



AGENDA ITEM 6a

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	November 4, 2009
SUBMITTED BY:	James Cudlip, Finance Manager	W.O./G.F. NO:	DIV. NO. All
APPROVED BY:	Joseph R. Beazhem, Chief Financial Officer (Chief)		
APPROVED BY:	German Alvarez, Assistant General Manager, Administration & (Asst. GM): Finance		
SUBJECT:	Resolution No. 4150 Approving the Form of and Authorizing the Execution and Delivery of a Purchase and Sale Agreement and Related Documents with Respect to the Sale of the Seller's Proposition 1A Receivable from the State; and Directing and Authorizing Certain Other Actions in Connection Therewith		

GENERAL MANAGER'S RECOMMENDATION:

Adopt Resolution No. 4150 authorizing the District to participate in the Proposition 1A Securitization Program, and authorizing the General Manager and Chief Financial Officer to execute and deliver related documents and take other related actions to complete this action.

COMMITTEE ACTION:

See Attachment A.

BACKGROUND:

Proposition 1A Suspension: Proposition 1A was passed by California voters in 2004 to ensure local property tax and sales tax revenues remain with local government, thereby safeguarding funding for the government agencies that are recipients of these revenues. Provisions can only be suspended if the Governor declares a fiscal necessity and two-thirds of the Legislature concur.

The emergency suspension of Proposition 1A was passed by the Legislature and signed by the Governor as ABX4-14 and ABX4-15 as part of the 2009-10 budget package on July 28, 2009. Under the provision, the State will borrow 8% of the amount of property tax revenue apportioned to cities, counties and special districts. The State is required to repay those obligations, plus interest at 2% per annum, by June 30, 2013.

The legislature is currently reviewing a clean-up bill (Senate Bill 67, "SB-67"), which would provide for a few critical changes to the enacted legislation, including but not limited to providing for: financing to occur in November; county auditor certification of amount of Prop 1A receivable; tax exempt structure; California Communities as the only issuer; more flexibility on bond structure (interest payments, state payment date and redemption features); sales among local agencies; and revision to the hardship mechanism. If for any reason SB-67 is not enacted and the bonds cannot be sold by December 31, 2009, all approved documents placed in escrow with Transaction counsel will be of no force and effect and will be destroyed.

Proposition 1A Securitization Program: Authorized under ABX4-15 and ABX4-15, the Proposition 1A Securitization Program was instituted to enable local agencies to sell their respective Proposition 1A taxes receivable to the California Statewide Communities Development Authority (CSCDA) ("California Communities"). Under the Securitization Program, California Communities will simultaneously purchase the Proposition 1A receivables, issue bonds ("Prop 1A Bonds"), and provide each local agency with the cash proceeds in two equal installments, on January 15, 2010 and May 3, 2010 (to coincide with the dates that the State will be withholding property tax from local agencies). The purchase price paid to the local agencies will equal 100% of the amount of the property tax reduction. All transaction costs of issuance and interest will be paid by the State of California. Participating local agencies will have no obligation on the bonds and no credit exposure to the State.

If the District sells its Proposition 1A Receivable under the Proposition 1A Securitization Program, California Communities will pledge the District's Proposition 1A Receivable to secure the repayment of a corresponding amount of the Prop 1A Bonds. The District's sale of its Proposition 1A Receivable will be irrevocable. Bondholders will have no recourse to the District if the State does not make the Proposition 1A Repayment.

Proposition 1A Program Sponsor: California Communities is a joint powers authority sponsored by the California State Association of Counties and the League of California Cities. The member agencies of California Communities include approximately 230 cities and 54 counties throughout California. The District does not need to be a member of California Communities to participate in this program.

ANALYSIS:

The benefits to the District of participation in the Proposition 1A Securitization Program include:

- Immediate cash reimbursement - the sale of the District's taxes receivable will provide the District with 100% of its property tax receivables on the dates that coincide with the dates that the State will be withholding the property taxes, on January 15, 2010 and May 3, 2010. These funds may be used for any lawful purpose of the District and are not restricted by the program.
- All costs of financing borne by the State of California - the District will not have to pay any interest cost or costs of issuance in connection with participation in this program.
- No obligation on the Bonds - the District has no obligation with respect to the payment of the bonds, nor any reporting, disclosure or other compliance obligations associated with the bonds.
- Opposition to Proposition 1A Suspension - participation in this bond program is one of the ways the District can show its disagreement with the State's action to withhold property tax revenues from local agencies.

The benefits to the District of not participating in the Program include:

- By not participating, the District funds withheld by the State would function like an investment. The interest rate the State has pledged to pay on the receivables, 2.0% for the projected 3-year duration of the program, is a favorable rate. At current investment rates, the District may not receive as high a return on investment as is being pledged by the State.
- The repayment is a priority payment behind General Fund obligations to schools and general obligation bonds.
- The State Constitution requires that the state provide repayment within a three-year period. It may make the repayment sooner, if funds are available.

- The estimated amount of taxes to be withheld by the State under the Proposition 1A suspension is \$275,000. Current budget projections are that this is not material enough to cause any reduction in services or to negatively affect the currently authorized customer rates

FISCAL IMPACT:



The estimated amount of taxes to be withheld by the State under the Proposition 1A suspension is \$275,000. As described above, this is not considered material enough to cause any adverse actions on either rates or operations.

STRATEGIC OUTLOOK:

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

LEGAL IMPACT:

None.



General Manager

Attachments:

- A) Committee Action Form
- B) Resolution No. 4150
- C) Purchase and Sale Agreement
- D) Prop 1A Receivables Seller Certificate



ATTACHMENT A

SUBJECT/PROJECT:

Resolution No. 4150 Approving the Form of and Authorizing the Execution and Delivery of a Purchase and Sale Agreement and Related Documents with Respect to the Sale of the Seller's Proposition 1A Receivable from the State; and Directing and Authorizing Certain Other Actions in Connection Therewith

COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting on October 19, 2009 and the following comments were made:

- Proposition 1A has been suspended and the State of California is borrowing approximately \$275,000 of the District's property tax revenue. The State is required to repay the obligation, plus interest at 2% annually, by June 30, 2013.
- Staff is proposing that the District participate in the Proposition 1A Securitization Program which would make the borrowed funds available to the District through the sale of its Proposition 1A tax receivables to the California Statewide Communities Development Authority (CSCDA). It is felt that the interest earned on the cash versus interest earnings from the State would be comparable.
- Staff feels that it would be better to participate with the Proposition 1A Securitization Program and receive the monies now. It will also signify that the \$275,000 is material to the District and that it requires the capital.
- Participating would also be a show of solidarity with other local agencies who might see dramatic reductions in service levels if this option is not available.

Following the discussion, the committee supported presentation to the full board as an action item.

RESOLUTION NO. 4150**BOARD OF DIRECTORS
OF THE
OTAY WATER DISTRICT**

A RESOLUTION APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AND SALE AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE SALE OF THE SELLER'S PROPOSITION 1A RECEIVABLE FROM THE STATE; AND DIRECTING AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, pursuant to Section 25.5 of Article XIII of the California Constitution and Chapter 14XXXX of the California Statutes of 2009 (Assembly Bill No. 15), as amended (the "Act"), certain local agencies within the State of California (the "State") are entitled to receive certain payments to be made by the State on or before June 30, 2013, as reimbursement for reductions in the percentage of the total amount of ad valorem property tax revenues allocated to such local agencies during the State's 2009-10 fiscal year (the "Reimbursement Payments"), which reductions have been authorized pursuant to Sections 100.05 and 100.06 of the California Revenue and Taxation Code;

WHEREAS, the Otay Water District, a local agency within the meaning of Section 6585(f) of the California Government Code (the "Seller"), is entitled to and has determined to sell all right, title and interest of the Seller in and to its "Proposition 1A receivable", as defined in Section 6585(g) of the California Government Code (the "Proposition 1A Receivable"), namely, the right to payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code, in order to obtain money to fund public capital improvements or working capital;

WHEREAS, the Seller is authorized to sell or otherwise dispose of its property as the interests of its residents require;

WHEREAS, the California Statewide Communities Development Authority, a joint exercise of powers authority organized and existing under the laws of the State (the "Purchaser"), has been authorized pursuant to Section 6588(x) of the California Government Code to purchase the Proposition 1A Receivable;

WHEREAS, the Purchaser desires to purchase the Proposition 1A Receivable and the Seller desires to sell the Proposition 1A Receivable pursuant to a purchase and sale agreement by and between the Seller and the Purchaser in the form presented to this Board of Directors (the "Sale Agreement") for the purposes set forth herein;

WHEREAS, in order to finance the purchase price of the Proposition 1A Receivable from the Seller and the purchase price of other Proposition 1A Receivables from other local agencies, the Purchaser will issue its bonds (the "Bonds") pursuant to Section 6590 of the California Government Code and an Indenture (the "Indenture"), by and between the Purchaser and Wells Fargo Bank, National Association, as trustee (the "Trustee"), which Bonds will be payable solely

from the proceeds of the Seller's Proposition 1A Receivable and other Proposition 1A Receivables sold to the Purchaser by local agencies in connection with the issuance of the Bonds;

WHEREAS, the Seller acknowledges that (i) any transfer of its Proposition 1A Receivable to the Purchaser pursuant to the Sale Agreement shall be treated as an absolute sale and transfer of the property so transferred and not as a pledge or grant of a security interest by Otay Water District to secure a borrowing, (ii) any such sale of its Proposition 1A Receivable to the Purchaser shall automatically be perfected without the need for physical delivery, recordation, filing or further act, (iii) the provisions of Division 9 (commencing with Section 9101) of the California Commercial Code and Sections 954.5 to 955.1 of the California Civil Code, inclusive, shall not apply to the sale of its Proposition 1A Receivable, and (iv) after such transfer, the Seller shall have no right, title, or interest in or to the Proposition 1A Receivable sold to the Purchaser and the Proposition 1A Receivable will thereafter be owned, received, held and disbursed only by the Purchaser or a trustee or agent appointed by the Purchaser;

WHEREAS, the Seller acknowledges that the Purchaser will grant a security interest in the Proposition 1A Receivable to the Trustee and any credit enhancer to secure payment of the Bonds;

WHEREAS, a portion of the proceeds of the Bonds will be used by the Purchaser to, among other things, pay the purchase price of the Proposition 1A Receivable;

WHEREAS, the Seller will use the proceeds received from the sale of the Proposition 1A Receivable for any lawful purpose as permitted under the applicable laws of the State;

NOW THEREFORE, the Board of Directors of the Otay Water District hereby resolves as follows:

Section 1. All of the recitals set forth above are true and correct, and this Board of Directors hereby so finds and determines.

Section 2. The Seller hereby authorizes the sale of the Proposition 1A Receivable to the Purchaser for a price equal to the amount certified as the Initial Amount (as defined in the Sale Agreement) by the County auditor pursuant to the Act. The form of Sale Agreement presented to the Board of Directors is hereby approved. An Authorized Officer (as set forth in Appendix A of this Resolution, attached hereto and by this reference incorporated herein) is hereby authorized and directed to execute and deliver the Sale Agreement on behalf of the Seller, which shall be in the form presented at this meeting.

Section 3. Any Authorized Officer is hereby authorized and directed to send, or to cause to be sent, an irrevocable written instruction to the State Controller (the "Irrevocable Written Instruction") notifying the State of the sale of the Proposition 1A Receivable and instructing the disbursement pursuant to Section 6588.6(c) of California Government Code of the Proposition 1A Receivable to the Trustee, on behalf of the Purchaser, which Irrevocable Written Instruction shall be in the form presented at this meeting.

Section 4. The Authorized Officers and such other Seller officers, as appropriate, are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents, including but not limited to, if required, appropriate escrow instructions relating to the delivery into escrow of executed documents prior to the closing of the Bonds, and such other documents mentioned in the Sale Agreement or the Indenture, which any of them may deem necessary or desirable in order to implement the Sale Agreement and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution; and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 5. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the sale of the Proposition 1A Receivable or the issuance of the Bonds, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, may be given or taken by an Authorized Officer without further authorization by this Board of Directors, and each Authorized Officer is hereby authorized and directed to give any such consent, approval, notice, order or request, to execute any necessary or appropriate documents or amendments, and to take any such action that such Authorized Officer may deem necessary or desirable to further the purposes of this Resolution.

Section 6. The Board of Directors acknowledges that, upon execution and delivery of the Sale Agreement, the Seller is contractually obligated to sell the Proposition 1A Receivable to the Purchaser pursuant to the Sale Agreement and the Seller shall not have any option to revoke its approval of the Sale Agreement or to determine not to perform its obligations thereunder.

Section 7. This Resolution shall take effect from and after its adoption and approval.

PASSED AND ADOPTED by the Board of Directors of the Otay Water District, State of California, this _____ day of _____, 2009, by the following vote:

AYES:

NOES:

ABSENT:

President

Attest:

Secretary

Approved as to form :

SELLER'S COUNSEL

By _____

Dated: _____

APPENDIX A

OTAY WATER DISTRICT

Authorized Officers: Mark Watton, General Manager

Joseph Beachem, Chief Financial Officer

any designee of any of them, as appointed in a written certificate of such Authorized Officer delivered to the Trustee.

OTAY WATER DISTRICT, CALIFORNIA,
as Seller

and

CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY,
as Purchaser

PURCHASE AND SALE AGREEMENT

Dated as of November 1, 2009

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PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT, dated as of November 1, 2009 (this "Agreement"), is entered into by and between:

- (1) OTAY WATER DISTRICT, a local agency of the State of California within the meaning of Section 6585(f) of the California Government Code (the "Seller"); and
- (2) CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY, a joint exercise of powers authority organized and existing under the laws of the State of California (the "Purchaser").

RECITALS

A. Pursuant to Section 25.5 of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code, local agencies within the meaning of Section 6585(f) of the California Government Code are entitled to receive certain payments to be made by the State of California (the "State") on or before June 30, 2013, as reimbursement for reductions in the percentage of the total amount of ad valorem property tax revenues allocated to such local agencies during the State's 2009-10 fiscal year, which reductions have been authorized pursuant to Sections 100.05 and 100.06 of the California Revenue and Taxation Code.

B. The Seller is the owner of the Proposition 1A Receivable (as defined below) and is entitled to and has determined to sell all right, title and interest in and to the Proposition 1A receivable, namely, the right to payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code, in order to obtain money to fund any lawful purpose as permitted under the applicable laws of the State.

C. The Seller is authorized to sell or otherwise dispose of its property as the interests of its residents require.

D. The Purchaser, a joint exercise of powers authority organized and existing under the laws of the State, has been authorized pursuant to Section 6588(x) of the California Government Code to purchase the Proposition 1A Receivable.

E. The Seller is willing to sell, and the Purchaser is willing to purchase, the Proposition 1A Receivable upon the terms specified in this Agreement.

F. Pursuant to its Proposition 1A Receivable Financing Program (the "Program"), the Purchaser will issue its bonds (the "Bonds") pursuant to an Indenture (the "Indenture"), between the Purchaser and Wells Fargo Bank, National Association, as trustee (the "Trustee"), and will use a portion of the proceeds thereof to purchase the Proposition 1A Receivable from the Seller.

G. The Purchaser will grant a security interest in such Proposition 1A Receivable to the Trustee and each Credit Enhancer to secure the Bonds.

AGREEMENT

NOW, THEREFORE, in consideration of the above Recitals and the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Definitions and Interpretation.

(a) For all purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires, capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in Exhibit A attached hereto and which is incorporated by reference herein.

(b) The words “hereof,” “herein,” “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement; section and exhibits references contained in this Agreement are references to sections and exhibits in or to this Agreement unless otherwise specified; and the term “including” shall mean “including without limitation.”

(c) Any agreement, instrument or statute defined or referred to herein or in any instrument or certificate delivered in connection herewith means such agreement, instrument or statute as from time to time may be amended, modified or supplemented and includes (in the case of agreements or instruments) references to all attachments and exhibits thereto and instruments incorporated therein; and any references to a Person are also to its permitted successors and assigns.

2. Agreement to Sell and Purchase; Conditions Precedent.

(a) The Seller agrees to sell, and the Purchaser agrees to purchase, on the Closing Date, for an amount equal to the Purchase Price, all right, title and interest of the Seller in and to the “Proposition 1A receivable” as defined in Section 6585(g) of the California Government Code (the “Proposition 1A Receivable”), namely, the right to payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code. The Purchase Price shall be paid by the Purchaser to the Seller in two equal cash installment payments, without interest (each, an “Installment Payment” and, collectively, the “Installment Payments”), on January 15, 2010, and May 3, 2010 (each a “Payment Date” and, collectively, the “Payment Dates”). The Purchaser shall pay the Purchase Price by wire transfer pursuant to wire instructions provided by the Seller to the Trustee by e-mail to john.deleray@wellsfargo.com or by facsimile to 213-614-3355, Attention: John Deleray. If wire instructions are not provided to the Trustee (or if such wire instructions are invalid) payment will be made by check mailed to the Seller’s Principal Place of Business.

(b) The performance by the Purchaser of its obligations hereunder shall be conditioned upon:

- (i) Transaction Counsel receiving on or before the date the Bonds are sold (the “Pricing Date”), to be held in escrow until the Closing Date and then delivered to the Purchaser on the Closing Date, the following documents

duly executed by the Seller or its counsel, as applicable: (1) an opinion of counsel to the Seller dated the Pricing Date in substantially the form attached hereto as Exhibit B1, (2) certificates dated the Pricing Date in substantially the forms attached hereto as Exhibit C1 and Exhibit C2, (3) irrevocable instructions to the Controller dated as of the Closing Date in substantially the form attached hereto as Exhibit D, (4) this Agreement, (5) a certified copy of the resolution of the Seller's Board of Directors approving this Agreement, the transactions contemplated hereby and the documents attached hereto as exhibits, and (6) an escrow instruction letter in substantially the form attached hereto as Exhibit E;

- (ii) Transaction Counsel receiving on or before the Pricing Date, (1) a bringdown opinion of counsel to the Seller dated as of the Closing Date in substantially the form attached hereto as Exhibit B2, and (2) a bill of sale and bringdown certificate of the Seller (the "Bill of Sale") in substantially the form attached hereto as Exhibit C3; provided that the Purchaser may waive, in its sole discretion, the requirements of Section 2(b)(ii)(1);
- (iii) the Purchaser issuing Bonds in an amount which will be sufficient to pay the Purchase Price; and
- (iv) the receipt by the Purchaser of a certification of the County Auditor confirming the Initial Amount of the Proposition 1A Receivable pursuant to the Act.

(c) The performance by the Seller of its obligations hereunder shall be conditioned solely upon the Purchaser's issuance of the Bonds its execution and delivery of this Agreement, pursuant to which it is legally obligated to pay the Installment Payments to the Seller on the Payment Dates as set forth in this Agreement, and no other act or omission on the part of the Purchaser or any other party shall excuse the Seller from performing its obligations hereunder. Seller specifically disclaims any right to rescind this Agreement, or to assert that title to the Proposition 1A Receivable has not passed to the Purchaser, should Purchaser fail to make Installment Payments in the requisite amounts on the Payment Dates.

3. Purchase Price, Conveyance of Proposition 1A Receivable and Payment of Purchase Price.

(a) Upon pricing of the Bonds by the Purchaser, the Purchaser will inform the Seller that it will pay the Purchase Price in Installment Payments on the Payment Dates.

(b) In consideration of the Purchaser's agreement to pay and deliver to the Seller the Installment Payments on the Payment Dates, the Seller agrees to (i) transfer, grant, bargain, sell, assign, convey, set over and deliver to the Purchaser, absolutely and not as collateral security, without recourse except as expressly provided herein, and the Purchaser agrees to purchase, accept and receive, the Proposition 1A Receivable, and (ii) assign to the Purchaser, to the extent permitted by law, all present or future rights, if any, of the Seller to enforce or cause the enforcement of payment of the Proposition 1A Receivable pursuant to the Act and other

applicable law. Such transfer, grant, bargain, sale, assignment, conveyance, set over and delivery is hereby expressly stated to be a sale and, pursuant to Section 6588.6(b) of the California Government Code, shall be treated as an absolute sale and transfer of the Proposition 1A Receivable, and not as a grant of a security interest by the Seller to secure a borrowing. This is the statement referred to in Sections 6588.6(b) and (c) of the California Government Code.

4. Representations and Warranties of the Purchaser. The Purchaser represents and warrants to the Seller, as of the date hereof, as follows:

(a) The Purchaser is duly organized, validly existing and in good standing under the laws of the State of California.

(b) The Purchaser has full power and authority to enter into this Agreement and to perform its obligations hereunder and has duly authorized such purchase and assignment of the Proposition 1A Receivable by the Purchaser by all necessary action.

(c) Neither the execution and delivery by the Purchaser of this Agreement, nor the performance by the Purchaser of its obligations hereunder, shall conflict with or result in a breach or default under any of its organizational documents, any law, rule, regulation, judgment, order or decree to which it is subject or any agreement or instrument to which it is a party.

(d) To the best of the knowledge of the Purchaser, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, is pending or threatened in any way against the Purchaser affecting the existence of the Purchaser or the titles of its commissioners or officers, or seeking to restrain or to enjoin the purchase of the Proposition 1A Receivable or to direct the application of the proceeds of the purchase thereof, or in any way contesting or affecting the validity or enforceability of any of the Transaction Documents or any other applicable agreements or any action of the Purchaser contemplated by any of said documents, or in any way contesting the powers of the Purchaser or its authority with respect to the Transaction Documents to which it is a party or any other applicable agreement, or any action on the part of the Purchaser contemplated by the Transaction Documents, or in any way seeking to enjoin or restrain the Purchaser from purchasing the Proposition 1A Receivable or which if determined adversely to the Purchaser would have an adverse effect upon the Purchaser's ability to purchase the Proposition 1A Receivable, nor to the knowledge of the Purchaser is there any basis therefor.

(e) This Agreement, and its execution, delivery and performance hereof have been duly authorized by it, and this Agreement has been duly executed and delivered by it and constitutes its valid and binding obligation enforceable against it in accordance with the terms hereof, subject to the effect of bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws relating to or affecting creditors' rights generally or the application of equitable principles in any proceeding, whether at law or in equity.

(f) The Purchaser is a separate legal entity, acting solely through its authorized representatives, from the Seller, maintaining separate records, books of account, assets, bank accounts and funds, which are not and have not been commingled with those of the Seller.

(g) All approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would adversely affect, the purchase by the Purchaser of the Proposition 1A Receivable or the performance by the Purchaser of its obligations under the Transaction Documents to which it is a party and any other applicable agreements, have been obtained and are in full force and effect.

(h) Insofar as it would materially adversely affect the Purchaser's ability to enter into, carry out and perform its obligations under any or all of the Transaction Documents to which it is a party, or consummate the transactions contemplated by the same, the Purchaser is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which it is a party or to which it or any of its property or assets is otherwise subject, and, to the best of the knowledge of the Purchaser, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument, and the execution and delivery by the Purchaser of the Transaction Documents to which it is a party, and compliance by the Purchaser with the provisions thereof, under the circumstances contemplated thereby, do not and will not conflict with or constitute on the part of the Purchaser a breach of or default under any agreement or other instrument to which the Purchaser is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Purchaser is subject.

5. Representations and Warranties of the Seller. The Seller hereby represents and warrants to the Purchaser, as of the date hereof, as follows:

(a) The Seller is a local agency within the meaning of Section 6585(f) of the California Government Code, with full power and authority to execute and deliver this Agreement and to carry out its terms.

(b) The Seller has full power, authority and legal right to sell and assign the Proposition 1A Receivable to the Purchaser and has duly authorized such sale and assignment to the Purchaser by all necessary action; and the execution, delivery and performance by the Seller of this Agreement has been duly authorized by the Seller by all necessary action.

(c) This Agreement has been, and as of the Closing Date the Bill of Sale will have been, duly executed and delivered by the Seller and, assuming the due authorization, execution and delivery of this Agreement by the Purchaser, each of this Agreement and the Bill of Sale constitutes a legal, valid and binding obligation of the Seller enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws relating to or affecting creditors' rights generally or the application of equitable principles in any proceeding, whether at law or in equity.

(d) All approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would adversely affect, the sale by the Seller of the Proposition 1A Receivable or the performance by the Seller of its

obligations under the Resolution and the Transaction Documents to which it is a party and any other applicable agreements, have been obtained and are in full force and effect.

(e) Insofar as it would materially adversely affect the Seller's ability to enter into, carry out and perform its obligations under any or all of the Transaction Documents to which it is a party, or consummate the transactions contemplated by the same, the Seller is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which it is a party or to which it or any of its property or assets is otherwise subject, and, to the best of the knowledge of the Seller, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument, and the adoption of the Resolution and the execution and delivery by the Seller of the Transaction Documents to which it is a party, and compliance by the Seller with the provisions thereof, under the circumstances contemplated thereby, do not and will not conflict with or constitute on the part of the Seller a breach of or default under any agreement or other instrument to which the Seller is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Seller is subject.

(f) To the best of the knowledge of the Seller, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, is pending or threatened in any way against the Seller affecting the existence of the Seller or the titles of its Board of Directors members or officers to their respective offices, or seeking to restrain or to enjoin the sale of the Proposition 1A Receivable or to direct the application of the proceeds of the sale thereof, or in any way contesting or affecting the validity or enforceability of any of the Transaction Documents or any other applicable agreements or any action of the Seller contemplated by any of said documents, or in any way contesting the powers of the Seller or its authority with respect to the Resolution or the Transaction Documents to which it is a party or any other applicable agreement, or any action on the part of the Seller contemplated by the Transaction Documents, or in any way seeking to enjoin or restrain the Seller from selling the Proposition 1A Receivable or which if determined adversely to the Seller would have an adverse effect upon the Seller's ability to sell the Proposition 1A Receivable, nor to the knowledge of the Seller is there any basis therefor.

(g) Prior to the sale of the Proposition 1A Receivable to the Purchaser, the Seller was the sole owner of the Proposition 1A Receivable, and has such right, title and interest to the Proposition 1A Receivable as provided in the Act. From and after the conveyance of the Proposition 1A Receivable by the Seller to Purchaser on the Closing Date, the Seller shall have no right, title or interest in or to the Proposition 1A Receivable. Except as provided in this Agreement, the Seller has not sold, transferred, assigned, set over or otherwise conveyed any right, title or interest of any kind whatsoever in all or any portion of the Proposition 1A Receivable, nor has the Seller created, or to the best knowledge of the Seller permitted the creation of, any lien, pledge, security interest or any other encumbrance (a "Lien") thereon. Prior to the sale of the Proposition 1A Receivable to the Purchaser, the Seller held title to the Proposition 1A Receivable free and clear of any Liens. As of the Closing Date, this Agreement, together with the Bill of Sale, constitutes a valid and absolute sale to the Buyer of all of the Seller's right, title and interest in and to the Proposition 1A Receivable.

(h) The Seller acts solely through its authorized officers or agents.

(i) The Seller maintains records and books of account separate from those of the Purchaser.

(j) The Seller maintains its respective assets separately from the assets of the Purchaser (including through the maintenance of separate bank accounts); the Seller's funds and assets, and records relating thereto, have not been and are not commingled with those of the Purchaser.

(k) The Seller's principal place of business and chief executive office is located at 2554 Sweetwater Springs Blvd, Spring Valley, CA 91978.

(l) The aggregate amount of the Installment Payments is reasonably equivalent value for the Proposition 1A Receivable. The Seller acknowledges that the amount payable to or on behalf of the Purchaser by the State with respect to the Proposition 1A Receivable will be in excess of the Purchase Price and the Initial Amount of the Proposition 1A Receivable and confirms that it has no claim to any such excess amount whatsoever.

