009 TO 3/25/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2017173	03/25/09	03608	TELLIARD CONSTRUCTION	4	01/15/09	R2053-RECL PLANT/RECYCLE WTR OFFICE	10,303.61	10,303.61
2017174	03/25/09	00427	UNDERGROUND SERVICE ALERT OF	220090433	03/01/09	UNDERGROUND TRENCH SERVICE ALERTS	213.00	213.00
2017175	03/25/09	00075	UNION TRIBUNE PUBLISHING CO	001010205958	03/06/09	JAMACHA RD PIPELINE BID	488.75	488.75
2017176	03/25/09	08262	UNITED RENTALS NORTHWEST INC	79867702001	03/04/09	BOOMLIFT RENTAL	588.64	
				79876578001	03/02/09	CONCRETE	177.79	
				79870997001	03/02/09	CONCRETE	159.47	925.90
2017177	03/25/09	04345	US CONCRETE PRECAST GROUP	0135569IN	03/04/09	30X48X36 VAULT	1,486.52	1,486.52
2017178	03/25/09	08028	VALLEY CONSTRUCTION MANAGEMEN	SD080205	02/28/09	AS-NEEDED CONSTRUCTION MGMT SVCS	11,405.00	11,405.00
2017179	03/25/09	07595	WALTERS WHOLESALE ELECTRIC CO	282323501		CREDIT MEMO	(1,948.55)	
				282152501	02/03/09	METER PEDESTAL	2,004.15	55.60
2017180	03/25/09	02700	WATER CONSERVATION GARDEN	1018	03/03/09	CONSERVATION GARDEN TOURS	590.00	590.00
2017181	03/25/09	06646	PACIFIC HYDROTECH	4712	01/12/09	CONSTRUCTION SERVICES	1,183,586.72	
				00001381	03/24/09	RETAINAGE RELEASE	39,398.74	1,222,985.46
GRAND TOTAL							3,991,688.68	3,991,688.68