(m) The Seller does not act as an agent of the Purchaser in any capacity, but instead presents itself to the public as an entity separate from the Purchaser.

(n) The Seller has not guaranteed and shall not guarantee the obligations of the Purchaser, nor shall it hold itself out or permit itself to be held out as having agreed to pay or as being liable for the debts of the Purchaser; and the Seller has not received nor shall the Seller accept any credit or financing from any Person who is relying upon the availability of the assets of the Purchaser in extending such credit or financing. The Seller has not purchased and shall not purchase any of the Bonds or any interest therein.

(o) All transactions between or among the Seller, on the one hand, and the Purchaser on the other hand (including, without limitation, transactions governed by contracts for services and facilities, such as payroll, purchasing, accounting, legal and personnel services and office space), whether existing on the date hereof or entered into after the date hereof, shall be on terms and conditions (including, without limitation, terms relating to amounts to be paid thereunder) which are believed by each such party thereto to be both fair and reasonable and comparable to those available on an arms-length basis from Persons who are not affiliates.

(p) The Seller has not, under the provisions of Section 100.06(b) of the California Revenue and Taxation Code, received a reduction for hardship or otherwise, nor has it requested, made arrangements for, or completed a reallocation or exchange with any other local agency, of the total amount of the ad valorem property tax revenue reduction allocated to the Seller pursuant to Section 100.06(a) of the California Revenue and Taxation Code.

6. Covenants of the Seller.

(a) The Seller shall not take any action or omit to take any action which adversely affects the interests of the Purchaser in the Proposition 1A Receivable and in the proceeds thereof. The Seller shall not take any action or omit to take any action that shall adversely affect

the ability of the Purchaser, and any assignee of the Purchaser, to receive payments of the Proposition 1A Receivable.

(b) The Seller shall not take any action or omit to take any action that would impair the validity or effectiveness of the Act, nor, without the prior written consent of the Purchaser or its assignees, agree to any amendment, modification, termination, waiver or surrender of, the terms of the Act, or waive timely performance or observance under the Act. Nothing in this agreement shall impose a duty on the Seller to seek to enforce the Act or to seek enforcement thereof by others, or to prevent others from modifying, terminating, discharging or impairing the validity or effectiveness of the Act.

(c) Upon request of the Purchaser or its assignee, (i) the Seller shall execute and deliver such further instruments and do such further acts (including being named as a plaintiff in an appropriate proceeding) as may be reasonably necessary or proper to carry out more effectively the purposes and intent of this Agreement and the Act, and (ii) the Seller shall take all actions necessary to preserve, maintain and protect the title of the Purchaser to the Proposition 1A Receivable.

(d) On or before the Closing Date, the Seller shall send (or cause to be sent) an irrevocable instruction to the Controller pursuant to Section 6588.6(c) of California Government Code to cause the Controller to disburse all payments of the Proposition 1A Receivable to the Trustee, together with notice of the sale of the Proposition 1A Receivable to the Purchaser and the assignment of all or a portion of such assets by the Purchaser to the Trustee. Such notice and instructions shall be in the form of Exhibit D hereto. The Seller shall not take any action to revoke or which would have the effect of revoking, in whole or in part, such instructions to the Controller. Upon sending such irrevocable instruction, the Seller shall have relinquished and waived any control over the Proposition 1A Receivable, any authority to collect the Proposition 1A Receivable, and any power to revoke or amend the instructions to the Controller contemplated by this paragraph. Except as provided in Section 2(c) of this Agreement, the Seller shall not rescind, amend or modify the instruction described in the first sentence of this paragraph. The Seller shall cooperate with the Purchaser or its assignee in giving instructions to the Controller if the Purchaser or its assignee transfers the Proposition 1A Receivable. In the event that the Seller receives any proceeds of the Proposition 1A Receivable, the Seller shall hold the same in trust for the benefit of the Purchaser and the Trustee and each Credit Enhancer, as assignees of the Purchaser, and shall promptly remit the same to the Trustee.

(e) The Seller hereby covenants and agrees that it will not at any time institute against the Purchaser, or join in instituting against the Purchaser, any bankruptcy, reorganization, arrangement, insolvency, liquidation, or similar proceeding under any United States or state bankruptcy or similar law.

(f) The financial statements and books and records of the Seller prepared after the Closing Date shall reflect the separate existence of the Purchaser and the sale to the Purchaser of the Proposition 1A Receivable.

(g) The Seller shall treat the sale of the Proposition 1A Receivable as a sale for regulatory and accounting purposes.

(h) From and after the date of this Agreement, the Seller shall not sell, transfer, assign, set over or otherwise convey any right, title or interest of any kind whatsoever in all or any portion of the Proposition 1A Receivable, nor shall the Seller create, or to the knowledge of the Seller permit the creation of, any Lien thereon.

7. The Purchaser's Acknowledgment. The Purchaser acknowledges that the Proposition 1A Receivable is not a debt or liability of the Seller, and that the Proposition 1A Receivable is payable solely by the State from the funds of the State provided therefor. Consequently, neither the taxing power of the Seller, nor the full faith and credit thereof is pledged to the payment of the Proposition 1A Receivable. No representation is made by the Seller concerning the obligation or ability of the State to make any payment of the Proposition 1A Receivable pursuant to Section 100.06 of the Revenue and Taxation Code and Section 25.5 of Article XIII of the California Constitution, nor is any representation made with respect to the ability of the State to enact any change in the law applicable to the Transaction Documents (including without limitation Section 100.06 of the Revenue and Taxation Code or Section 6588.6 of the Government Code). The Purchaser acknowledges that the Seller has no obligation with respect to any offering document or disclosure related to the Bonds.

8. Notices of Breach.

(a) Upon discovery by the Seller or the Purchaser that the Seller or Purchaser has breached any of its covenants or that any of the representations or warranties of the Seller or the Purchaser are materially false or misleading, in a manner that materially and adversely affects the value of the Proposition 1A Receivable or the Purchase Price thereof, the discovering party shall give prompt written notice thereof to the other party and to the Trustee, as assignee of the Purchaser, who shall, pursuant to the Indenture, promptly thereafter notify each Credit Enhancer and the Rating Agencies.

(b) The Seller shall not be liable to the Purchaser, the Trustee, the holders of the Bonds, or any Credit Enhancer for any loss, cost or expense resulting from the failure of the Trustee, any Credit Enhancer or the Purchaser to promptly notify the Seller upon the discovery by an authorized officer of the Trustee, any Credit Enhancer or the Purchaser of a breach of any covenant or any materially false or misleading representation or warranty contained herein.

9. Liability of Seller; Indemnification. The Seller shall be liable in accordance herewith only to the extent of the obligations specifically undertaken by the Seller under this Agreement. The Seller shall indemnify, defend and hold harmless the Purchaser, the Trustee and each Credit Enhancer, as assignees of the Purchaser, and their respective officers, directors, employees and agents from and against any and all costs, expenses, losses, claims, damages and liabilities to the extent that such cost, expense, loss, claim, damage or liability arose out of, or was imposed upon any such Person by the Seller's breach of any of its covenants contained herein or any materially false or misleading representation or warranty of the Seller contained herein. Notwithstanding anything to the contrary herein, the Seller shall have no liability for the payment of the principal of or interest on the Bonds issued by the Purchaser.

10. Limitation on Liability.

(a) The Seller and any officer or employee or agent of the Seller may rely in good faith on the advice of counsel or on any document of any kind, prima facie properly executed and submitted by any Person respecting any matters arising hereunder. The Seller shall not be under any obligation to appear in, prosecute or defend any legal action regarding the Act that is unrelated to its specific obligations under this Agreement.

(b) No officer or employee of the Seller shall have any liability for the representations, warranties, covenants, agreements or other obligations of the Seller hereunder or in any of the certificates, notices or agreements delivered pursuant hereto, as to all of which recourse shall be had solely to the assets of the Seller.

11. The Seller's Acknowledgment. The Seller hereby agrees and acknowledges that the Purchaser intends to assign and grant a security interest in all or a portion of (a) its rights hereunder and (b) the Proposition 1A Receivable, to the Trustee and each Credit Enhancer pursuant to the Indenture. The Seller further agrees and acknowledges that the Trustee, the holders of the Bonds, and each Credit Enhancer have relied and shall continue to rely upon each of the foregoing representations, warranties and covenants, and further agrees that such Persons are entitled so to rely thereon. Each of the above representations, warranties and covenants shall survive any assignment and grant of a security interest in all or a portion of this Agreement or the Proposition 1A Receivable to the Trustee and each Credit Enhancer and shall continue in full force and effect, notwithstanding any subsequent termination of this Agreement and the other Transaction Documents. The above representations, warranties and covenants shall inure to the benefit of the Trustee and each Credit Enhancer.

12. Notices. All demands upon or, notices and communications to, the Seller, the Purchaser, the Trustee or the Rating Agencies under this Agreement shall be in writing, personally delivered or mailed by certified mail, return receipt requested, to such party at the appropriate notice address, and shall be deemed to have been duly given upon receipt.

13. Amendments. This Agreement may be amended by the Seller and the Purchaser, with (a) the consent of the Trustee, (b) the consent of each Credit Enhancer, and (c) a Rating Agency Confirmation, but without the consent of any of the holders of the Bonds, for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement.

Promptly after the execution of any such amendment, the Purchaser shall furnish written notification of the substance of such amendment to the Trustee and to the Rating Agencies.

14. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Seller, the Purchaser and their respective successors and permitted assigns. The Seller may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the Purchaser. Except as specified herein, the Purchaser may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the Seller.

15. Third Party Rights. The Trustee and each Credit Enhancer are express and intended third party beneficiaries under this Agreement. Nothing expressed in or to be implied from this Agreement is intended to give, or shall be construed to give, any Person, other than the parties hereto, the Trustee, and each Credit Enhancer, and their permitted successors and assigns hereunder, any benefit or legal or equitable right, remedy or claim under or by virtue of this Agreement or under or by virtue of any provision herein.

16. Partial Invalidity. If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Agreement nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

17. Counterparts. This Agreement may be executed in any number of identical counterparts, any set of which signed by all the parties hereto shall be deemed to constitute a complete, executed original for all purposes.

18. Entire Agreement. This Agreement sets forth the entire understanding and agreement of the parties with respect to the subject matter hereof and supersedes any and all oral or written agreements or understandings between the parties as to the subject matter hereof.

19. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the Seller and the Purchaser have caused this Agreement to be duly executed as of the date first written above.

OTAY WATER DISTRICT, as Seller

By: _____
Authorized Officer

CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY, as Purchaser

By: _____
Authorized Signatory

EXHIBIT A
DEFINITIONS

For all purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires, capitalized terms not otherwise defined herein shall have the meanings set forth below.

“Act” means Chapter 14XXXX of the California Statutes of 2009 (Assembly Bill No. 15), as amended.

“Bill of Sale” has the meaning given to that term in Section 2(b)(ii) hereof.

“Closing Date” means the date on which the Bonds are issued. The Closing Date is expected to be November 19, 2009, but the Purchaser may change the Closing Date by providing e-mail notification to jbeachem@otaywater.gov not later than one day prior to the Closing Date.

“Controller” means the Controller of the State.

“County Auditor” means the auditor or auditor-controller of the county within which the Seller is located.

“Credit Enhancer” means any municipal bond insurance company, bank or other financial institution or organization which is performing in all material respects its obligations under any Credit Support Instrument for some or all of the Bonds.

“Credit Support Instrument” means a policy of insurance, a letter of credit, a stand-by purchase agreement, a revolving credit agreement or other credit arrangement pursuant to which a Credit Enhancer provides credit or liquidity support with respect to the payment of interest, principal or purchase price of the Bonds.

“Initial Amount” means, with respect to the Proposition 1A Receivable, the amount of property tax revenue reallocated away from the Seller pursuant to the provisions of Section 100.06 of the Revenue and Taxation Code, as certified by the County Auditor pursuant to the Act.

“Installment Payments” have the meaning set forth in Section 2(a).

“Payment Dates” have the meaning set forth in Section 2(a).

“Pricing Date” means the date on which the Bonds are sold. The Pricing Date is expected to be November 10, 2009, but the Purchaser may change the Pricing Date by providing e-mail notification to jbeachem@otaywater.gov not later than one day prior to the Pricing Date.

“Principal Place of Business” means, with respect to the Seller, the location of the Seller’s principal place of business and chief executive office located at 2554 Sweetwater Springs Blvd, Spring Valley, CA 91978.

“Proposition 1A Receivable” has the meaning set forth in Section 2(a).

“Purchase Price” means an amount equal to the Initial Amount.

“Rating Agency” means any nationally recognized rating agency then providing or maintaining a rating on the Bonds at the request of the Purchaser.

“Rating Agency Confirmation” means written confirmation from each Rating Agency that any proposed action will not, in and of itself, cause the Rating Agency to lower, suspend or withdraw the rating then assigned by such Rating Agency to any Bonds.

“Resolution” means the resolution adopted by the Board of Directors approving the sale of the Proposition 1A Receivable.

“State” means the State of California.

“Transaction Counsel” means Orrick, Herrington & Sutcliffe LLP.

“Transaction Documents” mean this Agreement, the Bill of Sale, the Indenture, the Bonds and the Irrevocable Instructions For Disbursement of Proposition 1A Receivable of Otay Water District, dated as of the Closing Date.

**OPINION OF COUNSEL
to
OTAY WATER DISTRICT**

Dated: Pricing Date

California Statewide Communities Development Authority
Sacramento, California

Wells Fargo Bank, National Association
Los Angeles, California

Re: Sale of Proposition 1A Receivable

Ladies & Gentlemen:

[I have/This Office has] acted as counsel for the Otay Water District (the “Seller”) in connection with the adoption of that certain resolution (the “Resolution”) of the Board of Directors of the Seller (the “Governing Body”) pursuant to which the Seller authorized the sale to the California Statewide Communities Development Authority (the “Purchaser”) of the Seller’s “Proposition 1A Receivable”, as defined in and pursuant to the Purchase and Sale Agreement dated as of November 1, 2009 (the “Sale Agreement”) between the Seller and the Purchaser. In connection with these transactions, the Seller has issued certain Irrevocable Instructions For Disbursement of the Seller’s Proposition 1A Receivable to the Controller of the State of California (the “Disbursement Instructions”) and a Bill of Sale and Bringdown Certificate of the Seller (the “Bill of Sale” and, collectively with the Sale Agreement and the Disbursement Instructions, the “Seller Documents”).

Unless the context otherwise requires, capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Sale Agreement. [I/We] have examined and are familiar with the Seller Documents and with those documents relating to the existence, organization, and operation of the Seller, the adoption of the Resolution, and the execution of the Seller Documents, and have satisfied ourselves as to such other matters as [I/we] deem necessary in order to render the following opinions. As to paragraphs numbered 3 and 4 below, [I/we] have relied as to factual matters on the representations and warranties of the Seller contained in the Sale Agreement.

Based upon the foregoing, and subject to the limitations and qualifications set forth herein, [I/we] are of the opinion that:

1. The Seller is a local agency, within the meaning of Section 6585(f) of the California Government Code. The Governing Body is the governing body of the Seller.

2. The Resolution was duly adopted at a meeting of the Governing Body, which was called and held pursuant to law and with all public notice required by law, and at which a quorum was present and acting throughout, and the Resolution is in full force and effect and has not been modified, amended or rescinded since the date of its adoption.

3. To the best of [my/our] knowledge, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, is pending or threatened in any way against the Seller (i) affecting the existence of the Seller or the titles of its Governing Body members or officers to their respective offices; (ii) seeking to restrain or to enjoin the sale of the Proposition 1A Receivable or to direct the application of the proceeds of the sale thereof, or materially adversely affecting the sale of the Proposition 1A Receivable; (iii) in any way contesting or affecting the validity or enforceability of the Resolution, Seller Documents or any other applicable agreements or any action of the Seller contemplated by any of said documents; or (iv) in any way contesting the powers of the Seller or its authority with respect to the Resolution or the Seller Documents or any other applicable agreement, or any action on the part of the Seller contemplated by any of said documents.

4. To the best of [my/our] knowledge, prior to the sale of the Proposition 1A Receivable to the Purchaser, the Seller had not sold, transferred, assigned, set over or otherwise conveyed any right, title or interest of any kind whatsoever in all or any portion of the Seller's Proposition 1A Receivable, nor had the Seller created, or permitted the creation of, any Lien thereon.

5. The Seller has duly authorized and executed the Seller Documents and, assuming the due authorization execution and delivery of the Sale Agreement by the Purchaser, each Seller Document will be legal, valid and binding against the Seller and enforceable against the Seller in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or laws relating to or affecting creditors' rights, and the application of equitable principles and the exercise of judicial discretion in appropriate areas.

No opinion is expressed concerning the obligation or ability of the State of California to make any payment of the Proposition 1A Receivable pursuant to Section 100.06 of the Revenue and Taxation Code and Section 25.5 of Article XIII of the California Constitution, nor is any opinion expressed with respect to the ability of the State to enact any change in the law applicable to the Seller Documents (including, without limitation, Section 100.06 of the Revenue and Taxation Code or Section 6588.6 of the Government Code). Furthermore, [I/we] express no opinion as to the value of the Proposition 1A Receivable or as to any legal or equitable remedies that may be available to any person should the Proposition 1A Receivable have little or no value. No opinion is expressed with respect to the sale of Bonds by the Purchaser.

The legal opinion set forth herein is intended for the information solely of the addressees hereof and for the purposes contemplated by the Sale Agreement. The addressees may not rely on it in connection with any transactions other than those described herein, and it is not to be relied upon by any other person or entity, or for any other purpose, or quoted as a whole or in part, or otherwise referred to, in any document, or to be filed with any governmental or administrative agency other than the Purchaser or with any other person or entity for any purpose without [my/our] prior written consent. In addition to the addressees hereof, each Credit Enhancer and the underwriters of the Bonds may rely upon this legal opinion as if it were addressed to them. [I/We] do not undertake to advise you of matters that may come to [my/our] attention subsequent to the date hereof that may affect the opinions expressed herein.

Very truly yours,

By: _____
Seller's Counsel

**OPINION OF COUNSEL
to
OTAY WATER DISTRICT**

Dated: Closing Date

California Statewide Communities Development Authority
Sacramento, California

Wells Fargo Bank, National Association
Los Angeles, California

Re: Sale of Proposition 1A Receivable (Bringdown Opinion)

Ladies & Gentlemen:

Pursuant to that certain Purchase and Sale Agreement dated as of November 1, 2009 (the "Sale Agreement") between the Otay Water District (the "Seller") and the California Statewide Communities Development Authority (the "Purchaser"), this Office delivered an opinion (the "Opinion") dated the Pricing Date as counsel for the Seller in connection with the sale of the Seller's Proposition 1A Receivable (as defined in the Sale Agreement), the execution of documents related thereto and certain other related matters.

Capitalized terms used but not defined herein shall have the meanings given to such terms in the Sale Agreement.

I confirm that you may continue to rely upon the Opinion as if it were dated as of the date hereof. Each Credit Enhancer and the underwriters of the Bonds may rely upon this legal opinion as if it were addressed to them. This letter is delivered to you pursuant to Section 2(b)(ii)(1) of the Sale Agreement.

Very truly yours,

By: _____
Seller's Counsel

**EXHIBIT C1
CLERK'S CERTIFICATE**

**CERTIFICATE OF THE
SECRETARY OF
OTAY WATER DISTRICT, CALIFORNIA**

Dated: Pricing Date

The undersigned Secretary of the Otay Water District (the "Seller"), a local agency of the State of California within the meaning of Section 6585(f) of the California Government Code, does hereby certify that the foregoing is a full, true and correct copy of Resolution No. _____ duly adopted at a regular meeting of the Board of Directors of said Seller duly and legally held at the regular meeting place thereof on the _____ day of _____, 2009, of which meeting all of the members of said Board of Directors had due notice and at which a quorum was present and acting throughout, and that at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

I do hereby further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office and that said resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes and that said resolution has not been amended, modified or rescinded since the date of its adoption and the same is now in full force and effect.

I do hereby further certify that an agenda of said meeting was posted at least 72 hours before said meeting at a location in the [City / Town / County] of Spring Valley, California freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

Capitalized terms used but not defined herein shall have the meanings given to such terms in the Purchase and Sale Agreement, dated as of November 1, 2009, between the Seller and the California Statewide Communities Development Authority.

WITNESS by my hand as of the Pricing Date.

By: _____
Secretary of the Otay Water District,
California

**EXHIBIT C2
SELLER CERTIFICATE**

SELLER CERTIFICATE

Dated: Pricing Date

We, the undersigned officers of the Otay Water District (the "Seller"), a local agency of the State of California within the meaning of Section 6585(f) of the California Government Code, holding the respective offices herein below set opposite our signatures, do hereby certify that on the date hereof the following documents (the "Seller Transaction Documents") were officially executed and delivered by the Authorized Officer or Officers whose names appear on the executed copies thereof, to wit:

Document

1. Purchase and Sale Agreement, dated as of November 1, 2009 (the "Sale Agreement"), between the Seller and the California Statewide Communities Development Authority (the "Purchaser").
2. Irrevocable Instructions For Disbursement of Seller's Proposition 1A Receivable to the Controller of the State of California, dated the Closing Date.
3. Bill of Sale, dated the Closing Date.

Capitalized terms used herein and not defined herein shall have the meaning given such terms in the Sale Agreement.

We further certify as follows:

1. At the time of signing the Seller Transaction Documents and the other documents and opinions related thereto, we held said offices, respectively, and we now hold the same.
2. The representations and warranties of the Seller contained in the Seller Transaction Documents are true and correct as of the date hereof in all material respects.
3. The Board of Directors duly adopted its resolution (the "Resolution") approving the sale of the Seller's Proposition 1A Receivable at a meeting of the Board of Directors which was duly called and held pursuant to law with all public notice required by law and at which a quorum was present and acting when the Resolution was adopted, and such Resolution is in full force and effect and has not been amended, modified, supplemented or rescinded.

Name, Official Title _____

Signature

Mark Watton, General Manager

Joseph Beachem, Chief Financial Officer

I HEREBY CERTIFY that the signatures of the officers named above are genuine.

Dated: Pricing Date

By: _____
Secretary of the Otay Water District,
California

EXHIBIT C3
BILL OF SALE AND BRINGDOWN CERTIFICATE

BILL OF SALE AND BRINGDOWN CERTIFICATE

Pursuant to terms and conditions of the Purchase and Sale Agreement (the "Sale Agreement"), dated as of November 1, 2009, between the undersigned (the "Seller") and the California Statewide Communities Development Authority (the "Purchaser"), and in consideration of the obligation of the Purchaser to pay and deliver to the Seller the Purchase Price (as defined in the Sale Agreement), in two equal installment payments to be made on January 15, 2010, and May 3, 2010 (collectively, the "Payment Dates"), the Seller does hereby (a) transfer, grant, bargain, sell, assign, convey, set over and deliver to the Purchaser, absolutely and not as collateral security, without recourse except as expressly provided in the Sale Agreement, the Proposition 1A Receivable as defined in the Sale Agreement (the "Proposition 1A Receivable"), and (b) assign to the Purchaser, to the extent permitted by law (as to which no representation is made), all present or future rights, if any, of the Seller to enforce or cause the enforcement of payment of the Proposition 1A Receivable pursuant to the Act and other applicable law. Such transfer, grant, bargain, sale, assignment, conveyance, set over and delivery is hereby expressly stated to be a sale and, pursuant to Section 6588.6(b) of the California Government Code, shall be treated as an absolute sale and transfer of the Proposition 1A Receivable, and not as a grant of a security interest by the Seller to secure a borrowing. Seller specifically disclaims any right to rescind the Agreement, or to assert that title to the Proposition 1A Receivable has not passed to the Purchaser, should Purchaser fail to make the installment payments in the requisite amounts on the Payment Dates.

The Seller hereby certifies that the representations and warranties of the Seller set forth in the Certificate of the Secretary dated the Pricing Date, the Seller Certificate dated the Pricing Date and in the Transaction Documents to which the Seller is a party are true and correct in all material respects as of the date hereof (except for such representations and warranties made as of a specified date, which are true and correct as of such date). Capitalized terms used but not defined herein shall have the meanings given to such terms in the Sale Agreement.

Dated: Closing Date

OTAY WATER DISTRICT

By: _____
Authorized Officer

EXHIBIT D
IRREVOCABLE INSTRUCTIONS TO CONTROLLER

IRREVOCABLE INSTRUCTIONS FOR DISBURSEMENT
OF PROPOSITION 1A RECEIVABLE OF
OTAY WATER DISTRICT

Dated: Closing Date

Office of the Controller
State of California
P.O. Box 942850
Sacramento, California 94250-5872

Re: Notice of Sale of Proposition 1A Receivable by the Otay Water District
and Wiring Instructions Information Form

Dear Sir or Madam:

Pursuant to Section 6588.6(c) of the California Government Code, Otay Water District (the "Seller") hereby notifies you of the sale by Seller, effective as of the date of these instructions written above, of all right, title and interest of the Seller in and to the "Proposition 1A Receivable" as defined in Section 6585(g) of the California Government Code (the "Proposition 1A Receivable"), namely, the right to payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code.

By resolution, the Seller's Board of Directors authorized the sale of the Proposition 1A Receivable to the California Statewide Communities Development Authority (the "Purchaser") pursuant to a Purchase and Sale Agreement, dated as of November 1, 2009 (the "Purchase and Sale Agreement") and a Bill of Sale, dated the Closing Date (as defined in the Purchase and Sale Agreement). The Proposition 1A Receivable has been pledged and assigned by the Purchaser pursuant to an Indenture, dated as of November 1, 2009 (the "Indenture") between the Purchaser and Wells Fargo Bank, National Association, as Trustee (the "Trustee").

The Seller hereby irrevocably requests and directs that, commencing as of the date of these instructions written above, all payments of the Proposition 1A Receivable (and documentation related thereto) be made directly to Wells Fargo Bank, National Association, as Trustee, in accordance with the wire instructions and bank routing information set forth below.

Please note that the sale of the Proposition 1A Receivable by the Seller is irrevocable and that: (i) the Seller has no power to revoke or amend these instructions at any time; (ii) the Purchaser shall have the power to revoke or amend these instructions only if there are no notes of the Purchaser outstanding under the Indenture and the Indenture has been discharged; and (iii) so long as the Indenture has not been discharged, these instructions cannot be revoked or amended by the Purchaser without the consent of the Trustee. Should

the Purchaser, however, deliver a written notice to the Office of the Controller stating that: (a) the Seller failed to meet the requirements set forth in the Purchase and Sale Agreement; (b) the Purchaser has not waived such requirements; and (c) the Purchaser has not purchased the Proposition 1A Receivable as a result of the circumstances described in (a) and (b) above, then these instructions shall be automatically rescinded and the Seller shall again be entitled to receive all payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code.

Bank Name: Wells Fargo Bank, N.A.
Bank ABA Routing #: 121000248
Bank Account #: 0001038377
Bank Account Name: Corporate Trust Clearing
Further Credit To: CSCDA Proposition 1A Bonds
Bank Address: 707 Wilshire Blvd., 17th Floor
MAC E2818-176
Los Angeles, CA 90017
Bank Telephone #: (213) 614-3353
Bank Contact Person: Robert Schneider

Please do not hesitate to call the undersigned if you have any questions regarding this transaction. Thank you for your assistance in this matter.

Very truly yours,

OTAY WATER DISTRICT

By: _____
Authorized Officer

EXHIBIT E
ESCROW INSTRUCTION LETTER

ESCROW INSTRUCTION LETTER

_____, 2009

California Statewide Communities Development Authority
1100 K Street
Sacramento, CA 95814

Re: Proposition 1A Receivable Financing

Dear Sir or Madam:

The Otay Water District (the "Seller") hereby notifies you of its agreement to participate in the California Statewide Communities Development Authority Proposition 1A Receivable Financing. By adoption of a resolution (the "Resolution") authorizing the sale of its Proposition 1A Receivable, the Seller's Board of Directors has agreed to sell to the California Statewide Communities Development Authority (the "Purchaser"), for a purchase price that meets the conditions set forth in the Resolution, all of its right, title and interest in the Proposition 1A Receivable.

Enclosed herewith are the following documents which have been duly approved and executed by the Seller and which are to be held in escrow by Orrick, Herrington & Sutcliffe LLP, as transaction counsel ("Transaction Counsel"), as instructed below:

1. certified copy of the Resolution, together with a certificate of the Secretary, dated the Pricing Date;
2. the Seller Certificate, dated the Pricing Date;
3. the Opinion of Seller's Counsel, dated the Pricing Date;
4. the Opinion of Seller's Counsel (bringdown opinion), dated the Closing Date;
5. the Purchase and Sale Agreement, dated as of November 1, 2009;
6. the Bill of Sale and Bringdown Certificate, dated the Closing Date; and
7. the Irrevocable Instructions to Controller, dated the Closing Date.

The foregoing documents are to be held in escrow by Transaction Counsel and shall be delivered on the Closing Date (as defined in the Purchase and Sale Agreement), provided that such Closing Date occurs on or before December 31, 2009.

Should (i) the Closing Date not occur on or before December 31, 2009, or (ii) Transaction Counsel receive prior to the Closing Date written notification from Seller or Seller's Counsel stating, respectively and in good faith, that the representations made in the Seller's Certificate are not true and accurate, or the opinions set forth in the Opinion of Seller's Counsel are not valid, in each case as of the Closing Date and provided that the Purchaser may, in its sole discretion, choose to waive receipt of such representations or opinions, then this agreement shall terminate and Transaction Counsel shall destroy all of the enclosed documents.

Very truly yours,

OTAY WATER DISTRICT

By: _____
Authorized Officer

Enclosures

cc: Orrick, Herrington & Sutcliffe LLP

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
REVENUE BONDS
(STATE OF CALIFORNIA PROPOSITION 1A RECEIVABLES PROGRAM)
SERIES 2009

CERTIFICATE OF THE SELLER RE:
COMPONENTS OF PROPOSITION 1A RECEIVABLES

The undersigned, an Authorized Officer of the Otay Water District (the "Seller") hereby certifies as follows with respect to that certain Purchase and Sale Agreement, dated as of November 1, 2009 (the "Agreement"), by and between the Seller and the California Statewide Communities Development Authority (the "Purchaser") as follows (all capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Agreement):

1. The components (the "Components") of the Proposition 1A Receivable listed in Schedule I, attached hereto and incorporated herein by reference, belong to the Seller;
2. The Components are listed as they appear on the certification of the County Auditor pursuant to Section 100.06 of the Revenue and Taxation Code;
3. By entering into the Agreement, the Seller is selling the Proposition 1A Receivable, including all Components thereof listed in Schedule I;
4. The Seller acknowledges that the Purchase Price of the Proposition 1A Receivable will be equal to aggregate the Initial Amounts of each Component as each such Component is separately certified by the County Auditor; and
5. The funds or other entities listed as Components in Schedule I (other than the Seller itself) are not independent legal entities with the power to enter into contracts.

Dated: Pricing Date

OTAY WATER DISTRICT

By: _____
Authorized Officer

ACKNOWLEDGEMENT OF SELLER'S COUNSEL

The undersigned, counsel to the Seller hereby acknowledges and confirms that the statements in paragraphs 1 and 5 of this certificate are legally correct.

By: _____
Seller's Counsel



STAFF REPORT

TYPE MEETING:	Regular Board Meeting	MEETING DATE:	November 4, 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 13, 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 8a

STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	November 4, 2009
SUBMITTED BY:		W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)	Joseph R. Beachem, Chief Financial Officer		
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager, Administration and Finance		
SUBJECT:	Informational Item Discussing the Ongoing Monitoring of the Water Rate Forecast		

GENERAL MANAGER'S RECOMMENDATION:

That the Board receives this informational item regarding the ongoing monitoring of the water rate forecast.

COMMITTEE ACTION: _____

Please see Attachment A.

PURPOSE:

To inform the Board of the ongoing monitoring of the water rate forecast.

ANALYSIS:

As a result of the greater than expected downturn in water sales, staff was prompted to reevaluate the rate forecast. The primary tool for this is the District's six-year rate model. Rates are projected such that the District's financial strength is maintained in all six years. This means that the debt coverage ratios remain strong and all reserve targets are met. The model was updated for numerous variables, with an end result that shows the projected necessary rate increase to maintain financial strength is expected to be very close to or slightly lower than the prior projection of 19.9%.

As there are many other variables that will be updated in the next budget process, the slight reduction is encouraging. Having said this, it is too early to modify the expectations of the customers.

Sales Volume Reduction

One of the most significant variables in the rate model is water sales. Staff has initiated numerous processes to increase the monitoring of sales. Using a new daily report, which shows potable and reclaimed sales along with budgeted sales, staff has seen that the conservation levels have started to moderate. Sales at the end of the first month were below budget by 12%. This increased to 13% by the end of August. This trend reversed itself in September with sales moving above budget, bringing the sales deficit down to 8% below budget.

This report is monitored closely not just to evaluate the projected sales but also to monitor how well the District is doing compared to the CWA water allocation. At the end of the first quarter, Otay's water purchases are 19.7% below the allocation levels. Staff estimates that it is very unlikely sales volumes will change in such a dramatic fashion such that the District would be at risk of paying the penalty pricing.

Rate Model Update

The updated rate model is encouraging as it takes into account a number of variables which put upward pressure on rates. Even with these pressures, the overall change was slightly down. In the list below, numerous modifications that put downward pressure on rates are listed along with those that put upward pressure on rates.

- Adjustments Reducing Rates
 - Cash Reserves Updated
 - Meter Sales are Up
 - Reduction and Deferral of the Debt Issuance
 - CIP Update
 - CWA Rate Correction
 - September/October Rate Increase
 - Legal Settlement

- Adjustments Increasing Rates
 - Prop 1A Amount Modification
 - 10.7% Additional Conservation
 - CWA September 1st Increase
 - 20,000 AFT Desal Fiscal 2012
 - Reclaimed Price Increase July 2010
 - Customer Credits

Ongoing Conservation

This updated rate model takes into account some significant negative impacts to the District. One of the most significant

is the substantial level of conservation set at 10.7% below budget, with additional 2% conservation in each of the next two years. This level appears to be moderately aggressive based on September sales rebounding to greater than budgeted levels. Having said this, it is reasonable to estimate that sales volumes will again drop with the new pricing signals and it is also reasonable that the water shortages will not abate in the near future, placing continued pressure on customers to conserve.

Reclaimed Water Purchase Price

Another significant variable is the reclaimed price increases. Staff took a very adverse stance on this variable and used the reclaimed rates shown in the City's recently released draft study. While staff estimates that this rate will not be realized due to the unreasonable approach of treating the District as a retail customer as opposed to a wholesale customer, staff wanted to see rates if this scenario is realized.

Deferral of Debt Issuance

Another significant change is the reduction and deferral of the planned COPS debt issuance. The prior estimate was that \$41 million was necessary to fund the next two years of CIP projects. With the new Engineering estimates and the higher than expected reserve level, the funding requirement has been reduced to \$25 million. Also significant is that almost all of this funding is not needed until the 2011 fiscal year. Staff is evaluating the pros and cons of deferring the debt issuance for one year. The primary benefit is that the District does not hold unneeded funds for one year while it pays interest. This early issuance strategy puts a significant requirement onto rates in an already financially difficult year. The primary negative is that interest rates are expected to increase during that year, which would increase the overall cost of a deferred issuance. Staff is working on the various scenarios and will be presenting this to the Board in the near future.

Optional Timing of the Rate Increase

A positive that has been highlighted by this rate model evaluation is the option for the Board, while maintaining strong debt coverage ratios, to increase rates in October of 2010 instead of waiting until January 2011 and by doing so reduces the next rate increase by a sizable amount. A fair portion of this reduced increase will be shifted to the subsequent year thereby smoothing out the rate impact to the customer.

Ongoing Assessments

The next budget cycle presents continued challenges. As staff gets closer to the budget cycle, significant efforts will be made to continue cost saving measures. It is also expected that the annual request to transfer funds will have sizable changes due to significant economic changes. Staff will continue to evaluate various rate model scenarios as the budget cycle approaches and as various economic factors become more clear. Any significant changes that present substantial challenges to the District will be brought forward for the Board's consideration.

FISCAL IMPACT:



None.

STRATEGIC GOAL:

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

LEGAL IMPACT:



General Manager

Attachments:

- A) Committee Action Form
- B) Presentation



ATTACHMENT A

SUBJECT/PROJECT:	Informational Item Discussing the Ongoing Monitoring of the Water Rate Forecast
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COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting on October 19, 2009 and the following comments were made:

- Due to a reduction in water sales this fiscal year, staff was prompted to evaluate the water rates earlier in the year than is typical. The lower sales volume is due to the:
 - Economic Recession
 - Conservation Messages
 - Pricing Signals
 - Cool Weather

- When rates are evaluated, staff assures that the District's financial strength is maintained at the same level in all six years. That is, that the District's debt coverage ratios remain strong and all reserve targets are met.

- The rate model was updated for various variables and it is projected that the rate increase will be very close 19.9% which is what staff had projected during the last budget cycle.

- Staff indicated the items that staff considered in the rate model to determine rates which included:
 - Adjustments Reducing Rates:
 - o Cash reserves updated
 - o Meter sales are up (Currently, sales are double than what was projected.)
 - o Annual debt issuances
 - o CIP update
 - ◆ Engineering revised its CIP budget due to the downturn in the economy and was able to push projects out which reduced the total debt required to be issued this fiscal year.
 - o CWA rate correction

- o September/October rate increase
- o Legal settlement

- Adjustments Increasing Rates:
 - o Prop 1A amount modification
 - o 10.7% additional water conservation
 - o CWA September 1, 2009 increase
 - o 20,000 AF of desalinated water to be available in 2012
 - o Reclaimed water price increase effective July 2010
 - o Customer credits (The credits issued totaled \$771,000 which will be offset by the legal settlement.)

- It was discussed that water sales at the end of July 2009 was 12% below budget and in August it was 13% below budget. In September, sales were over budget, which brought sales to approximately 8% below budget. (It was noted that, as of October 19, sales were 7.3% below budget.)

- CWA has implemented an allocation program and if the District's water purchase is more than its allotted amount, the penalty is twice or three times the water rate. Staff indicated at the end of the first quarter of the Fiscal Year, the District is 19.7% below its CWA allocation.

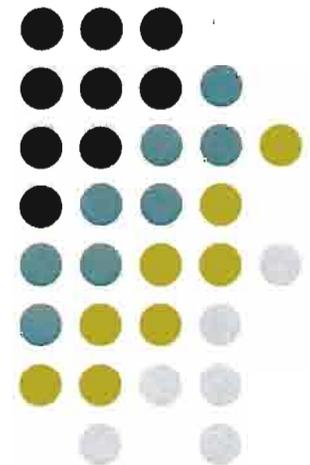
- The committee inquired how the lower sales have been affecting CWA. It was indicated that CWA will be presenting that information on Thursday, October 22, 2009, at their board meeting.

- It was discussed that staff is actively watching the budget and would present another update in June 2010.

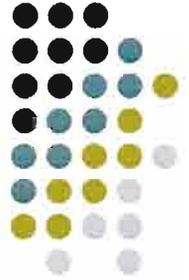
Following the discussion, the committee supported presentation to the full board as an informational item.

Rate Forecasting

November 4, 2009

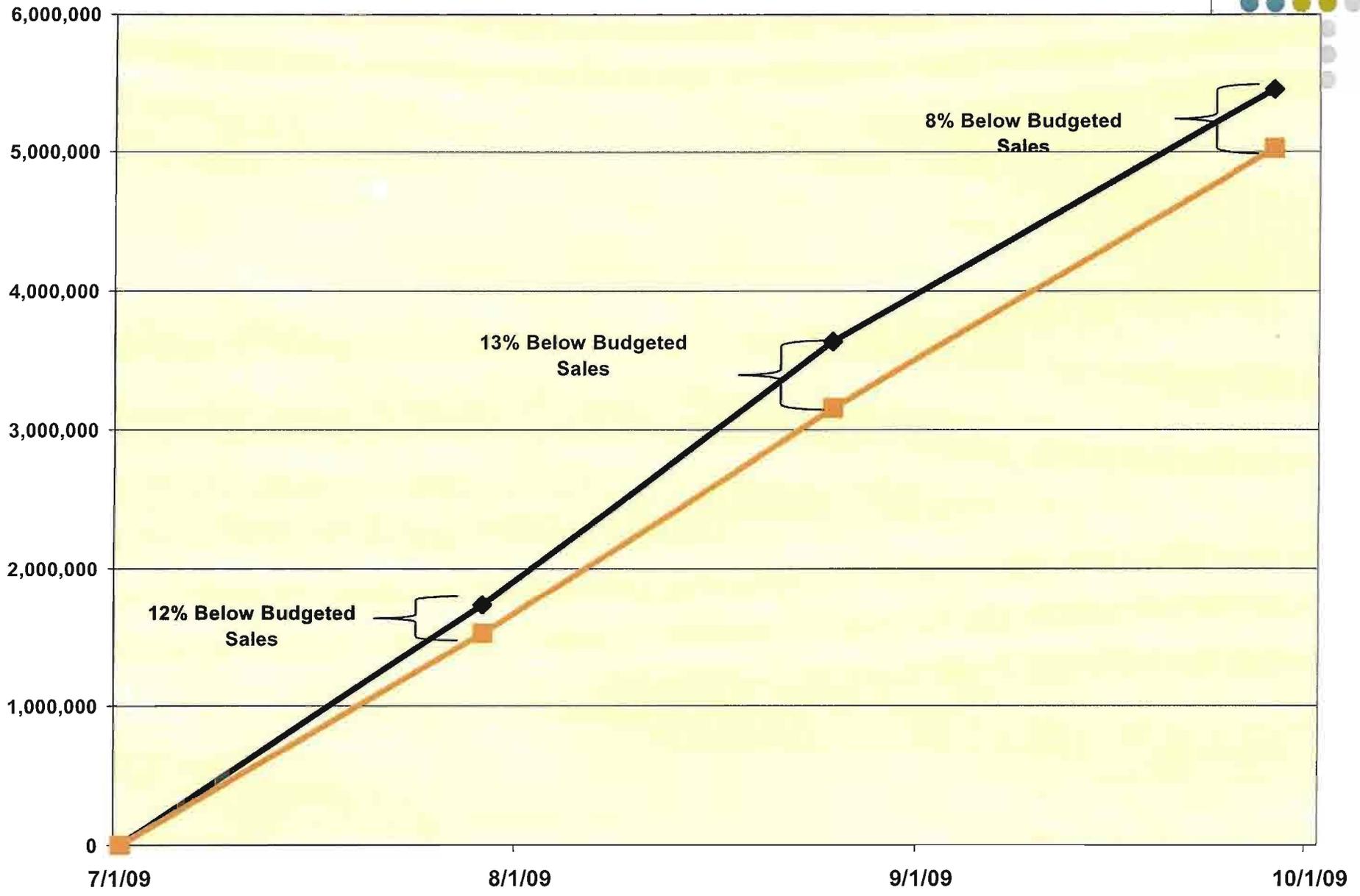
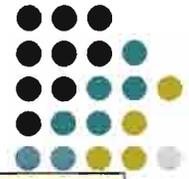


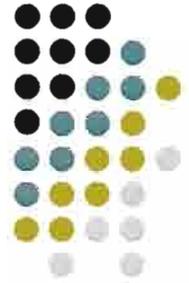
Factors Prompting an Updated Rate Forecast



- Sales Volume is Down
 - Economic Recession
 - Conservation Messages
 - Pricing Signals
 - Cool Weather
 - Potential El Nino
- Volume of water sold is 8% lower than budgeted.

Water Sales Volume

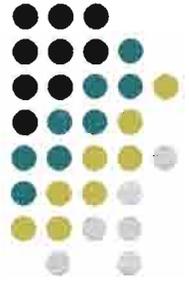




CWA Potable Allocation

- CWA has implemented an allocation program. If the District purchases more than the allotted amount then the District pays for the water at a much higher penalty price.
- At the end of the first quarter, the District is 19.7% below the allocation.

Rate Model Considerations



- Staff Reviews
 - Historical factors not matching model projections.
 - Future projections that no longer match model projections.
 - Factors controlled by the District.
 - Factors controlled by other parties.
 - Factors changing with economic changes.
 - Factors changed by potential contracts.



Rate Model Considerations

- Adjustments Reducing Rates
 - Cash Reserves Updated
 - Meter Sales are Up
 - Annual Debt Issuances
 - CIP Update
 - CWA Rate Correction
 - September/October Rate Increase
 - Legal Settlement
- Adjustments Increasing Rates
 - Prop 1A Amount Modification
 - 10.7% Additional Conservation
 - CWA September 1st Increase
 - 20,000 aft Desal Fiscal 2012
 - Reclaimed Price Increase July 2010
 - Customer Credits

Continued Monitoring & Evaluation



- During the next budgeting cycle staff expects the following changes:
 - Staffing Projections
 - CWA/MWD Rate Changes
 - Energy Costs
 - Materials & Administrative Costs
 - Additional CIP Adjustments
 - Growth Projections
 - Interest
 - Debt Financings

Ongoing Assessments



- While the initial revisions to the rate model are encouraging, it is too early to change expectations.



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	November 4, 2009
SUBMITTED BY:	Kelli Williamson, <i>[Signature]</i> Human Resources Manager	W.O./G.F. NO:	DIV. NO.
APPROVED BY: (Chief)	Rom Sarno, Chief of Administrative Services <i>[Signature]</i>		
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager, Finance and Administration <i>[Signature]</i>		
SUBJECT:	Information Regarding Contracting Non-Core District Services		

GENERAL MANAGER'S RECOMMENDATION:

This is an informational item.

COMMITTEE ACTION: _____

See Attachment A.

PURPOSE:

At the Budget Workshop held on May 21, 2009, the Board of Directors requested further information regarding contracting out of non-core services and the resulting cost-savings realized by the District. This report provides a summary of many of the changes that have been implemented in the past several years.

ANALYSIS:

In order to enhance efficiencies and reduce costs, Staff has looked for opportunities to outsource non-core functions in several areas that have resulted in a savings to the District. Often it is difficult to quantify the savings due to the services covering only a portion of a full-time equivalent (FTE) position. However, over the long term it enables the District to reduce the need for additional positions.

Some examples of complete programs that have been outsourced are easier to quantify. For example, in 2005, the District outsourced the landscaping function. The District was able to move the four FTE positions to other core areas that were experiencing growth and required additional resources in lieu of adding four additional employees (one each to Lead Meter Maintenance Worker, Meter

Maintenance/Cross Connection Worker, Recycled Water Distribution Operator and Water Systems Operator). Based on a review of those positions today, the District continues to realize a savings of approximately \$172,000 per year. In addition, in 2004 the District outsourced the janitorial services which included washing of District vehicles. The District was able to move the two FTE positions to other areas (one to Building Maintenance Assistant and one to Water Systems Operator). Based on a review of those positions today, the District continues to realize a savings of approximately \$61,000 per year.

Some other non-core duties that have been contracted out to enhance efficiencies and eliminate the need for additional staffing are as follows:

- Meter clean out work was contracted out and is no longer being conducted by our meter reading staff, allowing more reads per meter reader.
- AMR meter installations are performed by a contractor. This has both significantly reduced the cost per meter replacement and sped up the replacement process. This has resulted in a savings of approximately \$50,000 per year.
- Implementation of new fleet management program has allowed us to reduce costs and staffing. One mechanic position was eliminated in FY09 resulting in an ongoing annual savings of approximately \$105,000.
- Outsourcing of after-hour security response. After-hour alarms are handled by a security firm that is trained and equipped to respond and investigate security alarms. This has eliminated the need to have Otay staff respond from home or be diverted from other tasks. This has not only been more cost-effective but has also eliminated the risk of exposing staff to those situations.
- Outsourcing of after-hour monitoring of the Information Technology (IT) Network has not only improved the security of our systems and records but it is also significantly less expensive than adding staff with very specific training and certifications to manage this ever-changing technology.
- Credit card payment processing has saved us about .60 of an FTE position by not having our staff process payments directly and having an outside company provide this service at a much less expensive rate. In addition, the credit card fees were transitioned to the customers, saving the District additional funds. Overall, this is equivalent to approximately \$100,000 cost savings per year.

- Remittance processing services have eliminated the need for the District to add one FTE position, eliminated maintaining costly equipment, and major problems associated with Workers' Compensation claims from employee repetitive motion injuries. This is equivalent to approximately \$90,000 cost savings per year.
- The bill and file printing of customer invoices was outsourced at a significant savings in staff costs and equipment and improved options for services.
- Automatic out-dialing has eliminated the need for customer service staff to make calls and is significantly less expensive and provides increased flexibility on hours and days the calls can be made.
- Transfer of Water Conservation staff and administrative responsibility for managing the Garden has eliminated 3.8 FTE positions and continued subsidy by Otay of other conservation garden programs. The District provided approximately \$132,000 per year in-kind services for the Garden at the time the District was the host agency.
- Records room support which includes preparation, scanning, processing, storage, and destruction of official records has been outsourced to a records firm. This along with automation of records process has allowed us to not fill one FTE position and has significantly streamlined our records program. This is equivalent to approximately \$90,000 cost-savings per year.
- Potable and recycled water plan checking and inspection services for on-site recycled water systems are completed by an engineering firm. One full-time Engineering Technician was eliminated. This is equivalent to approximately \$102,000 cost savings per year.
- Beginning in January 2009, the District began using temporary employment services for Senior Civil Engineer duties. Although the costs are similar, by using temporary employment services, the District is able to better manage costs because as work fluctuates, the District can modify the hours a temporary employee is used.

Redirecting Resources to areas with increased workload

As part of its succession plan the District evaluates each current or anticipated vacancy to determine if the position should be filled as classified or moved to another area of greater priority and workload. This has resulted in several positions being either eliminated or reassigned to other departments/needs. Some examples include:

- Two Water System Operators to SCADA Technician and Assistant Disinfection Technician
- Accounting Assistant (Accounts Payable) to Customer Service Representative
- Program and Systems Support Analyst to GIS Programmer/Analyst
- Water Systems Supervisor to Lead Recycled Water Distribution Operator
- Water Systems Technician to Lead Reclamation Operator
- Human Resources Analyst to Water Conservation Specialist
- Engineering Technician I to Customer Service Representative I
- Associate Civil Engineer to Environmental Compliance Specialist
- Office Assistant (Engineering) to Customer Service Representative I

FISCAL IMPACT:



Although not all items are easily quantified in the analysis section, those with listed cost-savings are summarized in the chart below:

Type of Service	Cost-Savings
Landscaping	\$172,000
Janitorial Services	\$61,000
AMR Meter Installations	\$50,000
Fleet Mgmt. Program	\$105,000
Credit Card Payment Processing	\$100,000
Remittance Processing	\$90,000
In-Kind Support for Conservation Garden	\$132,000
Records Room Support	\$90,000
Plan Checking	\$102,000
TOTAL	\$902,000

STRATEGIC GOAL:

1. Optimize the District's Operating Efficiency.
2. Review Staffing Plan Needs.

LEGAL IMPACT: _____



General Manager

Attachment A - Committee Action



ATTACHMENT A

SUBJECT/PROJECT:	Information Regarding Contracting Non-Core Services
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COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting on October 19, 2009 and the following comments were made:

- Staff wished to provide an update on the savings that the District has realized from contracting out non-core services.
- To enhance efficiency and reduce costs, staff has looked for opportunities to outsource non-core functions. It is difficult to determine actual cost savings as services generally only cover a portion of a full-time equivalent (FTE) position. However, over the long term, outsourcing has enabled the District to reduce the need for additional positions.
- The District does have some examples of complete programs that have been outsourced which are easier to quantify. In 2005, the District outsourced the landscaping function and was able to move four FTE positions to other core functions that were experiencing growth (Lead Meter Maintenance Worker, Meter Maintenance/Cross Connection Worker, Recycled Water Distribution Operator and Water Systems Operator). The District has realized savings of \$172,000 per year by reallocating the four employees.
- The District also outsourced janitorial services in 2004 and reallocated two employees to other areas (Building Maintenance Assistant and Water Systems Operator) and realized savings of \$61,000 annually.
- Other non-core duties which have been contracted out to enhance efficiency and eliminate the need for additional staffing include:
 - Installation of AMR meters which provides a savings of approximately \$50,000 per year.
 - Implementation of a fleet management program which has reduced costs and staffing needs. One mechanic position was eliminated which has resulted in an ongoing annual savings of approximately \$105,000.

- Remittance processing services have been outsourced and provide an annual cost savings of \$90,000.
 - Records room support has been outsourced which provides savings of \$90,000 annually.
 - Potable and recycled water plan checking and inspection services for a yearly cost savings of \$102,000.
 - Reference staff report for other examples.
-
- As a standard process, staff evaluates every vacancy to determine if the position should be filled, moved to another area, or can be outsourced to increase efficiency and reduce costs while maintaining service.

Following the discussion, the committee supported presentation to the full board as an informational item.



AGENDA ITEM 8c

STAFF REPORT

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

GENERAL MANAGER'S RECOMMENDATION:

No recommendation. This is an informational item only.

COMMITTEE ACTION: _____

See "Attachment A".

PURPOSE:

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

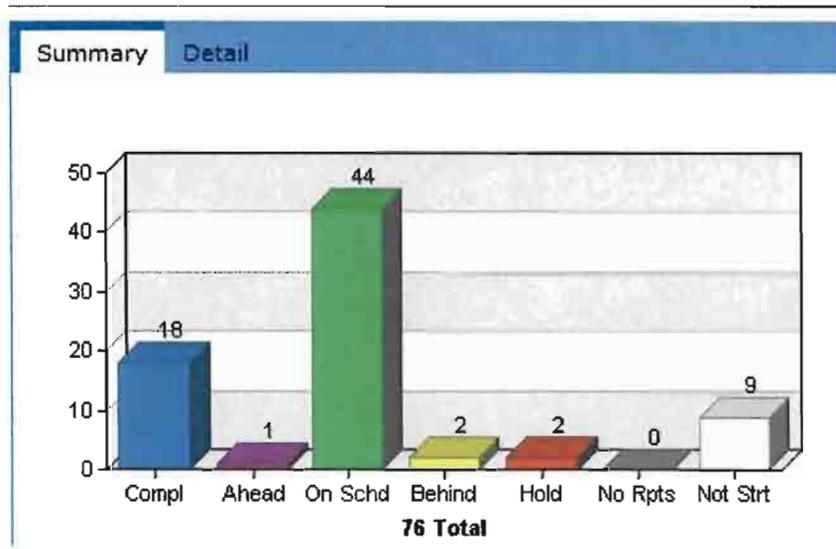
ANALYSIS:

The District has completed the first year of the Strategic Plan for FY 2009 to FY 2011. Overall, results continue to be positive with the District exceeding its target for both strategic plan objectives (at least 90% complete or on track) and performance measures (at least 75% on target). Detailed information on each objective and measure is also available electronically on the Board Extranet. Looking at these results in more detail:

Strategic Plan Objectives- 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 63 of 65 objectives (97%) complete, ahead, or on schedule and two items behind schedule. Nine items are not scheduled to start and two items are on hold and are thus excluded from the calculation.

Objectives: All Departments

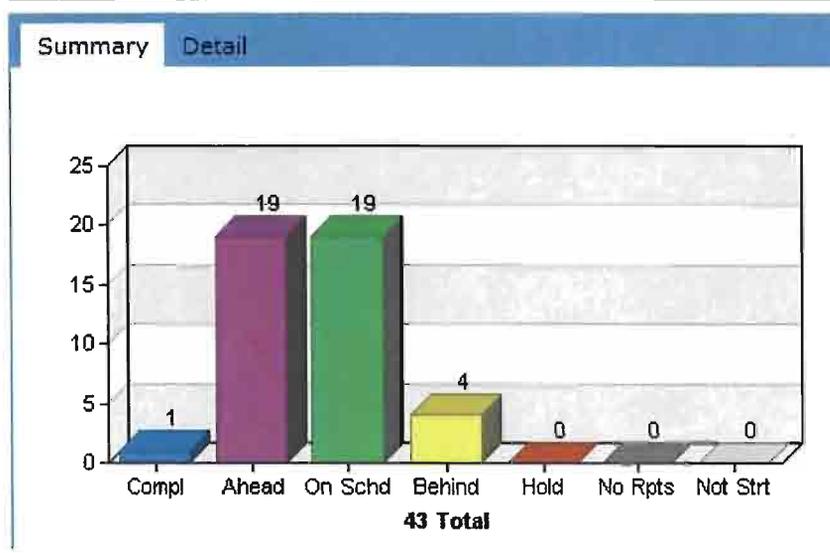


63/65 Objectives complete, ahead, or on schedule (97%).
Target is 90%.

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 39 of 43 (90%) items achieving the desired level or better.

Measures: All Departments



39/43 Measures on or ahead of schedule (91%).
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 seven of the eight categories the District is on or ahead of schedule or target. The one area where we are behind (Learning and Growth - Objectives) is due to delay experienced in our records program as a result of a change in direction.

Balanced Scorecard

FY 2009 • Qtr 4 • All Departments



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 five departments meet or exceed expectations in both areas.

Department View

FY 2009 • Qtr 4 • 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

Report on AWWA Self-Assessment Survey

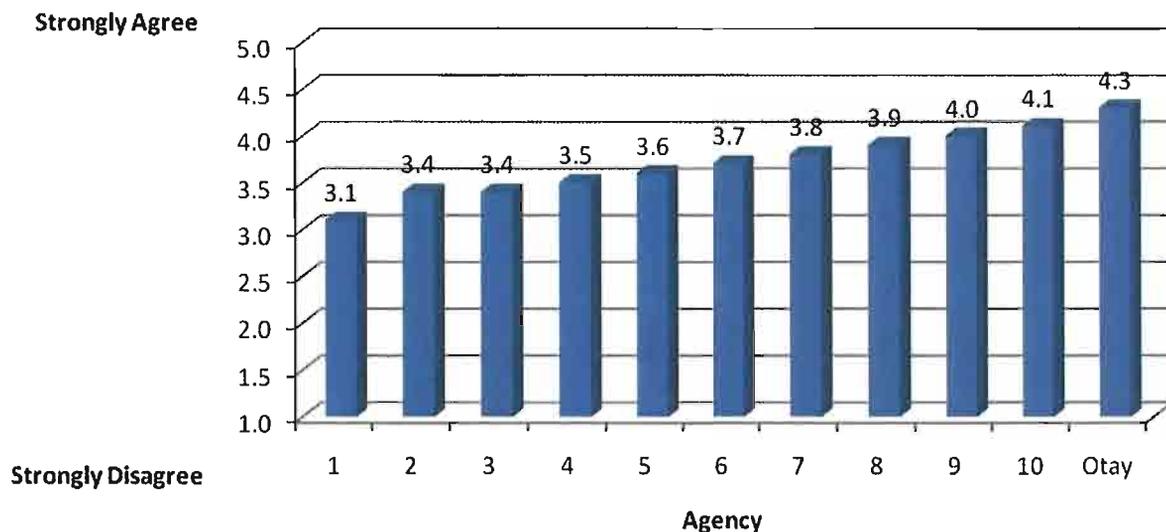
In the early part of fiscal year 2010, the District implemented AWWA's industry best practices survey. This survey was meant to serve as a self assessment, or internal perspective, on how well Otay complies with industry standard best practices. The survey consisted of a collection of statements categorized by five corresponding business systems: leadership and organizational development, business operations, customer relations, wastewater operations, and water operations. All Otay staff was asked to participate in this survey in hopes that the District could learn how well we, as an entire agency, compare with other water districts in implementing industry best practices.

The results of this survey have shown that employees of the District have a high opinion of how the business is run. When rating their level of agreement with each statement of practice relative to Otay, 1 being strongly disagree, and 5 being strongly agree, responses averaged a 4.3 overall. Putting this into perspective, 4.3 is higher than the last 10 agencies that participated in AWWA's best practices survey. Looking at individual business area results, that is results by specific business function such as, capital improvement program, strategic planning, information management, human resources management, etc., not a single area fell below a 3.9 average response.

Results were also categorized by position, tenure, and department. This sort of analysis is important, as one group of responses may have more weight than another. For example, supervisors may have a better understanding of District compliance with best practices than non-supervisors. What is interesting, however, is that in this case there was less than a .7 variance amongst all categories. The average response for supervisors was a 4.5 and non-supervisors 4.2. Employees who have been at the District 1 year or less had an average response of 4.2 whereas employees who have been at the District for more than 5 years had an average response of 4.4. When evaluating departmental results, only a .7 variance was found when comparing the average response.

The results of the survey not only show that Otay as a whole perceives itself as a well-run agency, but that employees, despite their position, tenure, or department, have the same level of agreement about how the business is run. The 4.3 average denotes that District staff "Agrees" Otay complies with industry best practices.

10 Self Assessments Previous to Otay's



FISCAL IMPACT:

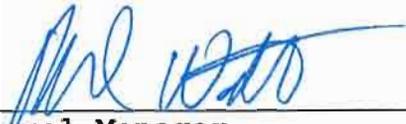
None at this time.

STRATEGIC GOAL:

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

LEGAL IMPACT: _____

None.

A handwritten signature in blue ink, appearing to read "M. W. H.", is written over a light grey rectangular background.

General Manager

Attachment: "A" - Committee Action Report

ATTACHMENT A

SUBJECT/PROJECT:	FY 2009 Strategic Plan and Performance Measures Report and Report on AWWA Self-Assessment Survey
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COMMITTEE ACTION:

The Finance, Administration and Communications Committee reviewed this item at a meeting on October 19, 2009 and the following comments were made:

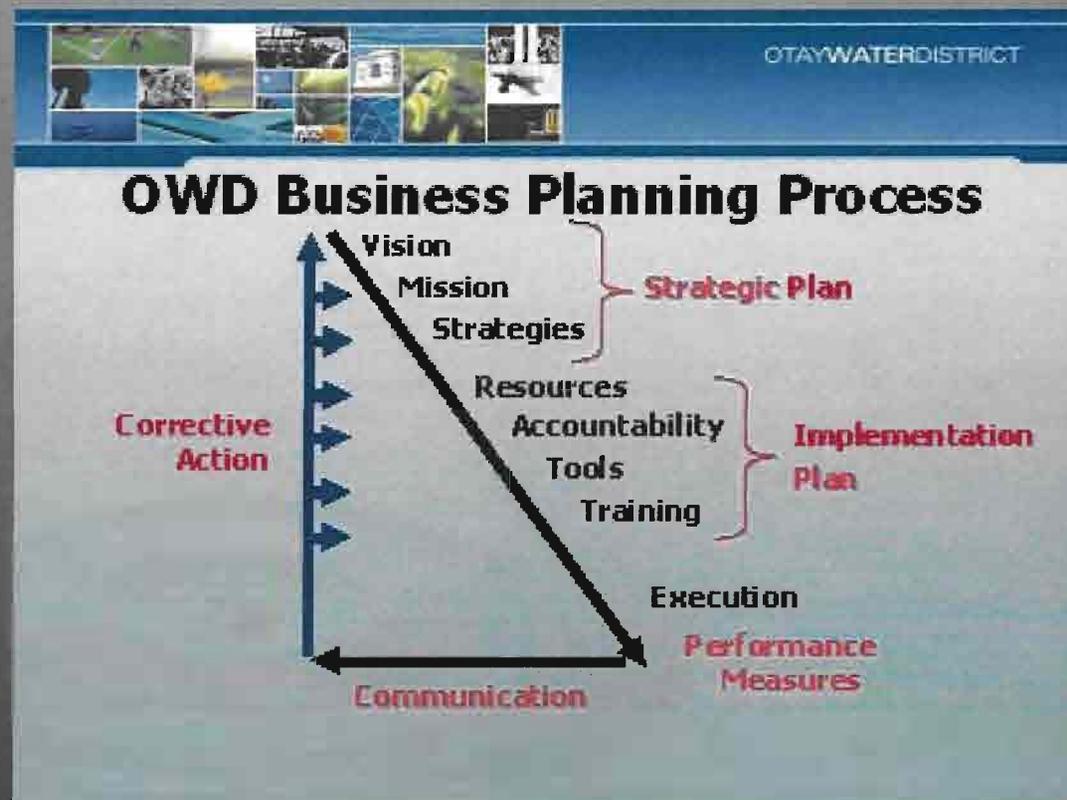
- Staff presented the 2009 Fiscal Year-end Strategic Plan performance report and noted that this is the first year of the current three year plan (FY 2009-2011) and the third three-year Strategic Plan cycle.
- The Strategic Plan results reflects the efforts of the entire Otay team.
- It was discussed that 97% of the Strategic Plan objectives are either ahead or on schedule (63 of 65 objectives) with a target of 90%.
- Ninety-one percent of the performance measures are on or ahead of schedule (91%). The target is 75%.
- From the Balanced Scorecard perspective (external view) the results are also positive. In seven of the eight categories the District is on or ahead of schedule or target. The one area where the District is behind (Learning and Growth - Objectives) is due to a delay in the District's records program as a result of a change in direction.
- The internal or departmental perspective which breaks down performance objectives and measures by the responsible internal departments is positive with all departments on target.
- The District implemented AWWA's industry best practices survey in the early part of Fiscal Year 2010. The survey provides an internal perspective (self assessment) on how well Otay

complies with industry best practices. All Otay staff members were asked to participate in the survey to determine how the District compares with other water districts in implementing industry best practices. The District's employee responses averaged 4.3 overall which indicates that the District's employees agree that best practices are implemented at the District on a regular basis. This belief was uniform at all levels and shows that Otay, as a whole, is proactive in adopting "industry best practices." In addition, comparing Otay's results to the last ten water utilities to complete the self assessment, Otay's average score was the highest which indicates a positive comparison with peer utilities regarding the rate of adoption of best practices.

- It was noted that the information presented today will be posted and available on the board extranet for viewing.

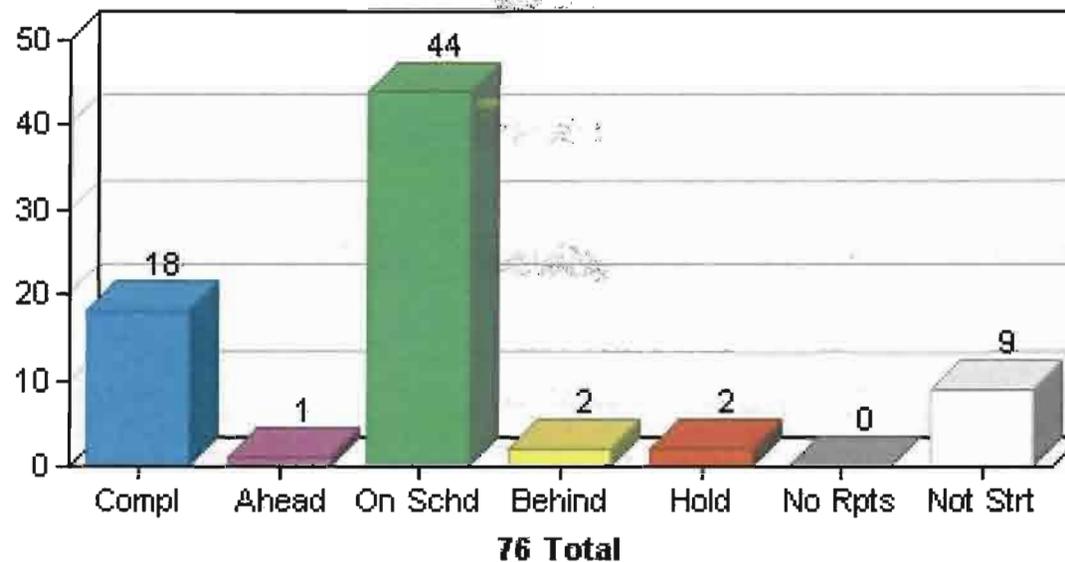
Following the discussion, the committee supported presentation to the full board as an informational item.

FY09 Strategic Plan and Self Assessment Results



Objectives: All Departments

Summary Detail



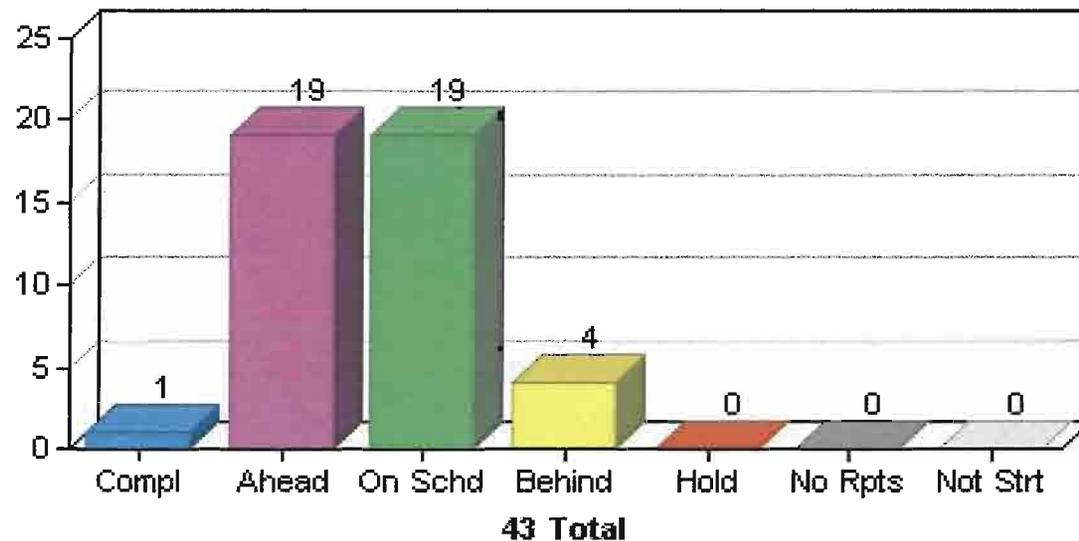
FY2009 Objectives

63/65 Objectives complete, ahead, or on schedule (97%). Target is 90%.

Measures: All Departments

Summary

Detail



FY2009 Measures

39/43 Measures on or ahead of schedule (91%). Target is 75%.

Balanced Scorecard

FY 2009 • Qtr 4 • All Departments

Customer

■ Objectives ■ Measures

Financial

■ Objectives ■ Measures

Learning and Growth

■ Objectives ■ Measures

Business Processes

■ Objectives ■ Measures

Balanced Scorecard

Green = meets or exceeds/ Red = does not meet

Department View

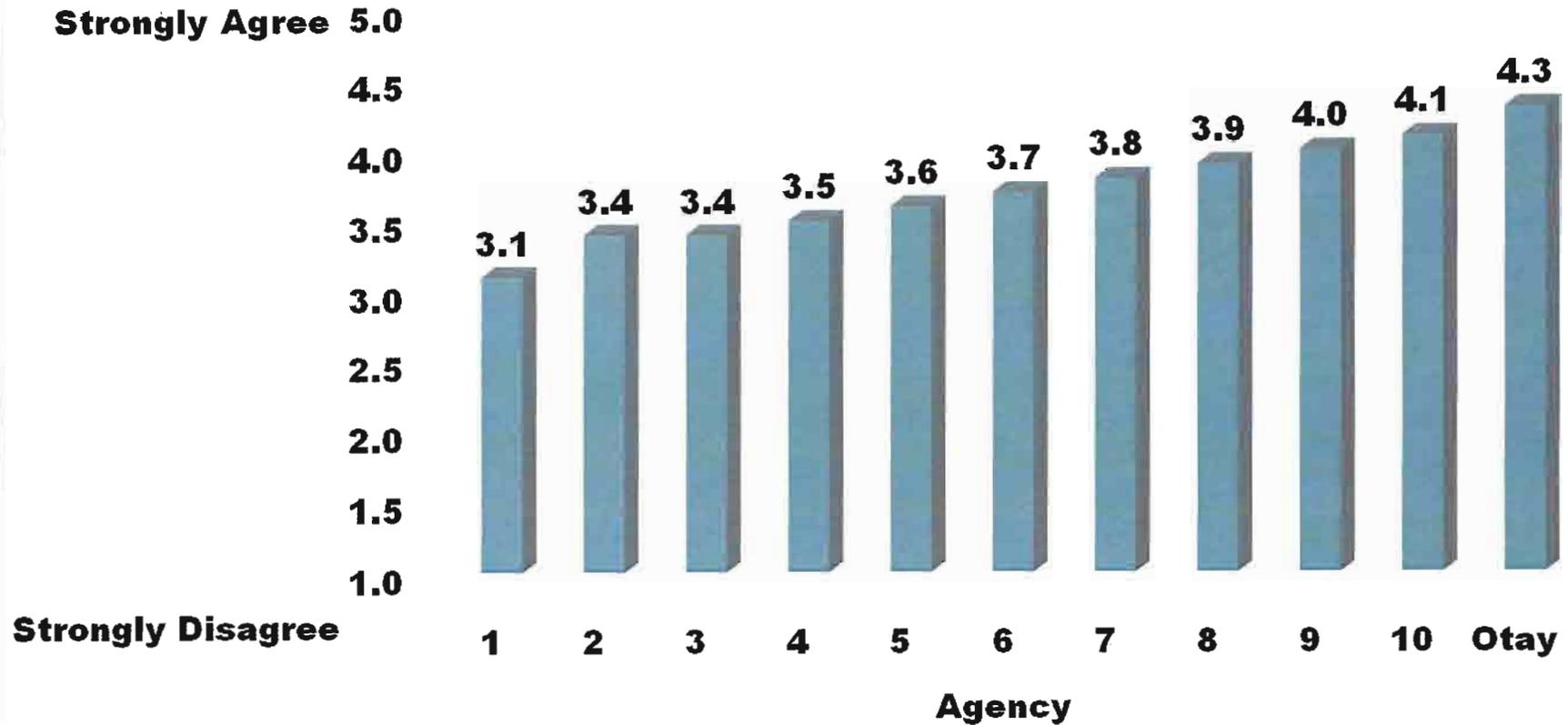
FY 2009 • Qtr 4 • All Scorecard Areas

Departments	
1-Administrative Services	<input checked="" type="checkbox"/> Objectives <input checked="" type="checkbox"/> Measures
2-Engineering	<input checked="" type="checkbox"/> Objectives <input checked="" type="checkbox"/> Measures
3-Finance	<input checked="" type="checkbox"/> Objectives <input checked="" type="checkbox"/> Measures
4-Information Technology	<input checked="" type="checkbox"/> Objectives <input checked="" type="checkbox"/> Measures
5-Operations	<input checked="" type="checkbox"/> Objectives <input checked="" type="checkbox"/> Measures

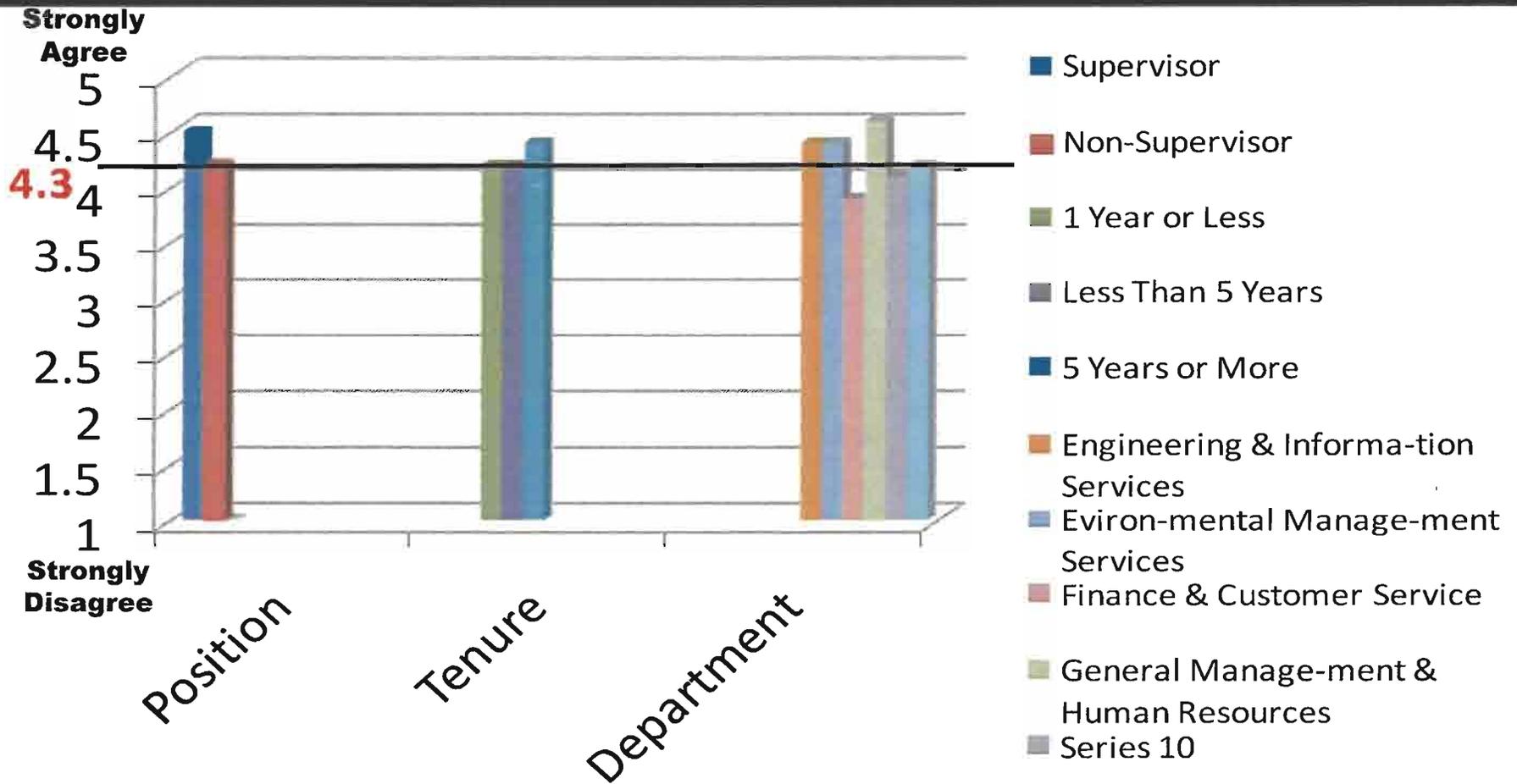
Department View

Green = meets or exceeds/ Red = does not meet

10 Self Assessments Previous to Otay's



Self Assessment Results
10 Assessments Previous to Otay's



Self Assessment Results

Overall Average Response to Otay's
Implementation of Best Practices



STAFF REPORT

TYPE	Regular Board Meeting	MEETING	November 4, 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:

Legal Update regarding Infrastructure Engineering Corp. (IEC) v. Otay Water District:

- As you may recall, in addition to other developments, IEC filed an anti-SLAPP motion against the District. This type of motion is usually filed when a plaintiff alleges an injury arising from a defendant's protected right to petition or engage in free speech activities. In its motion, IEC basically alleged that the District's counter-claim concerned an injury resulting from IEC's protected activity. On October 23, the court held a hearing and, among other findings and determinations, ruled that IEC's anti-SLAPP motion was frivolous. The court awarded the District attorney's fees in excess of \$10,000 for having to defend against the anti-SLAPP motion.

Update on the design, construction, and environmental matters of the **36-Inch Potable Water Pipeline from FCF #14 to Regulatory Site** (CIP P2009) for the month of September 2009:

- CCL Contracting has completed 98% of the pipeline installation for the 12-inch PVC replacement from Hidden Mesa Road to Hillsdale Road along Jamacha Road. The contractor is expected to be complete with the 12-inch PVC replacement by October when they will begin construction on the 36-inch pipeline.
- The low-effect habitat conservation plan for impacts of the project to critical habitat in the Cuyamaca College

area was noticed in the Federal Register on August 27, starting the mandatory 30-day notice period. At the end of this period, the District will obtain a take permit that allows construction in this area.

- TC Construction completed the temporary connection of the upgraded FCF No. 14 to the La Mesa Sweetwater Extension. The District is again receiving water through this facility.

ADMINISTRATIVE SERVICES, INFORMATION TECHNOLOGY AND FINANCE:

Administrative Services:

Human Resources:

- **Employee Information Meetings** - The District held Employee Information Meetings on October 15th. These meetings are held every six months to provide employees with relevant information regarding key District projects and District updates. Items covered at the meeting included updates on the State's water supply, 36-inch Pipeline, Self-Assessment Survey Results, and Tobacco-Free Campus Policy. In consultation with the Employee Association, the District will allow for additional time to transition the Tobacco-Free Campus Policy. Implementation will be delayed until January 1, 2010.
- **Health Fair/Open Enrollment Meetings** - Employees attended a Health Fair held on October 21st where employees participated in health screenings and visited several health-related vendors. Open Enrollment information meetings were held on October 27th where health representatives provided information and answered employee questions. Both were well attended by District employees.
- **Bi-Annual Harassment and Discrimination Policy Training** - The District held the bi-annual Harassment & Discrimination Policy training for all District employees on October 28th. The training was provided by Mr. Gordon Graham, a well-known and entertaining speaker.
- **New Hires** - There were no new hires in the month of October.

Safety & Security:

- **3Cs Board of Directors Meeting** - The 3Cs Board made the determination that due to the high number of public

safety agencies not yet on the network, non-public safety agencies will not be considered for addition to the network at this time. An inquiry has been made to the 3Cs staff to determine if there might be funding options that Otay could consider.

- **Safety Training** - The following training has been completed:
 - Confined Space Training - Conducted on September 24th, October 8th, 23rd, and 26th. All Confined Space Training requirements for 2009 have been completed.
 - "Trenching, Excavation, and Shoring" and "Fall Protection" - October 29th.

Purchasing and Facilities:

- **Purchase Orders** - There were 163 purchase orders processed in October 2009 for a total amount of \$1,805,729.68. Included in the total is purchase order #711428 in the amount of \$1,499,919.03 for retention of CCL contracting.

Water Conservation and School Education:

- **Water Conservation Incentive Programs Update** - To date, just 40% of the rebate reservations remain for the commercial program and about 95% of the funding remains for the residential programs (attachment). MET staff is estimating that the commercial program will run out of funding by December, but that the residential program will run to the end of the fiscal year. MET staff is preparing a report on the future of their incentive programs for their December Board meeting and is currently soliciting input.

With regard to the District's Cash for WaterSmart Plants program, to date, about 40% of the funding for the program is reserved and staff is actively promoting the program to its commercial and residential customers.

- **Graywater** - The District submitted comments to the California Building Standards Commission ahead of its deadline of October 12th. The District's primary concern was with regard to the possibility of jeopardizing the integrity of its water system. The District would have no knowledge where the unpermitted systems were installed and suggested that all systems have a backflow prevention device.

- **Water Waste Reporting** - In October (through the 23rd), there were a total of 13 reports of water waste, either phoned in or reported through the District's website. The water waste report listing the activity is attached.
- **School Education Update** - 21 garden tours are scheduled to date, ahead of last year's activity. Five tours were conducted this month, involving Avocado, Vista Grande, Tiffany, Olympic View and Parkview Elementary schools, totaling 203 second, third, and fifth graders and 38 adults.
- **Outreach events in October:**
 - Staff attended this year's Water Smart Innovations Conference, which took place from October 7th to the 9th in Las Vegas. Over 1,000 water conservation professionals attended. Presentations are posted at www.watersmartinnovations.com.
 - On October 24th, staff worked at a Rotating Sprinkler Nozzle Workshop for Homeowners, held at the District's offices. Otay and Helix Water District jointly promoted this class.

Information Technology and Strategic Planning:

- IT has begun to work on the implementation of the OPS 32 software for the Treatment Plant. OPS 32 will provide an application for automating the analysis and reporting of lab results, will automatically pull in process readings such as flows and chlorine residuals without operator intervention and will automatically transmit information to the Department of Health Services.
- **Asset Management** - Staff continues to develop asset management program plans and will begin workshops in October or November. A detailed project plan for Asset Management is being developed in conjunction with Westin Engineering.

Finance:

- **Customer Credits** - The credit process has been running smoothly. As of October 26th, all but the last two billing cycles have been run with credits showing on each customer's bill. There have been various difficult challenges in this process, however, staff has worked

through each challenge and the process has been successful.

- **ID 27 Bond Refunding** - This is progressing with greater than expected savings. On October 21st, the District had eight underwriters bid on the bonds. The winning bid was from Robert W. Baird and Co., Inc. with an overall rate of 3.39%. The result is an 8% savings or \$65,000 annually to the customers in ID 27 which is greater than the initially estimated 6% savings or \$45,000 annually, due to an interest rate that was more favorable than anticipated. This has been a successful process with the bond closing date on November 4, 2009.
- **Capacity and Annexation Fee Study** - Staff had the first meeting with PBS&J to review all the required information needed to complete the Capacity and Annexation Fee calculations. After the information is gathered and provided to the consultant, the process is expected to take up to a month, after which the results will be reviewed with the Board.

The financial reporting for September 30, 2009 is as follows:

- For the three months ended September 30, 2009, there are total revenues of \$19,180,181 and total expenses of \$18,880,525. The revenues exceeded expenses by \$299,656.

The financial reporting for investments for September 30, 2009 is as follows:

- The market value shown in the Portfolio Summary and in the Investment Portfolio Details as of September 30, 2009 total \$69,877,770.14 with an average yield to maturity of 1.576%. The total earnings year-to-date are \$309,747.86.

ENGINEERING AND WATER OPERATIONS:

Engineering:

- **850-4 Reservoir** - Spiess Construction has completed the construction of the 850-4 Reservoir. Both the existing 850-2 and 850-4 reservoirs are operational. The 850-4 reservoir is for increased capacity in the 850 Pressure Zone, as required by the 2002 Water Resource Master Plan. This project is on budget. (P2191)
- **1296-3 Reservoir** - Natgun has completed the construction of the reservoir. Natgun's subcontractor, RSH, has mobilized and begun construction of the remaining site work facilities such as the inlet/outlet piping, drainage, surface improvements, and retaining walls.

This 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 continues to work on the construction of the pump station building and is installing the control cabinets, HVAC system, and emergency generator. The existing pump station is exposed to the outside elements and is at the end of its useful life. The new pump station will be enclosed, provide more efficient pumps, and provide for future expansion when demands increase in the 1485 Zone. This project is on budget and expected to be completed in February 2010. (P2172)
- **Otay Mesa Recycled Water Supply Link** - Staff completed the 30% Design Peer Review for the Alta Road segment of the supply link. The Airway Road pipeline will reach the 30% design milestone next month. Staff completed the 30% Design Peer Review for the 24-inch Wueste Road segment of the supply link. These projects will supply recycled water to Otay Mesa and start the conversion of irrigation services currently using potable water to recycled water. These projects are on budget and on schedule for construction award in late spring 2010. (R2034, R2058, R2077, R2087, R2088)
- **Conversion of Potable Water Meters to Recycled Meter Program** - At the September 2nd Board Meeting, the District's Board of Directors approved a "Grant Pilot Retrofit Landscape Program" for multi-family and educational institutions to retrofit and convert their existing landscaping from potable water to recycled water. The District will cover the costs for up to 50% for all on-site conversions. Staff is currently meeting with three HOA groups, which are part of the pilot program, to outline criteria and to have them submit finalized agreements for review and execution. Upon receipt, staff will submit as an agenda item for Board approval. (R2094)
- For the month of September 2009, the District sold 11 meters (33.5 EDUs) generating \$142,395 in revenue. Projection for this period was 8 meters (22 EDUs) with budgeted revenue of \$134,950. Projected revenue from July 1, 2009 through June 30, 2010 is \$1,619,400.

- Staff reviewed 26 potential easement encroachments and will be gathering all the necessary information prior to informing customers of the removal of the encroachment.
- Approximately 166 linear feet of both CIP and developer project pipeline was installed in September 2009. The Construction Division performed quality control for these pipelines.

The following table summarizes Engineering's Project purchases and change orders issued during the period of September 1 through September 30, 2009 that were within Staff signatory authority:

Date	Action	Amount	Contractor/ Consultant	Project
9/14/09	C.O. #1	\$15,000	Lee & Ro Inc.	As-Needed Design Svcs. (S2019, S2020, S2023)
9/15/09	P.O.	\$3,500	Geotechnics, Inc.	1485-1 Pump Station (P2172)
9/16/09	Check Request	\$3,064	County of San Diego, APCD	San Miguel Mitigation Bank (P1253)
9/16/09	P.O.	\$3,753.17	MWH Americas, Inc.	Consulting Services (P2472)
9/17/09	C.O. #6	\$3,500	Spieß Const.	850-4 Res. (P2191)
9/22/09	C.O. #1	\$18,005	Camp Dresser & McKee (CDM)	Rosarito Desalination Facility Conveyance (P2451)
9/24/09	C.O. #2	\$27,278	Jose Pereira Eng. & Mech, Inc.	Inter-Agency Water Meter Connections (P2487)

Water Operations:

- On September 1 flows resumed to Mexico at their request. For the month of September total flow to Mexico is 524.9 acre-feet. The connection will remain open until December.
- Total number of potable water meters is 47,932.

Water Waste Report - October 2009

	Broken Sprinklers		Leak		Overspray		Runoff due to Overwatering		Washing Down Paved Surfaces		Washing Vehicles without a bucket and hose nozzle		Watering after 10am and before 6pm		TOTAL
	Invalid Address	Valid Address	Invalid Address	Valid Address	Invalid Address	Valid Address	Invalid Address	Valid Address	Invalid Address	Valid Address	Invalid Address	Valid Address	Invalid Address	Valid Address	
April 2009	2	4			2	2		4		1			1	1	17
May 2009	1	6	3	20	4	5	2	4		1				1	47
June 2009	2	11	5	30	4	1	1	7	6	4		1	3	4	79
July 2009	1	5	1	23	4	5	1	16	2	2	1	3	2	4	70
August 2009	1	10	1	14		7		8		1		1	2	7	52
September 2009	1	5		17	1	4		7		2		1		3	41
October 2009		4		2	1	1		4						1	13
TOTAL	8	45	10	106	16	25	4	50	8	11	1	6	8	21	319



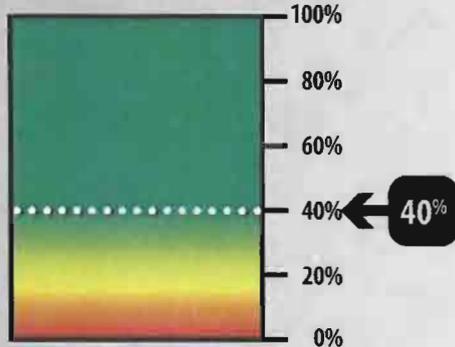
Regional Rebate Program Weekly Update

Conservation Program

October 26, 2009

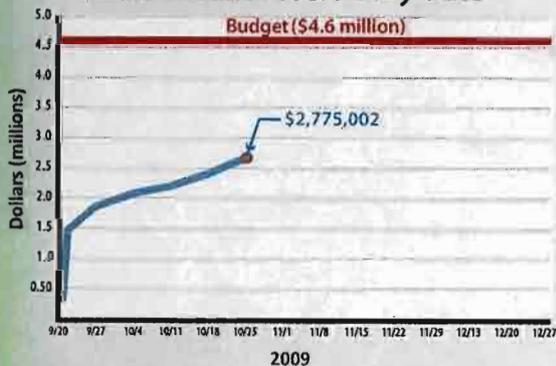
COMMERCIAL

Rebate Remaining Index* (as of October 24, 2009)



* This index is an informational graphic and is not a guarantee that funds are available.

Total Amount Reserved By Date*



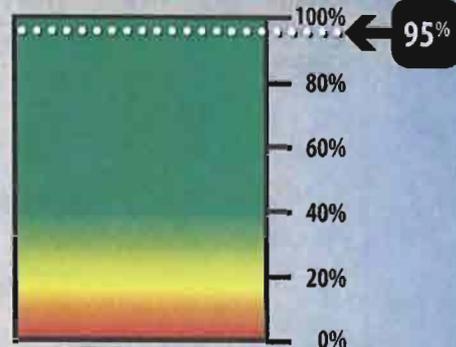
* Graph covers September 20, 2009 through December 31, 2009

Summary

- ❖ Total reservations were \$2,775,002 as of 10/24/2009
- ❖ Reservations last week were approximately \$255,000
- ❖ Most reservations have been for weather-based irrigation controllers, rotating spray nozzles and high-efficiency toilets
- ❖ The number of weekly visitors to website: 858 (7% more than the prior week)
- ❖ For additional information, contact Bill McDonnell at (213) 217-7693

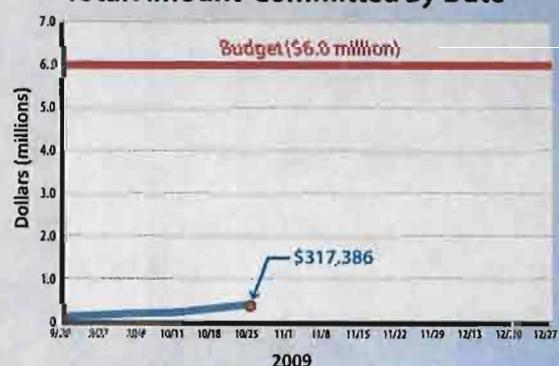
RESIDENTIAL

Rebate Remaining Index* (as of October 24, 2009)



* This index is an informational graphic and is not a guarantee that funds are available.

Total Amount Committed By Date*



* Committed includes both paid rebates and applications received that have not yet been paid.

Summary

- ❖ Committed amount was \$317,386 as of 10/24/2009
- ❖ Applications totaling approximately \$88,000 were received last week
- ❖ Hard-copy applications were available in stores last week
- ❖ The number of weekly visitors to website: 3,900 (0.2% less than the prior week)
- ❖ For additional information, contact Alice Webb-Cole at (213) 217-6716

OTAY WATER DISTRICT
COMPARATIVE BUDGET SUMMARY
 FOR THREE MONTHS ENDED SEPTEMBER 30, 2009

	Annual Budget	YTD Actual	YTD Budget	YTD Variance	Var %
REVENUE:					
Water Sales *	\$ 37,870,000	\$ 9,945,736	\$ 11,429,700	\$ (1,483,964)	(13.0%)
Energy Charges	1,981,200	539,595	626,200	(86,605)	(13.8%)
System Charges	9,408,000	2,259,833	2,274,900	(15,067)	(0.7%)
Penalties	704,100	190,258	199,500	(9,242)	(4.6%)
MWD & CWA Fixed Charges	6,511,200	1,289,630	1,383,900	(94,270)	(6.8%)
Total Water Sales	<u>56,474,500</u>	<u>14,225,051</u>	<u>15,914,200</u>	<u>(1,689,149)</u>	<u>(10.6%)</u>
Reclamation Sales	7,602,500	2,648,236	2,846,200	(197,964)	(7.0%)
Sewer Charges	2,244,800	542,079	543,700	(1,621)	(0.3%)
Meter Fees	45,600	22,379	5,100	17,279	338.8%
Capacity Fee Revenues	1,397,000	403,113	349,300	53,813	15.4%
Betterment Fees for Maintenance	571,400	143,717	142,900	817	0.6%
Annexation Fees	120,500	143,475	30,000	113,475	378.3%
Non-Operating Revenues	1,585,600	493,842	360,500	133,342	37.0%
Tax Revenues	3,852,600	130,847	124,900	5,947	4.8%
Interest	322,900	52,640	65,700	(13,060)	(19.9%)
General Fund Draw Down	469,100	117,300	117,300	-	0.0%
Transfer from OPEB	1,030,000	257,500	257,500	-	0.0%
Total Revenue	<u>\$ 75,716,500</u>	<u>\$ 19,180,181</u>	<u>\$ 20,757,300</u>	<u>\$ (1,577,119)</u>	<u>(7.6%)</u>
EXPENSES:					
Potable Water Purchases	\$ 28,033,700	\$ 7,684,511	\$ 8,357,700	\$ 673,189	8.1%
Recycled Water Purchases	1,312,000	520,943	523,500	2,557	0.5%
CWA-Infrastructure Access Charge	1,344,900	326,370	326,400	30	0.0%
CWA-Customer Service Charge	1,148,800	270,183	270,300	117	0.0%
CWA-Emergency Storage Charge	2,246,600	453,264	453,300	36	0.0%
MWD-Capacity Res Charge	628,800	152,604	152,700	96	0.1%
MWD-Readiness to Serve Charge	1,140,700	238,056	285,175	47,119	16.5%
Subtotal Water Purchases	<u>35,855,500</u>	<u>9,645,931</u>	<u>10,369,075</u>	<u>723,144</u>	<u>7.0%</u>
Power Charges	2,637,100	721,893	729,275	7,382	1.0%
Payroll & Related Costs	17,212,800	3,926,975	3,943,737	16,762	0.4%
Material & Maintenance	3,801,600	802,589	851,400	48,811	5.7%
Administrative Expenses	4,874,900	967,007	1,035,530	68,523	6.6%
Legal Fees	454,300	96,030	113,575	17,545	15.4%
Expansion Reserve	1,610,000	402,500	402,500	-	0.0%
Betterment Reserve	3,810,000	952,500	952,500	-	0.0%
Replacement Reserve	3,660,000	915,000	915,000	-	0.0%
Transfer to Sewer General Fund	200,000	50,000	50,000	-	0.0%
Transfer Out/In Prop 1A	270,300	67,600	67,600	-	0.0%
Transfer to General Fund Reserve	1,330,000	332,500	332,500	-	0.0%
Total Expenses	<u>\$ 75,716,500</u>	<u>\$ 18,880,525</u>	<u>\$ 19,762,692</u>	<u>\$ 882,167</u>	<u>4.5%</u>
Excess Revenue (Expense)	<u>\$ -</u>	<u>\$ 299,656</u>	<u>\$ 994,608</u>	<u>\$ (694,953)</u>	

* The September Water Sales reflect the prorated customer credits paid in October.

**OTAY WATER DISTRICT
INVESTMENT PORTFOLIO REVIEW
SEPTEMBER 30, 2009**

INVESTMENT OVERVIEW & MARKET STATUS:

The federal funds rate has remained constant now for over 9-months. On December 16, 2008, 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%. There have been no further changes made to the federal funds rate at the Federal Reserve Board's subsequent regular scheduled meetings, the most recent of which was held on September 23, 2009. They went on to say: "The Committee continues to anticipate that economic conditions are likely to warrant exceptionally low levels of the federal funds rate for an extended period."

Despite the large drop in available interest rates, the District's overall effective rate of return on at September 30th was 1.68%, which was an increase of 11 basis points (0.11%) from the prior month. At the same time the LAIF return on deposits has dropped over the last several months, reaching an average effective yield of 0.75% for the month of September 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.

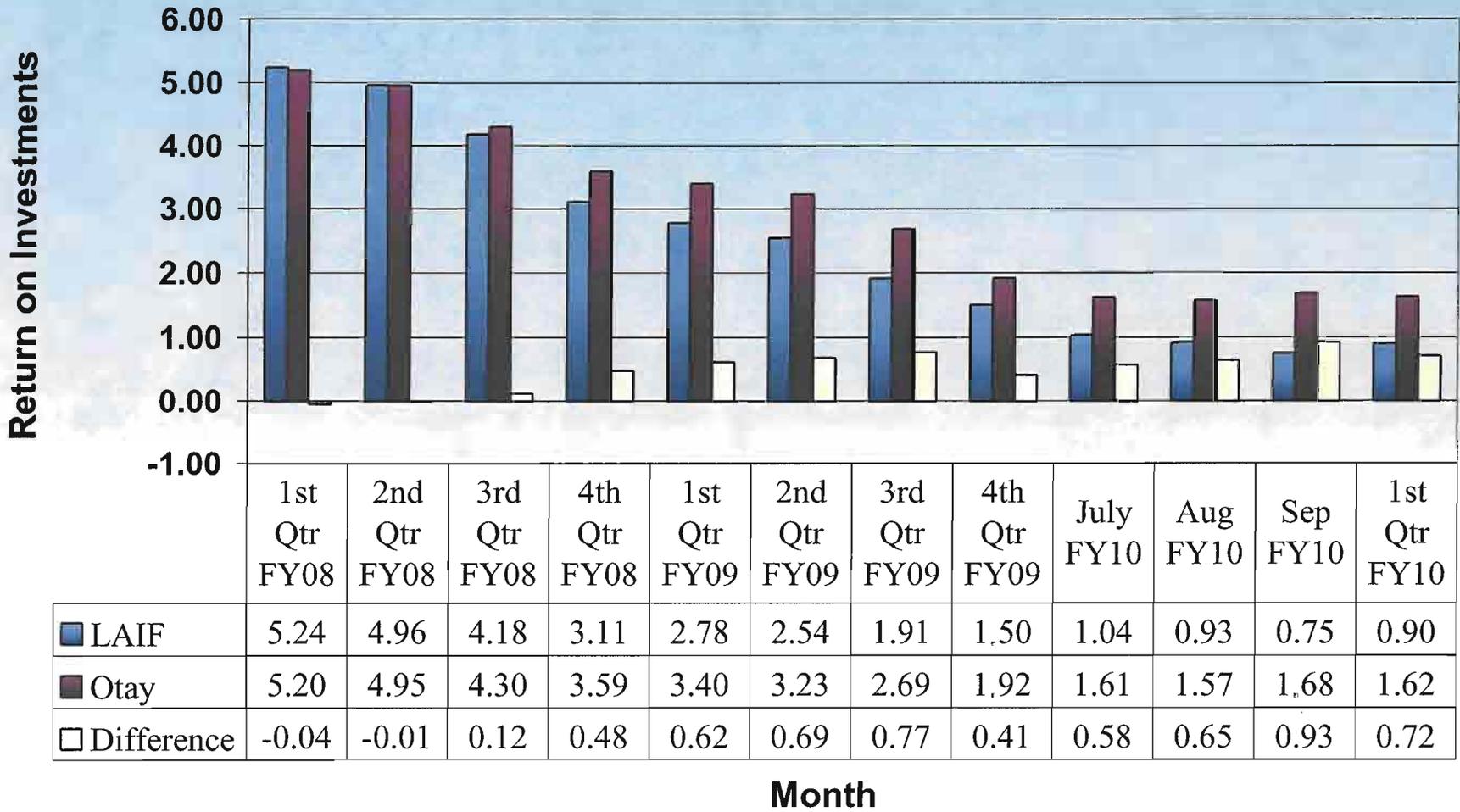
PORTFOLIO COMPLIANCE: September 30, 2009

	<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	\$3.76 Million
8.02:	Local Agency Investment Fund (Bonds)	100%	100%	0
8.03:	Federal Agency Issues	100%	100%	40.25%
8.04:	Certificates of Deposit	30%	15%	4.43%
8.05:	Short-Term Commercial Notes	25%	15%	0
8.06:	Medium-Term Commercial Debt	30%	15%	5.75%
8.07:	Money Market Mutual Funds	20%	15%	0
8.08:	San Diego County Pool	100%	100%	42.61%
12.0:	Maximum Single Financial Institution	100%	50%	1.55%

Performance Measure F-12

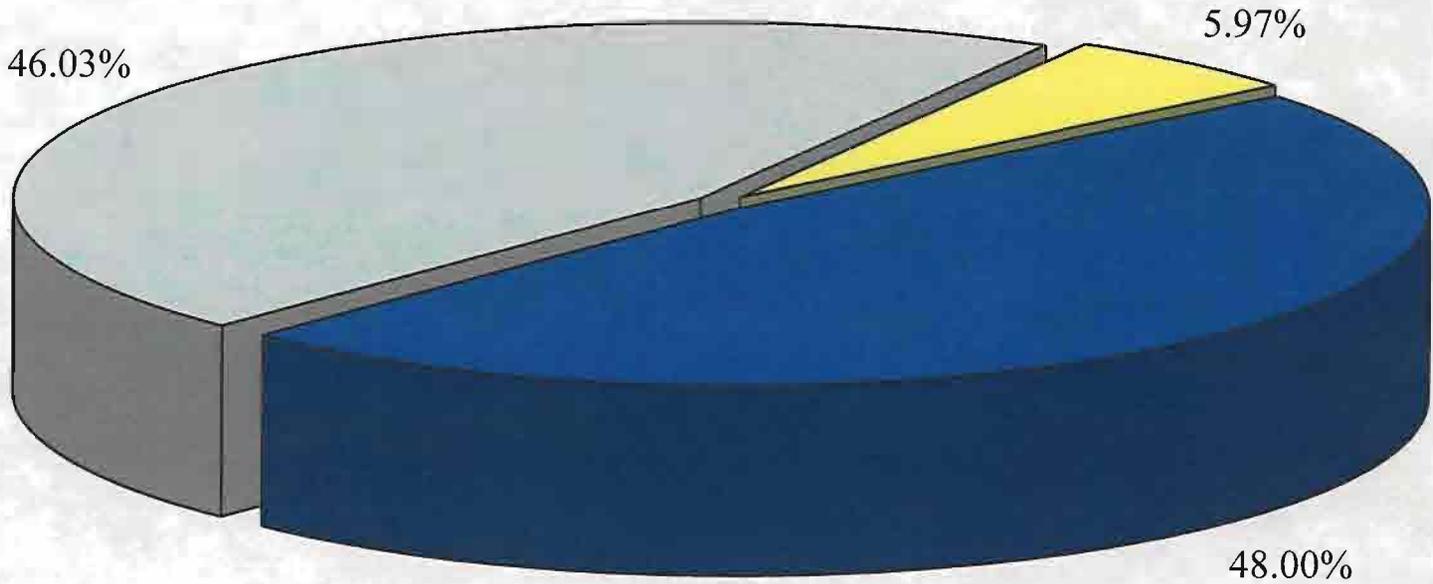
Return on Investment

Target: Meet or Exceed 100% of LAIF



LAIF
 Otay
 Difference

Otay Water District Investment Portfolio: 09/30/09



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

OTAY
Portfolio Management
Portfolio Summary
September 30, 2009

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Corporate Notes	4,000,000.00	4,134,760.00	4,036,862.63	5.89	877	433	1.973	2.000
Federal Agency Issues- Callable	28,000,000.00	28,096,940.00	28,000,000.00	40.86	730	611	1.610	1.633
Certificates of Deposit - Bank	3,079,108.00	3,079,108.00	3,079,108.00	4.49	373	107	2.794	2.832
Local Agency Investment Fund (LAIF)	3,762,888.70	3,768,761.11	3,762,888.70	5.49	1	1	0.740	0.750
San Diego County Pool	29,640,567.73	29,721,000.00	29,640,567.73	43.26	1	1	1.470	1.490
	68,482,564.43	68,800,569.11	68,519,427.06	100.00%	367	280	1.576	1.598
Investments								
Cash								
Passbook/Checking (not included in yield calculations)	1,077,201.03	1,077,201.03	1,077,201.03		1	1	0.107	0.108
Total Cash and Investments	69,559,765.46	69,877,770.14	69,596,628.09		367	280	1.576	1.598

Total Earnings	September 30 Month Ending	Fiscal Year To Date
Current Year	100,456.02	309,747.86
Average Daily Balance	72,574,551.24	75,907,948.09
Effective Rate of Return	1.68%	1.62%

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 September 6, 2006. The market value information provided by Interactive Data Corporation. The investments provide sufficient liquidity to meet the cash flow requirements of the District for the next six months of expenditures.



 Joseph Beachem, Chief Financial Officer

10-22-09

OTAY
Portfolio Management
Portfolio Details - Investments
September 30, 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												
084664AF8	2094	Berkshire Hathaway Fin		03/10/2009	2,000,000.00	2,067,500.00	2,023,921.26	4.200		1.973	440	12/15/2010
36962G2S2	2044	General Electric Capital		11/16/2007	2,000,000.00	2,067,260.00	2,012,941.37	5.000	Aaa	1.973	426	12/01/2010
Subtotal and Average			4,038,108.63		4,000,000.00	4,134,760.00	4,036,862.63			1.973	433	
Federal Agency Issues- Callable												
31398AWJ7	2097	Fannie Mae		04/08/2009	2,000,000.00	2,012,500.00	2,000,000.00	1.875		1.849	554	04/08/2011
3136FHYA7	2101	Fannie Mae		06/08/2009	2,000,000.00	2,010,000.00	2,000,000.00	1.150		1.164	615	06/08/2011
3133XTQM1	2102	Federal Home Loan Bank		06/10/2009	2,000,000.00	2,003,760.00	2,000,000.00	1.180		1.223	617	06/10/2011
3133XTQ58	2103	Federal Home Loan Bank		06/10/2009	2,000,000.00	2,000,000.00	2,000,000.00	1.240		1.223	617	06/10/2011
3133XUEM1	2106	Federal Home Loan Bank		08/10/2009	2,000,000.00	2,002,500.00	2,000,000.00	1.350		1.332	678	08/10/2011
3133XUGD9	2107	Federal Home Loan Bank		08/17/2009	2,000,000.00	2,003,120.00	2,000,000.00	1.500		1.479	685	08/17/2011
3133XUKD4	2108	Federal Home Loan Bank		08/25/2009	2,000,000.00	2,003,760.00	2,000,000.00	1.625		1.603	693	08/25/2011
3128X8QH8	2095	Federal Home Loan Mortgage		03/16/2009	2,000,000.00	2,011,820.00	2,000,000.00	2.000		1.973	531	03/16/2011
3128X8WC2	2098	Federal Home Loan Mortgage		04/20/2009	2,000,000.00	2,013,460.00	2,000,000.00	1.750		1.726	566	04/20/2011
3128X8V33	2105	Federal Home Loan Mortgage		07/06/2009	2,000,000.00	2,007,380.00	2,000,000.00	1.850		1.825	643	07/06/2011
3128X9CG3	2109	Federal Home Loan Mortgage		09/02/2009	2,000,000.00	2,010,520.00	2,000,000.00	1.750		1.726	701	09/02/2011
3136FHAA3	2091	Federal National Mortgage Assoc		02/11/2009	2,000,000.00	2,010,000.00	2,000,000.00	2.000		1.973	498	02/11/2011
31398AVL3	2093	Federal National Mortgage Assoc		03/02/2009	2,000,000.00	2,008,120.00	2,000,000.00	2.000		1.973	517	03/02/2011
3136FHE43	2104	Federal National Mortgage Assoc		07/01/2009	2,000,000.00	2,000,000.00	2,000,000.00	1.500		1.479	638	07/01/2011
Subtotal and Average			31,066,023.75		28,000,000.00	28,096,940.00	28,000,000.00			1.610	611	
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	113	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	70	12/10/2009
1006200563	2096	Neighborhood National Bank		02/05/2009	2,000,000.00	2,000,000.00	2,000,000.00	2.600		2.600	126	02/04/2010
Subtotal and Average			3,079,108.00		3,079,108.00	3,079,108.00	3,079,108.00			2.794	107	
Local Agency Investment Fund (LAIF)												
LAIF	9001	STATE OF CALIFORNIA		07/01/2004	3,762,888.70	3,768,761.11	3,762,888.70	0.750		0.740	1	
LAIF COPS07	9009	STATE OF CALIFORNIA		03/07/2007	0.00	0.00	0.00	1.530		1.509	1	
Subtotal and Average			3,050,388.70		3,762,888.70	3,768,761.11	3,762,888.70			0.740	1	
San Diego County Pool												
SD COUNTY POOL	9007	San Diego County		07/01/2004	29,640,567.73	29,721,000.00	29,640,567.73	1.490		1.470	1	

Portfolio OTAY
AP

OTAY
Portfolio Management
Portfolio Details - Investments
September 30, 2009

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity
Subtotal and Average			29,640,567.73		29,640,567.73	29,721,000.00	29,640,567.73			1.470	1
Total and Average			72,574,551.24		68,482,564.43	68,800,569.11	68,519,427.06			1.576	280

OTAY
Portfolio Management
Portfolio Details - Cash
September 30, 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	10,003.94	10,003.94	10,003.94	0.150		0.148	1
PETTY CASH	9003	STATE OF CALIFORNIA		07/01/2004	2,800.00	2,800.00	2,800.00			0.000	1
UNION OPERATING	9004	STATE OF CALIFORNIA		07/01/2004	703,311.32	703,311.32	703,311.32	0.164		0.162	1
PAYROLL	9005	STATE OF CALIFORNIA		07/01/2004	361,085.77	361,085.77	361,085.77			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			72,574,551.24		69,559,765.46	69,877,770.14	69,596,628.09			1.576	280

OTAY
Activity Report
Sorted By Issuer
July 1, 2009 - September 30, 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: Berkshire Hathaway Fin									
Corporate Notes									
				2,000,000.00					2,000,000.00
				2,000,000.00			0.00	0.00	2,000,000.00
Issuer: STATE OF CALIFORNIA									
Union Bank									
UNION MONEY	9002	STATE OF CALIFORNIA			0.150		19,532,708.17	21,532,718.05	
UNION OPERATING	9004	STATE OF CALIFORNIA			0.164		2,775,578.08	2,659,292.83	
PAYROLL	9005	STATE OF CALIFORNIA					1,707,442.33	1,371,333.82	
				2,624,817.15			24,015,728.58	25,563,344.70	1,077,201.03
Local Agency Investment Fund (LAIF)									
LAIF	9001	STATE OF CALIFORNIA			0.750		9,957,705.25	13,675,000.00	
				7,480,183.45			9,957,705.25	13,675,000.00	3,762,888.70
				10,105,000.60			33,973,433.83	39,238,344.70	4,840,089.73
Issuer: California Bank & Trust									
Certificates of Deposit - Bank									
				79,108.00					79,108.00
				79,108.00			0.00	0.00	79,108.00
Issuer: Fannie Mae									
Federal Agency Issues- Callable									
				4,000,000.00					4,000,000.00
				4,000,000.00			0.00	0.00	4,000,000.00

OTAY
Activity Report
July 1, 2009 - September 30, 2009

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Purchases or Deposits	Par Value		Ending Balance
				Beginning Balance	Current Rate			Redemptions or Withdrawals		
Issuer: Federal Farm Credit Bank										
Federal Agency Issues- Callable										
31331GWK1	2100	Federal Farm Credit Bank			1.100	09/25/2009	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%	2,000,000.00			0.00	2,000,000.00		0.00
Issuer: Federal Home Loan Bank										
Federal Agency Issues- Callable										
3133XTLP9	2099	Federal Home Loan Bank			1.525	09/04/2009	0.00	222,222.22		
3133XTLP9	2099	Federal Home Loan Bank				09/22/2009	0.00	444,444.44		
3133XTLP9	2099	Federal Home Loan Bank				09/28/2009	0.00	1,333,333.34		
3133XUEM1	2106	Federal Home Loan Bank			1.350	08/10/2009	2,000,000.00	0.00		
3133XUGD9	2107	Federal Home Loan Bank			1.500	08/17/2009	2,000,000.00	0.00		
3133XUKD4	2108	Federal Home Loan Bank			1.625	08/25/2009	2,000,000.00	0.00		
Subtotal and Balance				6,000,000.00			6,000,000.00	2,000,000.00		10,000,000.00
Issuer Subtotal			14.376%	6,000,000.00			6,000,000.00	2,000,000.00		10,000,000.00
Issuer: Federal Home Loan Mortgage										
Federal Agency Issues- Callable										
3128X8V33	2105	Federal Home Loan Mortgage			1.850	07/06/2009	2,000,000.00	0.00		
3128X9CG3	2109	Federal Home Loan Mortgage			1.750	09/02/2009	2,000,000.00	0.00		
Subtotal and Balance				4,000,000.00			4,000,000.00	0.00		8,000,000.00
Issuer Subtotal			11.501%	4,000,000.00			4,000,000.00	0.00		8,000,000.00
Issuer: Federal National Mortgage Assoc										
Federal Agency Issues- Callable										
3136F9WV1	2085	Federal National Mortgage Assoc			4.000	07/02/2009	0.00	2,000,000.00		
3136FHE43	2104	Federal National Mortgage Assoc			1.500	07/01/2009	2,000,000.00	0.00		
Subtotal and Balance				6,000,000.00			2,000,000.00	2,000,000.00		6,000,000.00
Issuer Subtotal			8.626%	6,000,000.00			2,000,000.00	2,000,000.00		6,000,000.00

OTAY
GASB 31 Compliance Detail
Sorted by Fund - Fund
July 1, 2009 - September 30, 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		7,489,943.17	0.00	57,705.25	3,775,000.00	0.00	-3,887.31	3,768,761.11
UNION MONEY	9002	99	Amortized		2,010,013.82	0.00	76.69	2,000,086.57	0.00	0.00	10,003.94
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		587,026.07	0.00	1,355.73	1,355.73	0.00	0.00	703,311.32
PAYROLL	9005	99	Amortized		24,977.26	0.00	0.00	0.00	0.00	0.00	361,085.77
SD COUNTY POOL	9007	99	Fair Value		39,756,639.66	0.00	106,265.52	10,000,000.00	0.00	-141,905.18	29,721,000.00
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		0.00	0.00	0.00	0.00	0.00	0.00	0.00
36962G2S2	2044	99	Fair Value	12/01/2010	2,058,720.00	0.00	0.00	0.00	0.00	8,540.00	2,067,260.00
205003183	2066	99	Amortized	01/22/2010	79,108.00	0.00	0.00	0.00	0.00	0.00	79,108.00
3136F9WV1	2085	99	Fair Value	07/02/2010	2,000,000.00	0.00	0.00	2,000,000.00	0.00	0.00	0.00
1005581024	2090	99	Amortized	12/10/2009	1,000,000.00	0.00	0.00	0.00	0.00	0.00	1,000,000.00
3136FHAA3	2091	99	Fair Value	02/11/2011	2,013,760.00	0.00	0.00	0.00	0.00	-3,760.00	2,010,000.00
31398AVL3	2093	99	Fair Value	03/02/2011	2,014,380.00	0.00	0.00	0.00	0.00	-6,260.00	2,008,120.00
084664AF8	2094	99	Fair Value	12/15/2010	2,061,960.00	0.00	0.00	0.00	0.00	5,540.00	2,067,500.00
3128X8QH8	2095	99	Fair Value	03/16/2011	2,012,300.00	0.00	0.00	0.00	0.00	-480.00	2,011,820.00
1006200563	2096	99	Amortized	02/04/2010	2,000,000.00	0.00	0.00	0.00	0.00	0.00	2,000,000.00
31398AWJ7	2097	99	Fair Value	04/08/2011	2,009,380.00	0.00	0.00	0.00	0.00	3,120.00	2,012,500.00
3128X8WC2	2098	99	Fair Value	04/20/2011	2,009,800.00	0.00	0.00	0.00	0.00	3,660.00	2,013,460.00
3133XTLP9	2099	99	Fair Value	05/18/2011	2,001,880.00	0.00	0.00	2,000,000.00	0.00	-1,880.00	0.00
31331GWK1	2100	99	Fair Value	02/28/2011	1,996,260.00	0.00	0.00	2,000,000.00	0.00	3,740.00	0.00
3136FHYA7	2101	99	Fair Value	06/08/2011	1,996,260.00	0.00	0.00	0.00	0.00	13,740.00	2,010,000.00
3133XTQM1	2102	99	Fair Value	06/10/2011	1,996,260.00	0.00	0.00	0.00	0.00	7,500.00	2,003,760.00
3133XTQ58	2103	99	Fair Value	06/10/2011	1,998,120.00	0.00	0.00	0.00	0.00	1,880.00	2,000,000.00
3136FHE43	2104	99	Fair Value	07/01/2011	0.00	2,000,000.00	0.00	0.00	0.00	0.00	2,000,000.00
3128X8V33	2105	99	Fair Value	07/06/2011	0.00	2,000,000.00	0.00	0.00	0.00	7,380.00	2,007,380.00
3133XUEM1	2106	99	Fair Value	08/10/2011	0.00	2,000,000.00	0.00	0.00	0.00	2,500.00	2,002,500.00
3133XUGD9	2107	99	Fair Value	08/17/2011	0.00	2,000,000.00	0.00	0.00	0.00	3,120.00	2,003,120.00
3133XUKD4	2108	99	Fair Value	08/25/2011	0.00	2,000,000.00	0.00	0.00	0.00	3,760.00	2,003,760.00
3128X9CG3	2109	99	Fair Value	09/02/2011	0.00	2,000,000.00	0.00	0.00	0.00	10,520.00	2,010,520.00

Portfolio OTAY
AP

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	
				Subtotal	79,119,587.98	12,000,000.00	165,403.19	21,776,442.30	0.00	-83,172.49	69,877,770.14
				Total	79,119,587.98	12,000,000.00	165,403.19	21,776,442.30	0.00	-83,172.49	69,877,770.14

OTAY
Duration Report
Sorted by Investment Type - Investment Type
Through 09/30/2009

Security ID	Investment #	Fund	Issuer	Investment Class	Book Value	Par Value	Market Value	Current Rate	YTM 365	Current Yield	Maturity/ Call Date	Effective Duration
084664AF8	2094	99	Berkshire Hathaway Fin	Fair	2,023,921.26	2,000,000.00	2,067,500.00	4.200	2.000	1.369	12/15/2010	1.167
36962G2S2	2044	99	General Electric Capital	Fair	2,012,941.37	2,000,000.00	2,067,260.00	5.000	2.000	2.070	12/01/2010	1.119
3128X8QH8	2095	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,011,820.00	2.000	2.000	0.813c	03/16/2010	0.454
3133XUEM1	2106	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,002,500.00	1.350	1.350	1.099c	11/10/2009	0.000
3136FHYA7	2101	99	Fannie Mae	Fair	2,000,000.00	2,000,000.00	2,010,000.00	1.150	1.180	0.420c	06/08/2010	0.682
3133XUGD9	2107	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,003,120.00	1.500	1.500	1.186c	11/17/2009	0.000
31398AWJ7	2097	99	Fannie Mae	Fair	2,000,000.00	2,000,000.00	2,012,500.00	1.875	1.875	0.668c	04/08/2010	0.512
3133XUKD4	2108	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,003,760.00	1.625	1.625	1.247c	11/25/2009	0.000
3133XTQM1	2102	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,003,760.00	1.180	1.240	0.802c	12/10/2009	0.191
3133XTQ58	2103	99	Federal Home Loan Bank	Fair	2,000,000.00	2,000,000.00	2,000,000.00	1.240	1.240	1.240	06/10/2011	1.663
3128X9CG3	2109	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,010,520.00	1.750	1.750	0.694c	03/02/2010	0.416
3136FHAA3	2091	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	2,010,000.00	2.000	2.000	0.995c	02/11/2010	0.364
3128X8V33	2105	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,007,380.00	1.850	1.850	1.108c	01/06/2010	0.265
31398AVL3	2093	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	2,008,120.00	2.000	2.000	1.183c	03/02/2010	0.416
3128X8WC2	2098	99	Federal Home Loan Mortgage	Fair	2,000,000.00	2,000,000.00	2,013,460.00	1.750	1.750	0.529c	04/20/2010	0.547
3136FHE43	2104	99	Federal National Mortgage Assoc	Fair	2,000,000.00	2,000,000.00	2,000,000.00	1.500	1.500	0.000c	10/01/2009	0.000
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	0.190 †
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	0.306 †
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	0.338 †
LAIF COPS07	9009	99	STATE OF CALIFORNIA	Fair	0.00	0.00	0.00	1.530	1.530	1.530		0.000
LAIF	9001	99	STATE OF CALIFORNIA	Fair	3,762,888.70	3,762,888.70	3,768,761.11	0.750	0.750	0.750		0.000
SD COUNTY	9007	99	San Diego County	Fair	29,640,567.73	29,640,567.73	29,721,000.00	1.490	1.490	1.490		0.000
Report Total					68,519,427.06	68,482,564.43	68,800,569.11			1.263		0.242 †

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

Portfolio OTAY

AP

DU (PRF_DU) SymRept 6.41.200

Report Ver. 5.00



STAFF REPORT

TYPE MEETING:	Regular Board	MEETING DATE:	November 4, 2009
SUBMITTED BY:	Sean Prendergast, Finance Supervisor, Payroll & AP	W.O./G.F. NO:	DIV. NO.
APPROVED BY: (Chief)	Joseph Beachem, Chief Financial Officer		
APPROVED BY: (Asst. GM):	German Alvarez, Assistant General Manager		
SUBJECT:	Accounts Payable Demand List		

PURPOSE:

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

FISCAL IMPACT:

SUMMARY	NET DEMANDS
CHECKS (2020263-2020659)	\$1,972,847.63
WIRE TO:	
CITY TREASURER - RECLAIMED WATER PURCH - AUGUST	\$178,907.12
DELTA HEALTH SYSTEMS - DENTAL & COBRA CLAIMS	\$20,126.08
JP MORGAN - REMARKETING FEE - 1ST QTR	\$2,715.29
LANDESBANK - CERTIFICATES OF PARTICIPATION	\$28,650.40
SAN DIEGO COUNTY WATER - CAP FEES - 1ST QTR	\$377,338.00
SAN DIEGO COUNTY WATER - WATER DELIVERIES - AUG	\$2,797,863.40
SPECIAL DIST RISK MGMT AUTH - INSURANCE PREMIUM	\$184,563.28
UNION BANK - PAYROLL TAXES	\$280,768.18
WAGeworks - FLEXIBLE SPENDING ACCOUNT	\$53,119.25
TOTAL CASH DISBURSEMENTS	\$5,896,898.63

RECOMMENDED ACTION:

That the Board receive the attached list of demands.

Jb/Attachment

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2020263 THROUGH 2020659
RUN DATES 10/7/2009 TO 10/28/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2020263	10/07/09	01910	ABCANA INDUSTRIES	850359	09/17/09	BULK SODIUM HYPOCHLORITE	1,251.05	3,078.61
				850053	09/14/09	BULK SODIUM HYPOCHLORITE	942.31	
				850054	09/14/09	BULK SODIUM HYPOCHLORITE	885.25	
2020264	10/07/09	10971	ABCOW STAFFING	1136	10/02/09	SDCWA INTERN	270.00	270.00
2020265	10/07/09	07679	ADVANCED AIR & VACUUM	2315	09/11/09	OIL FILTERS FOR 980-2	108.25	108.25
2020266	10/07/09	10821	AECOM INC	461995	09/11/09	PROFESSIONAL ENGINEERING SERVICES	48,141.73	48,141.73
2020267	10/07/09	06261	ALCANTARA, CYNTHIA	1700909	09/30/09	TRAVEL EXPENSE REIMBURSEMENT	531.09	531.09
2020268	10/07/09	06166	AMERICAN MESSAGING	L1109570JJ	10/01/09	PAGER SERVICES	274.42	274.42
2020269	10/07/09	08967	ANTHEM BLUE CROSS EAP	40813	09/21/09	EMPLOYEE ASSISTANCE PROGRAM SERVICES	379.50	379.50
2020270	10/07/09	10168	BANCROFT REALTY	RF031146023	10/05/09	REFUND ON ACCOUNT CREDIT	304.64	304.64
2020271	10/07/09	10970	BRENNTAG PACIFIC INC	BPI932037	09/17/09	BULK SODIUM HYPOCHLORITE PATZIG	1,263.69	1,263.69
2020272	10/07/09	01232	BRODING'S BATTERY	10423	09/17/09	REPAIR PARTS	145.62	145.62
2020273	10/07/09	03721	BULLET LOGISTICS INC	09170903350	09/17/09	COURIER SERVICES FOR TREATMENT PLANT	227.70	227.70
2020274	10/07/09	01432	CALIFORNIA URBAN WATER	001570	09/30/09	PUBLICATION ORDER	427.35	427.35
2020275	10/07/09	04653	CARO, PATTY	001573	10/07/09	TRAVEL EXPENSE ADVANCEMENT	68.00	68.00
2020276	10/07/09	03706	CONSUMERS PIPE & SUPPLY CO	S1110217005	09/11/09	WAREHOUSE SUPPLIES	1,077.80	1,077.80
2020277	10/07/09	03624	COPY LINK INC	AR104509	09/17/09	SERVICE SHARP 2052 COPIER @ TP	283.31	283.31
2020278	10/07/09	00184	COUNTY OF SAN DIEGO	DEH090489D11	09/14/09	RECLAIMED WATER SHUT DOWN TEST	416.50	416.50
2020279	10/07/09	02519	DIEHL, EVANS & COMPANY LLP	68085	08/31/09	AUDIT SERVICES	12,600.00	12,600.00
2020280	10/07/09	10979	DR STEVEN ALBRECHT PHR CPP	10142009	10/13/09	ANNUAL CUSTOMER SERVICE SEMINAR	5,000.00	5,000.00
2020281	10/07/09	05134	DYCHITAN, MARISSA	001574	09/29/09	ONLINE CPE COURSES	199.00	199.00
2020282	10/07/09	02447	EDCO DISPOSAL CORPORATION	001566	09/30/09	RECYCLING SERVICES	90.00	90.00
2020283	10/07/09	03683	F & L INDUSTRIAL SOLUTIONS INC	9439	09/11/09	CLAVVAL SOLENOIDS	3,215.18	3,215.18
2020284	10/07/09	03546	FERGUSON WATERWORKS # 1082	0326975	09/14/09	INVENTORY	1,538.80	2,552.42
				03269751	09/17/09	INVENTORY	575.73	
				0326688	09/17/09	INSTATITE FOR MTR RETROFIT REPAIRS	337.57	
				03260881	09/14/09	INVENTORY	100.32	

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2020285	10/07/09	10980	FIRST AMERICAN TITLE INS CO	6274627511252	10/06/09	TITLE REPORTS FOR EASEMENTS	1,000.00	
				6274627411257	10/06/09	TITLE REPORTS FOR EASEMENTS	1,000.00	2,000.00
2020286	10/07/09	07224	FRAZEE INDUSTRIES INC	797890	09/15/09	PAINT FOR METERS	156.59	156.59
2020287	10/07/09	06291	GARCIA CALDERON & RUIZ LLP	2793		CREDIT MEMO	(3,500.00)	
				2779	09/28/09	LEGAL SERVICES	66,310.25	62,810.25
2020288	10/07/09	03537	GHA TECHNOLOGIES INC	561308	09/11/09	TONER FOR PUBLIC SERVICES	338.21	338.21
2020289	10/07/09	00101	GRAINGER INC	9080356406	09/17/09	REPAIR PARTS	288.87	288.87
2020290	10/07/09	02187	GREENSCAPE	2252	09/14/09	LANDSCAPE	65.00	65.00
2020291	10/07/09	03773	GTC SYSTEMS INC	29156	07/30/09	CONSULTING SERVICES 7/6/09-7/24/09	4,896.20	4,896.20
2020292	10/07/09	00174	HACH COMPANY	6404583	09/11/09	PORTABLE D.O. METER	1,756.45	1,756.45
2020293	10/07/09	06640	HD SUPPLY WATERWORKS LTD	9489176	09/11/09	INVENTORY	10,185.53	
				9525099	09/17/09	INVENTORY	1,958.53	12,144.06
2020294	10/07/09	10978	JAMES COX	RF250369450	10/02/09	CUSTOMER OVER-PAYMENT	331.17	331.17
2020295	10/07/09	04996	KNOX ATTORNEY SERVICE INC	501927	09/16/09	DELIVERY OF BOARD & COMMITTEE PACKETS	28.60	
				501926	09/16/09	DELIVERY OF BOARD & COMMITTEE PACKETS	28.60	
				501928	09/16/09	DELIVERY OF BOARD & COMMITTEE PACKETS	28.60	
				501929	09/16/09	DELIVERY OF BOARD & COMMITTEE PACKETS	28.60	114.40
2020296	10/07/09	10414	L + L PRINTERS CARLSBAD LLC	912533	09/16/09	BIND OPERATING & CAPITAL BUDGET BOOKS	130.50	130.50
2020297	10/07/09	09880	LEIGH, ROB	001571	10/04/09	SAFETY BOOTS REIMBURSEMENT	150.00	150.00
2020298	10/07/09	06302	MCCROMETER INC	351215RI	09/14/09	SPARE PARTS FOR CCB METER AT TP	138.70	138.70
2020299	10/07/09	07399	MCGARD	288488	09/14/09	CURB STOP LOCKS AND KEYS	978.06	978.06
2020300	10/07/09	01183	MCMASTER-CARR SUPPLY CO	37818383	09/17/09	HYDRO TANK REPAIR PARTS	938.93	
				37591883	09/15/09	EFFLUENT PUMP STATION 927-1RP	692.08	1,631.01
2020301	10/07/09	00237	MISSION JANITORIAL & ABRASIVE	17026001	09/11/09	JANITORIAL SUPPLIES	34.97	
				17026002	09/14/09	JANITORIAL SUPPLIES	34.97	69.94
2020302	10/07/09	02037	MWH LABORATORIES	L0006693	06/22/09	DBP PROJECT 2ND QUARTER 2009	3,180.00	
				L0011225	09/11/09	AUGUST 2009 RCWWRF EFFLUENT PROJECT	428.00	3,608.00
2020303	10/07/09	04676	NAPA AUTO PARTS	165760	09/14/09	REPAIR PARTS	168.91	
				166056	09/16/09	REPAIR PARTS	97.40	
				165923	09/15/09	REPAIR PARTS	87.87	
				166008	09/16/09	REPAIR PARTS	66.69	

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				165830	09/15/09	REPAIR PARTS	54.20	
				166070	09/16/09	REPAIR PARTS	22.52	
				165987	09/16/09	REPAIR PARTS	14.23	
				166166	09/17/09	REPAIR PARTS	11.95	523.77
2020304	10/07/09	03733	NEC UNIFIED SOLUTIONS INC	TM0000009793	09/11/09	MAINT FOR PHONE/VOICE MAIL SYSTEM	336.50	336.50
2020305	10/07/09	00510	OFFICE DEPOT INC	488845405001	09/16/09	OFFICE SUPPLIES	387.73	
				489025317001	09/17/09	TONER	116.43	
				488174306001	09/11/09	OFFICE SUPPLIES	116.11	
				488958644001	09/17/09	OFFICE SUPPLIES	60.49	
				488845538001	09/16/09	OFFICE SUPPLIES	32.15	
				188224596001	09/14/09	OFFICE SUPPLIES	14.90	
				488174447001	09/11/09	OFFICE SUPPLIES	6.09	733.90
2020306	10/07/09	03308	PBS&J	1055204	09/11/09	PROFESSIONAL CONSULTING SERVICES	1,483.69	1,483.69
2020307	10/07/09	10929	PORTABLE POWER SYSTEMS INC	99129	09/16/09	BATTERIES	218.25	218.25
2020308	10/07/09	10819	PREDICTIVE MAINTENANCE	1207	09/17/09	VIBRATION READINGS & DATA COLLECTION	6,700.00	6,700.00
2020309	10/07/09	10928	PROACTIVE POWER SERVICES INC	CREDIT00062		CREDIT FOR IT UPS SYSTEM MAINT	(1,685.63)	
				IVC00874	09/02/09	IT UPS SYSTEM MAINTENANCE	1,685.63	
				IVC00871	09/02/09	IT UPS SYSTEM MAINTENANCE	1,200.00	1,200.00
2020310	10/07/09	06844	PROCESS MEASUREMENT &	068025	09/17/09	640-2 LEVEL TRANSMITTER	786.66	786.66
2020311	10/07/09	06641	PRUDENTIAL OVERALL SUPPLY	30040336	09/17/09	ADMIN/OPS UNIFORMS	331.85	
				30040335	09/17/09	ADMIN/OPS MATS, TOWELS AND SUPPLIES	148.00	
				30040337	09/17/09	ADMIN/OPS MATS, TOWELS AND SUPPLIES	106.19	
				30039982	09/16/09	ADMIN/OPS MATS, TOWELS AND SUPPLIES	94.96	
				30040338	09/17/09	ADMIN/OPS UNIFORMS	66.13	
				30039981	09/16/09	ADMIN/OPS UNIFORMS	52.49	799.62
2020312	10/07/09	00078	PUBLIC EMPLOYEES RETIREMENT	Ben2399538	10/01/09	PERS CONTRIBUTION (PRE-TAX)	133,794.93	133,794.93
2020313	10/07/09	09804	PUBLICIA PRESS LTD	20093407	09/11/09	BUSINESS CARDS	46.22	46.22
2020314	10/07/09	02620	ROTORK CONTROLS INC	RSI33555	09/17/09	REPAIR OF ACTUATOR	2,570.42	2,570.42
2020315	10/07/09	09148	S&J SUPPLY COMPANY INC	086782	09/15/09	INVENTORY	560.06	560.06
2020316	10/07/09	05130	SAFARI MICRO INC	178268	09/11/09	PC FOR CONFERENCE ROOMS	4,823.06	4,823.06
2020317	10/07/09	10930	SAGE DESIGNS INC	0909407	09/15/09	ANTENNAS FOR TREATMENT PLANT	1,608.55	1,608.55
2020318	10/07/09	02680	SAN DIEGO COUNTY TREASURER	58516020000910	09/28/09	VOTER APPROVED BOND TAXES	152.40	152.40
2020319	10/07/09	00121	SAN DIEGO GAS & ELECTRIC	001568	09/25/09	UTILITY EXPENSES	102,914.91	102,914.91

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2020320	10/07/09	05983	SIEMENS WATER TECHNOLOGIES	SLS30103743	09/10/09	STRANTROL 890 ORP INPUT BOARD	1,335.93	1,335.93
2020321	10/07/09	03103	SOUTHCOAST HEATING &	C41239	09/14/09	AIR CONDITIONING MAINTENANCE	1,013.00	1,013.00
2020322	10/07/09	03516	SPECIAL DISTRICT RISK	0030626IN	09/16/09	WORKERS' COMPENSATION PROGRAM	60,531.00	60,531.00
2020323	10/07/09	05968	STAPLES BUSINESS ADVANTAGE	3122817529 3122817528	08/01/09	CREDIT FOR FILE POCKETS RECORDS AND OFFICE SUPPLIES	(107.66) 391.41	283.75
2020324	10/07/09	02799	TARULLI TIRE INC - SAN DIEGO	20040208 20040129 20040131 20040130	09/17/09 09/14/09 09/17/09 09/14/09	TIRE SERVICE TIRE SERVICE TIRE SERVICE TIRE SERVICE	318.85 317.49 163.08 83.05	882.47
2020325	10/07/09	02376	TECHKNOWSION INC	2176	09/14/09	450 CHLORINE FEED SYSTEM SCADA SCREENS	2,657.00	2,657.00
2020326	10/07/09	08542	TNB INC	9110025	09/17/09	UNLEADED FUEL	11,170.80	11,170.80
2020327	10/07/09	08262	UNITED RENTALS NORTHWEST INC	83657019001	09/16/09	CONCRETE	140.29	140.29
2020328	10/07/09	07674	US BANK CORPORATE PAYMENT	001572	09/22/09	DISTRICT EXPENSES	410.00	410.00
2020329	10/07/09	03329	VERIZON WIRELESS	0800248468	09/21/09	AIR-CARD SERVICES	8,855.41	8,855.41
2020330	10/07/09	02700	WATER CONSERVATION GARDEN	Otay20910 Otay2S0910 62619	10/01/09 10/01/09 09/25/09	OPERATING COSTS FOR WATER GARDEN OPERATING COSTS FOR WATER GARDEN WATER CONSERVATION GARDEN TOURS	19,687.50 7,750.00 1,240.00	28,677.50
2020331	10/07/09	03781	WATTON, MARK	001569	09/18/09	TRAVEL EXPENSE REIMBURSEMENT	127.43	127.43
2020332	10/07/09	01343	WE GOT YA PEST CONTROL	57218	09/14/09	PEST CONTROL - BEE REMOVAL	115.00	115.00
2020333	10/14/09	10998	ABGULRHMAN ABDY	Ref002399838	10/12/09	UB Refund Cst #0000090970	22.37	22.37
2020334	10/14/09	11022	AGGI CARPENTER	Ref002399862	10/12/09	UB Refund Cst #0000146913	16.81	16.81
2020335	10/14/09	10992	ANDY APSAY	Ref002399832	10/12/09	UB Refund Cst #0000075279	67.22	67.22
2020336	10/14/09	11000	ANTHONY MAIELLI	Ref002399840	10/12/09	UB Refund Cst #0000094587	7.71	7.71
2020337	10/14/09	11026	ATLANTIC & PACIFIC REAL ESTATE	Ref002399866	10/12/09	UB Refund Cst #0000147136	26.00	26.00
2020338	10/14/09	11040	AXIA REAL ESTATE GROUP	Ref002399881	10/12/09	UB Refund Cst #0000154004	75.00	75.00
2020339	10/14/09	11033	BILL DE RIDDER	Ref002399873	10/12/09	UB Refund Cst #0000147620	78.10	78.10
2020340	10/14/09	10988	BRIAN LLANO	Ref002399828	10/12/09	UB Refund Cst #0000068598	70.00	70.00

OTAY WATER DISTRICT
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2020341	10/14/09	10982	CALPINE CORPORATION	Ref002399821	10/12/09	UB Refund Cst #0000016177	801.62	801.62
2020342	10/14/09	11020	CARMELITA VINSON	Ref002399860	10/12/09	UB Refund Cst #0000146621	59.55	59.55
2020343	10/14/09	10990	CHERE CHAVEZ	Ref002399830	10/12/09	UB Refund Cst #0000073376	26.80	26.80
2020344	10/14/09	11019	CHRISTOPHER JEFFERS	Ref002399859	10/12/09	UB Refund Cst #0000146611	43.35	43.35
2020345	10/14/09	11011	CYNTHIA ARELLANO	Ref002399851	10/12/09	UB Refund Cst #0000142096	167.51	167.51
2020346	10/14/09	11015	DAISY VALLE	Ref002399855	10/12/09	UB Refund Cst #0000144878	21.74	21.74
2020347	10/14/09	11017	DAVID STEBBINS	Ref002399857	10/12/09	UB Refund Cst #0000146441	24.35	24.35
2020348	10/14/09	10997	DCXCAVATION	Ref002399837	10/12/09	UB Refund Cst #0000088841	786.81	786.81
2020349	10/14/09	11012	DEAN A TRACY	Ref002399852	10/12/09	UB Refund Cst #0000142386	38.28	38.28
2020350	10/14/09	11036	DENNIS DESOUZA	Ref002399877	10/12/09	UB Refund Cst #0000147887	47.74	47.74
2020351	10/14/09	11010	ELISA PESKIN	Ref002399850	10/12/09	UB Refund Cst #0000140693	16.32	16.32
2020352	10/14/09	10993	ERIC GREEN	Ref002399833	10/12/09	UB Refund Cst #0000078884	43.64	43.64
2020353	10/14/09	11023	FIELD ASSET SERVICES	Ref002399863	10/12/09	UB Refund Cst #0000147044	75.00	75.00
2020354	10/14/09	11035	GREG SEALE	Ref002399875	10/12/09	UB Refund Cst #0000147682	19.82	19.82
2020355	10/14/09	11014	HARBOR VIEW MORTGAGE TRUST FUN	Ref002399854	10/12/09	UB Refund Cst #0000143656	200.50	200.50
2020356	10/14/09	11013	HUD HOUSING OF URBAN DEV	Ref002399853	10/12/09	UB Refund Cst #0000143432	118.28	118.28
2020357	10/14/09	11007	HYE CHUN	Ref002399847	10/12/09	UB Refund Cst #0000126470	129.64	129.64
2020358	10/14/09	10984	JACQUELINE HERRERA	Ref002399823	10/12/09	UB Refund Cst #0000034990	7.79	7.79
2020359	10/14/09	10991	JEFF GARDNER	Ref002399831	10/12/09	UB Refund Cst #0000074848	68.29	68.29
2020360	10/14/09	10995	JEFFREY BALDIE	Ref002399835	10/12/09	UB Refund Cst #0000080459	50.87	50.87
2020361	10/14/09	11037	JOE DICINTIO	Ref002399878	10/12/09	UB Refund Cst #0000153687	37.75	37.75
2020362	10/14/09	11002	JOSH KOHUT	Ref002399842	10/12/09	UB Refund Cst #0000120722	15.07	15.07
2020363	10/14/09	11024	JUDY BOHLEN	Ref002399864	10/12/09	UB Refund Cst #0000147069	61.71	61.71
2020364	10/14/09	11005	JUNG EUN KIM	Ref002399845	10/12/09	UB Refund Cst #0000124221	18.32	18.32
2020365	10/14/09	10989	KATHRYN PHILLIPS	Ref002399829	10/12/09	UB Refund Cst #0000071241	20.72	20.72

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2020366	10/14/09	10986	KATSUO MIURA	Ref002399825	10/12/09	UB Refund Cst #0000042684	133.47	133.47
2020367	10/14/09	10999	KRISTINE SPENCER	Ref002399839	10/12/09	UB Refund Cst #0000091088	33.78	33.78
2020368	10/14/09	10994	MAKOTO TOMOTSUGU	Ref002399834	10/12/09	UB Refund Cst #0000079329	25.33	25.33
2020369	10/14/09	11039	MARC CARPENTER AND ASSOCIATES	Ref002399880	10/12/09	UB Refund Cst #0000153969	68.31	68.31
2020370	10/14/09	10981	MARTHA GONZALEZ	Ref002399820	10/12/09	UB Refund Cst #0000010469	150.00	150.00
2020371	10/14/09	11003	MARY CHILDS	Ref002399843	10/12/09	UB Refund Cst #0000123372	23.45	23.45
2020372	10/14/09	11025	MCS MORTGAGE CONTRACTING	Ref002399865	10/12/09	UB Refund Cst #0000147121	27.06	27.06
2020373	10/14/09	11001	MICHAEL ARROYO	Ref002399841	10/12/09	UB Refund Cst #0000120461	15.10	15.10
2020374	10/14/09	10996	MICHAEL TEFFT	Ref002399836	10/12/09	UB Refund Cst #0000086401	12.18	12.18
2020375	10/14/09	11043	NN JAESCHKE INC	Ref002399884	10/12/09	UB Refund Cst #0000154814	469.13	469.13
2020376	10/14/09	11009	NORMA GRISELDA GONZALES	Ref002399849	10/12/09	UB Refund Cst #0000140160	65.63	65.63
2020377	10/14/09	11029	OCEAN LOANS	Ref002399869	10/12/09	UB Refund Cst #0000147390	32.95	32.95
2020378	10/14/09	11021	OLUSOLA ILORI	Ref002399861	10/12/09	UB Refund Cst #0000146671	20.55	20.55
2020379	10/14/09	11032	PACIFIC WEST HOME MORTGAGE	Ref002399872	10/12/09	UB Refund Cst #0000147614	25.91	25.91
2020380	10/14/09	11027	PEGGY TOMASELLA	Ref002399867	10/12/09	UB Refund Cst #0000147180	67.15	67.15
2020381	10/14/09	11004	PETRA DEVELOPMENT	Ref002399844	10/12/09	UB Refund Cst #0000124213	681.74	681.74
2020382	10/14/09	10938	PLATINUM CIRCLE REAL ESTATE	Ref002399876	10/12/09	UB Refund Cst #0000147805	61.71	61.71
2020383	10/14/09	11034	PROVIDENT SAVINGS BANK	Ref002399874	10/12/09	UB Refund Cst #0000147654	79.24	79.24
2020384	10/14/09	11038	RAY ESPINOZA	Ref002399879	10/12/09	UB Refund Cst #0000153953	41.95	41.95
2020385	10/14/09	11006	RAY OSBORNE	Ref002399846	10/12/09	UB Refund Cst #0000124373	150.00	150.00
2020386	10/14/09	11031	REO ACCOUNTING INC	Ref002399871	10/12/09	UB Refund Cst #0000147556	75.00	75.00
2020387	10/14/09	10950	RICHARD LEO	Ref002399826	10/12/09	UB Refund Cst #0000044051	110.88	110.88
2020388	10/14/09	11016	RICHARD LINZEY	Ref002399856	10/12/09	UB Refund Cst #0000145127	86.43	86.43
2020389	10/14/09	11008	ROSALVA MOYA	Ref002399848	10/12/09	UB Refund Cst #0000127776	8.39	8.39

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2020390	10/14/09	11028	ROSE AVEDISIAN	Ref002399868	10/12/09	UB Refund Cst #0000147202	57.01	57.01
2020391	10/14/09	11030	ROSEMARY GONZALEZ	Ref002399870	10/12/09	UB Refund Cst #0000147416	177.17	177.17
2020392	10/14/09	11042	SAN DIEGO REALTY INC	Ref002399883	10/12/09	UB Refund Cst #0000154265	48.02	48.02
2020393	10/14/09	11041	SILVIA LOERA-TOLEDO	Ref002399882	10/12/09	UB Refund Cst #0000154166	18.97	18.97
2020394	10/14/09	10985	STEVE BILSON	Ref002399824	10/12/09	UB Refund Cst #0000037891	35.33	35.33
2020395	10/14/09	11018	TEAM TOWNSON	Ref002399858	10/12/09	UB Refund Cst #0000146479	49.18	49.18
2020396	10/14/09	10987	VICTOR PINZON	Ref002399827	10/12/09	UB Refund Cst #0000058300	61.71	61.71
2020397	10/14/09	10983	YVETTE REYES	Ref002399822	10/12/09	UB Refund Cst #0000029358	11.83	11.83
2020398	10/14/09	01910	ABCANA INDUSTRIES	850580	09/21/09	HYPOCHLORITE DELIVERIES	1,480.78	
				850578	09/21/09	HYPOCHLORITE DELIVERIES	961.33	
				850789	09/24/09	HYPOCHLORITE DELIVERIES	763.80	3,205.91
2020399	10/14/09	07732	AIRGAS SPECIALTY PRODUCTS INC	131136657	09/22/09	BULK AQUA AMMONIA 19%	1,839.46	
				131136656	09/22/09	BULK AQUA AMMONIA 19%	1,622.39	
				131136659	09/22/09	BULK AQUA AMMONIA 19%	747.25	
				131136658	09/22/09	BULK AQUA AMMONIA 19%	276.36	4,485.46
2020400	10/14/09	00132	AIRGAS WEST	103546829	09/09/09	BREATHING AIR TREATMENT PLANT	109.15	109.15
2020401	10/14/09	02966	AMERICAN INDUSTRIAL SUPPLY INC	117566	09/22/09	ANTI SEIZE COMPOUND	501.09	501.09
2020402	10/14/09	03679	BRG CONSULTING INC	09082931	08/31/09	CONSULTANT CONTRACT FOR ENV SVCS	838.75	838.75
2020403	10/14/09	00223	C W MCGRATH INC	34270	09/18/09	CRUSHED ROCK	95.16	95.16
2020404	10/14/09	02920	CALIFORNIA COMMERCIAL	87208	09/16/09	ASPHALT	487.85	487.85
2020405	10/14/09	09574	CALIFORNIA HIGHWAY PATROL	CA429261209	10/12/09	HAZMAT TRANSPORTATION LIC RENEWAL	75.00	75.00
2020406	10/14/09	02989	CALIFORNIA MUNICIPAL	09092305	09/23/09	DEBT STATEMENT	475.00	475.00
2020407	10/14/09	10727	COMPUTER AIDED SOLUTIONS LLC	12747	09/24/09	ELECTRONIC PAPERLESS CHART RECORDERS	3,255.37	3,255.37
2020408	10/14/09	03334	COMPUTER MASTERS	74773	09/21/09	TONER	516.56	516.56
2020409	10/14/09	09510	CONFERENCECALL.COM	B120219130	09/30/09	CONFERENCE CALLING SERVICE	45.37	45.37
2020410	10/14/09	00184	COUNTY OF SAN DIEGO	DEH100096D11	10/06/09	RECLAIMED WATER SHUT DOWN TEST	952.00	
				DEH100084D11	10/06/09	RECLAIMED WATER SHUT DOWN TEST	833.00	1,785.00
2020411	10/14/09	08892	CUDAL, TED	001582	10/06/09	TRAVEL EXPENSE REIMBURSEMENT	69.99	69.99

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2020412	10/14/09	00319	DEPARTMENT OF PUBLIC HEALTH	0960515	09/30/09	AB 2995 WATER SYSTEMS FEES	9,546.65	9,546.65
2020413	10/14/09	03417	DIRECTV	1106598346	10/05/09	SATELLITE TV SERVICE	10.00	10.00
2020414	10/14/09	00645	FEDEX	935085290	10/02/09	OVERNIGHT PICK-UP & DELIVERY MAIL SVCS	23.52	23.52
2020415	10/14/09	03546	FERGUSON WATERWORKS # 1082	0327713	09/18/09	RETRO-FIT	48.94	48.94
2020416	10/14/09	04066	FIRST CHOICE SERVICES - SD	015368	09/22/09	COFFEE SUPPLIES	287.83	287.83
2020417	10/14/09	10830	FLEISHER PRODUCTS & SIGNS	21980	09/23/09	LABELS FOR 640/850 RESERVOIRS	24.31	24.31
2020418	10/14/09	01612	FRANCHISE TAX BOARD	Ben2399924	10/15/09	PAYROLL DEDUCTION	75.00	75.00
2020419	10/14/09	02344	FRANCHISE TAX BOARD	Ben2399928	10/15/09	PAYROLL DEDUCTION	313.82	313.82
2020420	10/14/09	00131	GOVERNMENT FINANCE OFFICERS	1535520010910	10/06/09	ANNUAL MEMBERSHIP RENEWAL	580.00	580.00
2020421	10/14/09	00101	GRAINGER INC	9076725119 9085111228 9080624100 9081977259 9084358135 9082491573	09/18/09 09/24/09 09/18/09 09/21/09 09/24/09 09/22/09	MASTER SECURITY LOCKS SEWAGE PUMP REPAIR PARTS WASTE DISPOSAL REFLECTIVE WARNING TAPE REPAIR PARTS	547.59 431.63 186.45 138.26 79.13 62.15	1,445.21
2020422	10/14/09	03289	GRANGER, WILLIAM E	15711009	10/09/09	TRAVEL EXPENSE REIMBURSEMENT	369.15	369.15
2020423	10/14/09	00174	HACH COMPANY	6418777	09/22/09	LABORATORY SUPPLIES	1,525.81	1,525.81
2020424	10/14/09	10973	HDR ENGINEERING INC	135243H	09/15/09	TEMPORARY LABOR SERVICES	5,600.00	5,600.00
2020425	10/14/09	04472	HECTOR I MARES-COSSIO	54	08/31/09	BI-NATIONAL CONSULTANT SERVICES	3,600.00	3,600.00
2020426	10/14/09	08610	HENRY BROS ELECTRONICS INC	13090109	09/24/09	LENEL SOFTWARE FOR CUSTOMIZED REPORTS	4,400.00	4,400.00
2020427	10/14/09	06843	HI-TECH AIR CONDITIONING	20406 20454	09/23/09 09/24/09	DATA CENTER AC MAINTENANCE DATA CENTER AC MAINTENANCE	575.00 372.50	947.50
2020428	10/14/09	10968	INDUSTRIAL NETWORKING	INV0112283	09/18/09	SURVEILLANCE CAMERAS FOR 1296 SITE	826.46	826.46
2020429	10/14/09	10563	JCI JONES CHEMICALS INC	446076 445903	09/24/09	CREDIT FOR CHLORINE CHLORINE FOR TREATMENT PLANT	(3,000.00) 4,684.65	1,684.65
2020430	10/14/09	03172	JONES & STOKES ASSOCIATES	0065646 0065654 0065641 0065640 0065642	09/18/09 09/18/09 09/18/09 09/18/09 09/18/09	P1253 SAN MIGUEL HABITAT MGMT AREA ENVIRONMENTAL CONSULTING SERVICES ON-CALL ENVIRONMENTAL SVCS ON-CALL ENVIRONMENTAL SVCS ON-CALL ENVIRONMENTAL SVCS	18,021.85 13,687.41 1,503.25 858.75 817.81	

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				0065644	09/18/09	ON-CALL ENVIRONMENTAL SVCS	487.50	35,376.57
2020431	10/14/09	09219	JOSE E PEREIRA ENGINEERING	4	09/23/09	P2422 INTERAGENCY WTR MTR CONNECTION	28,200.33	28,200.33
2020432	10/14/09	05109	KEARNY PEARSON FORD	253704	09/22/09	REPAIR PARTS	1,399.47	1,399.47
2020433	10/14/09	07493	KEITH OLIVER & ASSOCIATES	1176	09/17/09	AUXILIARY OIL FILTER SYSTEM	1,813.95	1,813.95
2020434	10/14/09	06497	LAKESIDE LAND COMPANY	230779	09/24/09	ASPHALT	36.48	36.48
2020435	10/14/09	05220	LOGICALIS INTEGRATION SOLUTION	S925437	09/23/09	IT BATTERY INSTALLATION	4,900.00	4,900.00
2020436	10/14/09	04676	NAPA AUTO PARTS	166389	09/18/09	REPAIR PARTS	143.29	
				166327	09/18/09	REPAIR PARTS	121.67	
				166910	09/23/09	REPAIR PARTS	46.96	
				163442	08/25/09	REPAIR PARTS	38.06	
				166716	09/21/09	REPAIR PARTS	35.12	
				167125	09/24/09	REPAIR PARTS	30.96	
				166811	09/22/09	REPAIR PARTS	26.09	
				166925	09/23/09	REPAIR PARTS	20.13	
				166765	09/22/09	REPAIR PARTS	9.95	
				166376	09/18/09	REPAIR PARTS	4.79	477.02
2020437	10/14/09	03523	NATIONAL DEFERRED COMPENSATION	Ben2399908	10/15/09	DEFERRED COMP PLAN	8,726.02	8,726.02
2020438	10/14/09	00510	OFFICE DEPOT INC	489759101001	09/23/09	OFFICE SUPPLIES	571.49	
				488959501001	09/17/09	ENVELOPES	151.60	
				488176565001	09/16/09	INSPECTION STAMP	55.18	
				489547951001	09/22/09	OFFICE SUPPLIES	16.80	
				488174306002	09/23/09	OFFICE SUPPLIES	13.18	
				489759147001	09/23/09	OFFICE SUPPLIES	7.74	815.99
2020439	10/14/09	00496	ONESOURCE DISTRIBUTORS LLC	S3182645001	09/23/09	WELDING CABLE	334.10	334.10
2020440	10/14/09	02334	OTAY LANDFILL	008573	09/30/09	WASTE DISPOSAL SERVICES	35.79	35.79
2020441	10/14/09	03101	OTAY WATER DISTRICT	Ben2399910	10/15/09	PAYROLL DEDUCTION - ASSN DUES	805.00	805.00
2020442	10/14/09	03780	OWEN, DOUGLAS WESTLEY	16331009	10/28/09	TRAVEL EXPENSE REIMBURSEMENT	393.40	393.40
2020443	10/14/09	08891	PACIFIC METER SERVICES INC	176	09/09/09	WATER METER REPLACEMENT FY 2010	23,547.72	
				179	09/22/09	WATER METER REPLACEMENT FY 2010	1,583.04	25,130.76
2020444	10/14/09	03308	PBS&J	1057191	08/29/09	2009 MASTER PLAN UPDATE	6,961.50	6,961.50
2020445	10/14/09	08398	PEERLESS MATERIALS COMPANY	6819	09/23/09	WIPING RAGS	250.13	250.13
2020446	10/14/09	00137	PETTY CASH CUSTODIAN	001585	10/13/09	PETTY CASH REIMBURSEMENT	975.75	975.75

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2020447	10/14/09	10929	PORTABLE POWER SYSTEMS INC	99319	09/23/09	BATTERIES FOR UPS	67.60	67.60
2020448	10/14/09	05499	PRAXAIR DISTRIBUTION INC	34320731	09/20/09	WELDING SUPPLIES & EQUIPMENT	454.36	454.36
2020449	10/14/09	06641	PRUDENTIAL OVERALL SUPPLY	30042044	09/24/09	ADMIN/OPS UNIFORMS	324.93	
				30042043	09/24/09	ADMIN/OPS MATS, TOWELS AND SUPPLIES	148.00	
				30042045	09/24/09	ADMIN/OPS MATS, TOWELS AND SUPPLIES	106.19	
				30041672	09/23/09	ADMIN/OPS MATS, TOWELS AND SUPPLIES	94.96	
				30042046	09/24/09	ADMIN/OPS UNIFORMS	66.13	
				30041671	09/23/09	ADMIN/OPS UNIFORMS	54.49	794.70
2020450	10/14/09	09804	PUBLICIA PRESS LTD	20093431	09/24/09	BUSINESS CARDS	29.91	29.91
2020451	10/14/09	00021	RCP BLOCK & BRICK INC	4337531	09/18/09	CONCRETE	2,073.17	2,073.17
2020452	10/14/09	09148	S&J SUPPLY COMPANY INC	086990	09/16/09	HAND HOLE / THREAD PLUG	583.88	583.88
2020453	10/14/09	05130	SAFARI MICRO INC	178571	09/22/09	WIRELESS KEYBOARDS	810.19	
				178570	09/22/09	CANON SCANNER	565.50	1,375.69
2020454	10/14/09	00121	SAN DIEGO GAS & ELECTRIC	001577	10/05/09	UTILITY EXPENSES	33,252.65	
				001584	09/17/09	UTILITY EXPENSE	20.96	33,273.61
2020455	10/14/09	05983	SIEMENS WATER TECHNOLOGIES	2880375	09/24/09	T-PLANT CL2 REGULATOR REBUILD	255.00	255.00
2020456	10/14/09	03592	SOFTCHOICE CORPORATION	2156993	09/21/09	PANASONIC TOUGHBOOKS	9,389.13	9,389.13
2020457	10/14/09	03760	SPANKY'S PORTABLE SERVICES INC	821837	09/17/09	PORTABLE TOILET RENTAL	98.25	98.25
2020458	10/14/09	02354	STANDARD ELECTRONICS	12959	09/01/09	SECURITY SERVICE & REPAIRS	127.50	
				13039	09/15/09	SECURITY SERVICE & REPAIRS	85.00	212.50
2020459	10/14/09	05968	STAPLES BUSINESS ADVANTAGE	3125066453	09/19/09	COPY PAPER WHITE	1,142.20	1,142.20
2020460	10/14/09	00097	STATE BOARD OF EQUALIZATION	440221330909	09/30/09	UNDERGROUND STORAGE TANK MAINT FEE	209.80	209.80
2020461	10/14/09	00480	STATE BOARD OF EQUALIZATION	001588	09/30/09	CALIFORNIA SALES USE TAX	3,438.60	3,438.60
2020462	10/14/09	06281	STATE DISBURSEMENT UNIT	Ben2399926	10/15/09	PAYROLL DEDUCTION	286.73	286.73
2020463	10/14/09	06299	STATE DISBURSEMENT UNIT	Ben2399914	10/15/09	PAYROLL DEDUCTION	237.69	237.69
2020464	10/14/09	06303	STATE DISBURSEMENT UNIT	Ben2399920	10/15/09	PAYROLL DEDUCTION	836.30	836.30
2020465	10/14/09	08533	STATE DISBURSEMENT UNIT	Ben2399918	10/15/09	PAYROLL DEDUCTION	841.01	841.01
2020466	10/14/09	02261	STATE STREET BANK & TRUST CO	Ben2399906	10/15/09	DEFERRED COMP PLAN	6,806.58	6,806.58
2020467	10/14/09	02656	STEVENS, GEOFFREY	14821009	10/08/09	TRAVEL EXPENSE REIMBURSEMENT	366.20	366.20

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2020468	10/14/09	10412	SYSTEM ID WAREHOUSE	6197460	07/24/09	METER SCANNER SOFTWARE/SOURCE CODE	3,375.00	3,375.00
2020469	10/14/09	02799	TARULLI TIRE INC - SAN DIEGO	20040301 20040266	09/24/09 09/22/09	TIRE SERVICE TIRE SERVICE	365.50 160.57	526.07
2020470	10/14/09	03608	TELLIARD CONSTRUCTION	20011251	09/22/09	A/C UNIT	3,600.00	3,600.00
2020471	10/14/09	03314	TRAN, THIEN	001578	10/09/09	COMPUTER LOAN PROGRAM	834.04	834.04
2020472	10/14/09	03261	TYLER TECHNOLOGIES INC	17481	08/31/09	CIP EXPENDITURE-EDEN	150.00	150.00
2020473	10/14/09	05417	UNITED STATES DEPARTMENT	Ben2399922	10/15/09	PAYROLL DEDUCTION	100.00	100.00
2020474	10/14/09	00350	UNITED STATES POSTAL SERVICE	104339511009	10/08/09	REIMBURSE POSTAGE MACHINE	3,300.00	3,300.00
2020475	10/14/09	07674	US BANK CORPORATE PAYMENT	001580 001586	09/22/09 09/22/09	DISTRICT EXPENSES DISTRICT EXPENSES	635.82 42.46	678.28
2020476	10/14/09	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2399912	10/15/09	DEFERRED COMP PLAN	6,491.12	6,491.12
2020477	10/14/09	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2399916	10/15/09	401A PLAN	826.20	826.20
2020478	10/14/09	07780	WEBER SCIENTIFIC	00482113	09/18/09	LABORATORY SUPPLIES	118.85	118.85
2020479	10/14/09	02230	WILLIAMSON, KELLI M	001581	10/09/09	TRAVEL EXPENSE ADVANCEMENT	116.00	116.00
2020480	10/21/09	01910	ABCANA INDUSTRIES	851002 851461 851003 851462	09/28/09 10/01/09 09/28/09 10/01/09	BULK SODIUM HYPOCHLORITE BULK SODIUM HYPOCHLORITE BULK SODIUM HYPOCHLORITE BULK SODIUM HYPOCHLORITE	1,233.50 832.57 823.80 320.44	3,210.31
2020481	10/21/09	10971	ABCOW STAFFING	1125 1147	09/25/09 10/09/09	SDCWA INTERN SDCWA INTERN	270.00 270.00	540.00
2020482	10/21/09	08488	ABLEFORCE INC	1922 1915	10/06/09 10/06/09	CONSULTING SERVICES - IS DEPT CONSULTING SERVICES - IS DEPT	3,315.00 3,060.00	6,375.00
2020483	10/21/09	00421	ADVANCED DIESEL INJECTION INC	32250	09/04/09	REBUILD PARTS	585.02	585.02
2020484	10/21/09	10090	AECOM USA INC	22	09/09/09	PLAN CHECKS & INSPECTION SERVICE	6,882.10	6,882.10
2020485	10/21/09	00132	AIRGAS WEST	103204275	09/30/09	BREATHING AIR TREATMENT PLANT	26.93	26.93
2020486	10/21/09	02618	ALHAMBRA RUBBER &	26923	09/29/09	METER GASKETS	1,278.66	1,278.66
2020487	10/21/09	01463	ALLIED ELECTRONICS INC	11971400 11970X	09/30/09 09/30/09	ELECTRICAL PARTS FOR UPS FAIL CIRCUITS COOLING FANS FOR TP RELOCATED SERVERS	1,377.18 722.05	2,099.23

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2020488	10/21/09	02362	ALLIED WASTE SERVICES #509	0509003719330	09/25/09	TRASH REMOVAL SERVICES	770.06	1,106.34
				0509003720670	09/25/09	ASBESTOS DISPOSAL CONTAINER RENTAL	204.26	
				0509003721429	09/25/09	TRASH REMOVAL SVCS TREATMENT PLANT	132.02	
2020489	10/21/09	05758	AT&T	082164572809250	09/25/09	OPTE MAN INTERNET BANDWIDTH	1,964.46	1,964.46
2020490	10/21/09	05758	AT&T	001614	09/20/09	PHONE SERVICE FOR SCADA	117.13	117.13
2020491	10/21/09	01232	BRODING'S BATTERY	10925	10/01/09	REPLACEMENT BATTERIES	151.05	161.05
				10823	09/29/09	REPLACEMENT BATTERIES	10.00	
2020492	10/21/09	00223	C W MCGRATH INC	34368	09/30/09	CRUSHED ROCK	209.32	209.32
2020493	10/21/09	01004	CALOLYMPIC SAFETY	061188	09/28/09	H2S SENSOR AND CAL-GAS 34L	287.28	287.28
2020494	10/21/09	02758	CARMEL BUSINESS SYSTEMS INC	7074	10/01/09	STORAGE & DESTRUCTION OF DOCUMENTS	963.05	1,145.50
				7073	10/01/09	SCANNING ENGINEERING DRAWINGS	182.45	
2020495	10/21/09	03491	CASA DE ORO CAR WASH	39	09/30/09	VEHICLE WASHING	1,933.98	1,933.98
2020496	10/21/09	04349	CHAMBERS, JONATHAN	001613	10/12/09	SAFETY BOOTS REIMBURSEMENT	138.26	138.26
2020497	10/21/09	11047	CLAUDIA MONTANO	RF625134820	10/16/09	UB REFUND	107.25	107.25
2020498	10/21/09	03334	COMPUTER MASTERS	74852	10/01/09	SCANNER	1,013.55	1,013.55
2020499	10/21/09	03307	CONSTRUCTION MANAGEMENT	37566	06/02/09	MEMBERSHIP RENEWAL	60.00	60.00
2020500	10/21/09	07680	DELTA HEALTH SYSTEMS	P091005	10/07/09	EMPLOYEE HEALTH ADMIN SERVICES	1,353.80	1,405.80
				IVC03333	09/30/09	EMPLOYEE HEALTH ADMIN SERVICES	52.00	
2020501	10/21/09	00319	DEPARTMENT OF PUBLIC HEALTH	0990081	10/15/09	SB 1722 RECYCLED WTR FEES #3790034	253.11	253.11
2020502	10/21/09	02519	DIEHL, EVANS & COMPANY LLP	68174	09/30/09	AUDIT SERVICES	2,250.00	2,250.00
2020503	10/21/09	02366	DLT SOLUTIONS INC	S1098218	09/29/09	AUTOCAD REVIT ARCHITECTURE SUITE 2010	5,964.71	5,964.71
2020504	10/21/09	00230	EDP PRODUCTS INC	806145	09/25/09	CARTRIDGE STORAGE/RETRIEVAL	339.80	339.80
2020505	10/21/09	08023	EMPLOYEE BENEFIT SPECIALISTS	0047746IN	09/30/09	ADMINISTRATION FEES FOR COBRA	540.00	540.00
2020506	10/21/09	00331	EMPLOYMENT DEVELOPMENT DEPT	925023841009	10/20/09	UNEMPLOYMENT INS ACCT #925-0238-4	9,322.11	9,322.11
2020507	10/21/09	03546	FERGUSON WATERWORKS # 1082	0328338	09/28/09	INVENTORY	6,856.69	8,617.07
				0328051	09/23/09	12" VICTAULIC COUPLINGS	854.29	
				03260882	09/28/09	INVENTORY	815.63	
				0328275	09/25/09	METER UPDATE PARTS FOR 913 ADAPTER	90.46	
2020508	10/21/09	08893	FIRST AMERICAN DATA TREE	90034099	09/30/09	ONLINE MAP PURCHASING SERVICE	112.67	112.67

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2020509	10/21/09	02591	FITNESS TECH INC	6068	10/01/09	MAINTENANCE FOR FITNESS EQUIPMENT	125.00	125.00
2020510	10/21/09	06276	GIFFORD ENGINEERING INC	9537	09/29/09	RADIO PARTS	495.90	495.90
2020511	10/21/09	00131	GOVERNMENT FINANCE OFFICERS	3000168541009	10/08/09	ANNUAL SUBSCRIPTION RENEWAL	235.00	235.00
2020512	10/21/09	02187	GREENSCAPE	2259 2270	10/01/09 09/25/09	LANDSCAPING SVCS - FIRST OPTION YEAR CLEARING OF 1 ACRE PARCEL IN OPS AREA	6,090.00 2,200.00	8,290.00
2020513	10/21/09	03773	GTC SYSTEMS INC	29388	09/30/09	TECHNICAL SUPPORT FOR CITRIX	524.35	524.35
2020514	10/21/09	02630	HAAKER EQUIPMENT COMPANY	C69956	09/25/09	REPAIR PARTS	224.13	224.13
2020515	10/21/09	00174	HACH COMPANY	6431988	10/01/09	CHLORINE & AMMONIA ANALYZER	2,041.35	2,041.35
2020516	10/21/09	06640	HD SUPPLY WATERWORKS LTD	9525100 9601732	09/30/09 09/30/09	INVENTORY INVENTORY	779.74 304.50	1,084.24
2020517	10/21/09	04472	HECTOR I MARES-COSSIO	55	09/30/09	BI-NATIONAL CONSULTANT SERVICES	3,600.00	3,600.00
2020518	10/21/09	00062	HELIX WATER DISTRICT	178540011009 174639861009	10/12/09 10/12/09	WATER BILL - AVOCADO BLVD WATER BILL - RUSSELL SQ	45.94 42.20	88.14
2020519	10/21/09	06540	HORIZON CRANE SERVICE LLC	5286 5283	09/30/09 09/26/09	CRANE RENTAL GENERATOR INSTALLATION	725.00 600.00	1,325.00
2020520	10/21/09	08969	INFOSEND INC	39370 39369	09/30/09 09/30/09	POSTAGE BILL PRINTING SERVICES	17,142.39 7,236.89	24,379.28
2020521	10/21/09	02372	INTERIOR PLANT SERVICE INC	32269	09/30/09	PLANT SERVICES	169.00	169.00
2020522	10/21/09	03077	JANI-KING OF CALIFORNIA INC	SDO10090262	10/01/09	OFF-SITE JANITORIAL SERVICES	1,042.00	1,042.00
2020523	10/21/09	04996	KNOX ATTORNEY SERVICE INC	504475 504474 504478 504476 504477	09/29/09 09/29/09 09/29/09 09/29/09 09/29/09	DELIVERY OF BOARD & COMMITTEE PACKETS DELIVERY OF BOARD & COMMITTEE PACKETS	28.60 28.60 28.60 28.60 28.60	143.00
2020524	10/21/09	10414	L + L PRINTERS CARLSBAD LLC	912903	09/28/09	BIND OPERATING & CAPITAL BUDGET BOOKS	65.25	65.25
2020525	10/21/09	06497	LAKESIDE LAND COMPANY	231020	10/01/09	ASPHALT	97.84	97.84
2020526	10/21/09	05220	LOGICALIS INTEGRATION SOLUTION	S925503	09/29/09	WIRELESS MESH RADIO IMPLEMENT PROJECT	2,000.00	2,000.00
2020527	10/21/09	02902	MARSTON+MARSTON INC	2009101 2009103 2009102	10/01/09 10/01/09 10/01/09	PUBLIC & COMMUNITY OUTREACH RELATIONS BI-NATIONAL DESAL COMMUNITY OUTREACH JAMACHA PIPELINE COMMUNITY OUTREACH	2,802.50 2,430.00 1,841.06	7,073.56

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2020528	10/21/09	05329	MASTER METER INC	0160443IN	09/30/09	INVENTORY	403,052.02	403,052.02
2020529	10/21/09	01183	MCMaster-CARR SUPPLY CO	38673560 38767833	09/29/09 09/30/09	PARTS FOR LIFT STATION REPAIRS PARTS FOR LIFT STATION REPAIRS	423.66 19.53	443.19
2020530	10/21/09	01524	MESA LABORATORIES INC	0354915IN	09/25/09	NUSONIC FLOW METER AND TRANSDUCERS	12,533.94	12,533.94
2020531	10/21/09	00887	MIRAMAR TRUCK CENTER-SAN DIEGO	255486	09/25/09	REPAIR PARTS	464.88	464.88
2020532	10/21/09	00237	MISSION JANITORIAL & ABRASIVE	17440100	09/30/09	JANITORIAL SUPPLIES	778.62	778.62
2020533	10/21/09	02371	MOODY'S INVESTORS SERVICE	C1719438000	09/21/09	MOODY'S CREDIT RATING	5,500.00	5,500.00
2020534	10/21/09	02037	MWH LABORATORIES	L0012682	09/30/09	SEPTEMBER 2009 RCWRF EFFLUENT PROJECT	498.00	498.00
2020535	10/21/09	04676	NAPA AUTO PARTS	168032 167542 167757 167493 167273 168117 167739 167654 167933 167676 167740 167915	10/01/09 09/28/09 09/29/09 09/28/09 09/25/09 10/01/09 09/29/09 09/29/09 09/30/09 09/29/09 09/29/09 09/30/09	REPAIR PARTS REPAIR PARTS	222.48 64.98 36.41 26.05 25.01 23.92 23.45 21.89 19.01 17.81 17.35 8.33	506.69
2020536	10/21/09	09881	NATGUN CORPORATION	08C558	09/30/09	P2143 1296-3 RESERVOIR 2.0 MG	144,063.90	144,063.90
2020537	10/21/09	09884	NATIONAL SAFETY COMPLIANCE INC	44229	09/30/09	RANDOM DRUG TESTING	555.74	555.74
2020538	10/21/09	08891	PACIFIC METER SERVICES INC	181	09/29/09	WATER METER REPLACEMENT FY 2010	9,267.38	9,267.38
2020539	10/21/09	01002	PACIFIC PIPELINE SUPPLY	135003	09/29/09	INVENTORY	13,593.75	13,593.75
2020540	10/21/09	09043	PARADIGM SYSTEMS SOLUTIONS INC	9137	09/30/09	RUGGED PANASONIC LAPTOPS	28,444.00	28,444.00
2020541	10/21/09	05497	PAYPAL INC	5384040	09/30/09	ON-LINE PAYMENT SERVICES	502.10	502.10
2020542	10/21/09	03649	PECK S HEAVY FRICTION INC	198869	10/01/09	REPAIR PARTS	917.59	917.59
2020543	10/21/09	03457	PERSONAL TOUCH WEST	21240	09/29/09	W/C CUSTOM STRESS DROPS	2,313.21	2,313.21
2020544	10/21/09	03351	POSADA, ROD	15571009	10/07/09	TRAVEL EXPENSE REIMBURSEMENT	255.30	255.30
2020545	10/21/09	10662	PROFESSIONAL MAINTENANCE	72165	10/01/09	JANITORIAL SERVICES	2,675.00	2,675.00

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2020546	10/21/09	06641	PRUDENTIAL OVERALL SUPPLY	30043712	10/01/09	ADMIN/OPS UNIFORMS	324.93	925.41
				30043711	10/01/09	ADMIN/OPS MATS, TOWELS AND SUPPLIES	148.00	
				30038642	09/10/09	ADMIN/OPS MATS, TOWELS AND SUPPLIES	137.89	
				30043713	10/01/09	ADMIN/OPS MATS, TOWELS AND SUPPLIES	106.19	
				30043354	09/30/09	ADMIN/OPS MATS, TOWELS AND SUPPLIES	94.96	
				30043714	10/01/09	ADMIN/OPS UNIFORMS	66.13	
2020547	10/21/09	00078	PUBLIC EMPLOYEES RETIREMENT	Ben2399904	10/15/09	PERS CONTRIBUTION (PRE-TAX)	134,723.42	134,723.42
2020548	10/21/09	10294	QWIKPRINTS	092441516	09/01/09	FINGERPRINTING SERVICES	20.00	20.00
2020549	10/21/09	00766	RANROY PRINTING COMPANY	098670	09/29/09	LETTERHEAD AND ENVELOPES	2,542.58	2,542.58
2020550	10/21/09	06645	RELIABLE ELEVATOR INC	18868	10/01/09	ELEVATOR SERVICE & MAINTENANCE	430.00	430.00
2020551	10/21/09	11046	RICH RIEL	001609	10/13/09	DEPOSIT FOR DJ FOR HOLIDAY EVENT	100.00	100.00
2020552	10/21/09	05130	SAFARI MICRO INC	178803	09/29/09	APC BACK-UP DEVICES	2,109.75	2,109.75
2020553	10/21/09	00003	SAN DIEGO COUNTY WATER	7051	09/28/09	SYNTHETIC TURF PROGRAM	1,309.00	1,309.00
2020554	10/21/09	00247	SAN DIEGO DAILY TRANSCRIPT	159654	09/24/09	BID ADVERTISEMENT	57.35	113.15
				159653	09/24/09	BID ADVERTISEMENT	55.80	
2020555	10/21/09	00121	SAN DIEGO GAS & ELECTRIC	001612	10/05/09	UTILITY EXPENSES	5,061.06	5,061.06
2020556	10/21/09	05983	SIEMENS WATER TECHNOLOGIES	2883177	09/25/09	COLUMN EXCHANGES	196.08	267.15
				4590487	10/01/09	DEIONIZED PROCESSING TANK RENTAL	71.07	
2020557	10/21/09	03760	SPANKY'S PORTABLE SERVICES INC	822589	09/25/09	PORTABLE TOILET RENTAL	80.06	320.24
				822590	09/25/09	PORTABLE TOILET RENTAL	80.06	
				822591	09/25/09	PORTABLE TOILET RENTAL	80.06	
				822673	09/28/09	PORTABLE TOILET RENTAL	80.06	
2020558	10/21/09	03516	SPECIAL DISTRICT RISK	0031005IN	10/06/09	AUDIT WORKERS' COMP PREMIUM	20,275.75	20,275.75
2020559	10/21/09	02354	STANDARD ELECTRONICS	13081	09/28/09	SECURITY SERVICE & REPAIRS	631.71	801.71
				13072	09/28/09	SECURITY SERVICE & REPAIRS	170.00	
2020560	10/21/09	00097	STATE BOARD OF EQUALIZATION	0440221331009	10/08/09	STORAGE TANK MAINT FEE	24.14	24.14
2020561	10/21/09	06841	SUPERIOR ENVIRONMENTAL	0909057	09/29/09	DATA CENTER CLEANING SERVICES	725.00	725.00
2020562	10/21/09	02799	TARULLI TIRE INC - SAN DIEGO	20040358	09/29/09	TIRE SERVICE	359.50	629.49
				20040331	09/28/09	TIRE SERVICE	269.99	
2020563	10/21/09	04977	T-MOBILE	4150860451009	10/19/09	CELL PHONE & BLACKBERRY SERVICES	982.49	982.49

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2020564	10/21/09	03538	TUBE SERVICE CO 45	45IV082710	09/29/09	REPAIR	173.13	173.13
2020565	10/21/09	00427	UNDERGROUND SERVICE ALERT OF	920090454	10/01/09	UNDERGROUND TRENCH SERVICE ALERTS	271.50	271.50
2020566	10/21/09	00075	UNION TRIBUNE PUBLISHING CO	0010297129 0010297089	09/24/09 09/24/09	BID ADVERTISEMENT BID ADVERTISEMENT	204.80 204.80	409.60
2020567	10/21/09	08262	UNITED RENTALS NORTHWEST INC	83896420001 83897887001	09/29/09 09/29/09	CONCRETE CONCRETE	227.78 160.95	388.73
2020568	10/21/09	07674	US BANK CORPORATE PAYMENT	001616	09/22/09	DISTRICT EXPENSES	9,327.50	9,327.50
2020569	10/21/09	04345	US CONCRETE PRECAST GROUP	0138910IN	09/25/09	INVENTORY	3,489.83	3,489.83
2020570	10/21/09	06829	US SECURITY ASSOCIATES INC	650793	09/30/09	AFTER HOURS SECURITY SVCS	417.30	417.30
2020571	10/21/09	02674	USA BLUE BOOK	905245	09/28/09	MISC SUPPLIES	197.13	197.13
2020572	10/21/09	08028	VALLEY CONSTRUCTION MANAGEMEN`	SD080212	09/30/09	AS-NEEDED CONSTRUCTION MGMT SVCS	15,240.00	15,240.00
2020573	10/21/09	10340	WAGeworks INC	78111	10/01/09	FLEXIBLE SPENDING ACCOUNT ADMIN	598.80	598.80
2020574	10/21/09	00262	WATER AGENCIES ASSOCIATION	001610	10/14/09	QUARTERLY MEETING	180.00	180.00
2020575	10/21/09	09570	WESTERN PACIFIC PIPELINE CORP	010109	10/01/09	STRAW WADDLE	913.50	913.50
2020576	10/21/09	00125	WESTERN PUMP INC	0080412IN	09/29/09	APCD TESTING	400.00	400.00
2020577	10/28/09	04070	ABACOR INC	16304 16305	09/30/09 10/02/09	REPAIR COVER REPAIR TARP COVER	477.67 321.09	798.76
2020578	10/28/09	01910	ABCANA INDUSTRIES	851990 850430 851615 851989 851614 852187 851784	10/12/09 09/18/09 10/05/09 10/12/09 10/05/09 10/15/09 10/08/09	BULK SODIUM HYPOCHLORITE BULK SODIUM HYPOCHLORITE BULK SODIUM HYPOCHLORITE BULK SODIUM HYPOCHLORITE BULK SODIUM HYPOCHLORITE BULK SODIUM HYPOCHLORITE BULK SODIUM HYPOCHLORITE	1,555.41 1,316.90 1,198.37 1,109.12 832.57 740.39 671.61	7,424.37
2020579	10/28/09	08488	ABLEFORCE INC	1937	10/27/09	CONSULTING SERVICES - IS DEPT	3,145.00	3,145.00
2020580	10/28/09	04810	ALBERTO RAMIREZ	001637	10/27/09	W/O REFUND - D0725-090051	1,790.21	1,790.21
2020581	10/28/09	00002	ANSWER INC	2173	10/22/09	TELEPHONE ANSWERING SERVICES	1,000.00	1,000.00
2020582	10/28/09	05758	AT&T	001588	10/07/09	PHONE SERVICE (HI HEAD P/S-SCADA)	32.33	32.33
2020583	10/28/09	07785	AT&T	000000895086	10/02/09	PHONE SERVICES	5,746.95	5,746.95

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2020584	10/28/09	08330	AT&T INTERNET SERVICES	8547826250909	09/22/09	OPTE MAN INTERNET BANDWIDTH	1,200.00	1,200.00
2020585	10/28/09	02401	CAJON VALLEY UNION SCHOOL DIST	9651	10/19/09	REIMB FOR TRIP TO CONSV GARDEN	80.00	80.00
2020586	10/28/09	01004	CALOLYMPIC SAFETY	061774	10/05/09	SAFETY EQUIPMENT - TOE GUARDS	62.78	62.78
2020587	10/28/09	08009	CANON BUSINESS SOLUTIONS INC	142378378	10/07/09	STAPLE CARTRIDGE	78.13	78.13
2020588	10/28/09	03334	COMPUTER MASTERS	74905	10/08/09	UPS BATTERIES	147.31	147.31
2020589	10/28/09	11051	CONDE, LEO	001627	10/21/09	SAFETY BOOTS REIMBURSEMENT	120.72	120.72
2020590	10/28/09	04398	CONSTRUCTION MANAGEMENT	001629	10/26/09	REGISTRATION FEE	55.00	55.00
2020591	10/28/09	03624	COPY LINK INC	AR105139	10/08/09	COPIER SERVICE CALL	120.00	120.00
2020592	10/28/09	02612	COUNCIL OF WATER UTILITIES	001619	10/20/09	MONTHLY MEETING	25.00	25.00
2020593	10/28/09	07687	CUYAMACA COLLEGE	652	10/14/09	DEFENSIVE DRIVER TRAINING	2,400.00	2,400.00
2020594	10/28/09	00319	DEPARTMENT OF PUBLIC HEALTH	151031009	10/21/09	CERTIFICATE RENEWAL	90.00	90.00
2020595	10/28/09	03417	DIRECTV	1116361648	10/19/09	SATELLITE TV SERVICE	5.00	5.00
2020596	10/28/09	01926	EAST COUNTY URGENT CARE	001632	10/08/09	ON-SITE FLU SHOTS	756.00	756.00
2020597	10/28/09	07596	ENVIRONMENTAL EXPRESS INC	1000195441	10/15/09	TSS/VSS FILTERS TREATMENT PLANT PROC	936.60	936.60
2020598	10/28/09	03546	FERGUSON WATERWORKS # 1082	0328336 0328098 03283381	10/08/09 10/05/09 10/07/09	INVENTORY INVENTORY INVENTORY	2,601.42 672.08 471.98	3,745.48
2020599	10/28/09	04066	FIRST CHOICE SERVICES - SD	019127	10/06/09	COFFEE SUPPLIES	254.23	254.23
2020600	10/28/09	01612	FRANCHISE TAX BOARD	Ben2400322	10/29/09	PAYROLL DEDUCTION	75.00	75.00
2020601	10/28/09	11054	GM FOUNDATIONS INC	RF998573700	10/28/09	CUSTOMER REFUND ON ACCT #995-5737-00	850.00	850.00
2020602	10/28/09	02630	HAAKER EQUIPMENT COMPANY	C70102	10/05/09	REPAIR PARTS	175.43	175.43
2020603	10/28/09	00174	HACH COMPANY	6437047	10/05/09	ORP CALIBRATION SOLUTION	320.57	320.57
2020604	10/28/09	09714	HD SUPPLY FACILITIES	51021152	10/07/09	FACILITES MAINTENANCE (VIEWER)	105.57	105.57
2020605	10/28/09	06843	HI-TECH AIR CONDITIONING	20602 6354	10/13/09 10/06/09	REPAIRS - LIEBERT A/C DATA CENTER AC MAINTENANCE	1,250.00 648.75	1,898.75
2020606	10/28/09	05840	KIRK PAVING INC	4440	10/16/09	ANNUAL AS NEEDED PAVING SVCS FY 2010	15,316.85	15,316.85

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2020607	10/28/09	04996	KNOX ATTORNEY SERVICE INC	505810	10/06/09	DELIVERY OF BOARD & COMMITTEE PACKETS	28.60	
				505809	10/06/09	DELIVERY OF BOARD & COMMITTEE PACKETS	28.60	
				505808	10/06/09	DELIVERY OF BOARD & COMMITTEE PACKETS	28.60	
				505807	10/06/09	DELIVERY OF BOARD & COMMITTEE PACKETS	28.60	
				506973	10/12/09	DELIVERY OF BOARD & COMMITTEE PACKETS	28.60	
				506971	10/12/09	DELIVERY OF BOARD & COMMITTEE PACKETS	28.60	
				506972	10/12/09	DELIVERY OF BOARD & COMMITTEE PACKETS	28.60	
2020608	10/28/09	03336	KREINBRING, THERESA	001628	10/22/09	REIMB FLIGHT RESERVATION CANCELLATION	322.39	322.39
2020609	10/28/09	03607	LEE & RO INC	83712	10/06/09	P2009 - DESIGN OF 36-INCH PIPELINE	24,921.69	34,022.26
				83413	10/02/09	AS NEEDED ENGINEERING DESIGN SVCS	9,100.57	
2020610	10/28/09	05220	LOGICALIS INTEGRATION SOLUTION	S925777	10/07/09	WIRELESS MESH RADIO IMPLEMENT PROJECT	2,750.00	2,750.00
2020611	10/28/09	03385	MAGANA, MANNY J	15971009	10/07/09	TRAVEL EXPENSE REIMBURSEMENT	157.00	157.00
2020612	10/28/09	00628	MANHATTAN NATIONAL LIFE	001625	10/23/09	VOLUNTARY LIFE INSURANCE	343.42	343.42
2020613	10/28/09	05329	MASTER METER INC	0160981	10/15/09	INVENTORY	20,641.84	20,641.84
2020614	10/28/09	01183	MCMASTER-CARR SUPPLY CO	39403912	10/08/09	BURLAP BAGS	650.00	1,289.00
				39072796	10/05/09	BURLAP BAGS	639.00	
2020615	10/28/09	09581	MICHAEL R WELCH PHD PE	7132	10/02/09	ENGINEERING PLANNING SERVICES	2,835.00	2,835.00
2020616	10/28/09	02503	MORGAN COMPANY	16070	10/02/09	REPAIR PARTS	1,076.86	1,076.86
2020617	10/28/09	04676	NAPA AUTO PARTS	168526	10/05/09	REPAIR PARTS	13.32	47.19
				168983	10/07/09	REPAIR PARTS	8.37	
				168908	10/07/09	REPAIR PARTS	6.48	
				168911	10/07/09	REPAIR PARTS	6.21	
				169212	10/08/09	REPAIR PARTS	5.66	
				168515	10/05/09	REPAIR PARTS	5.31	
				168521	10/05/09	REPAIR PARTS	1.84	
2020618	10/28/09	03523	NATIONAL DEFERRED COMPENSATION	Ben2400306	10/29/09	DEFERRED COMP PLAN	8,707.95	8,707.95
2020619	10/28/09	05494	NEXTEL OF CALIFORNIA INC	901500243037	10/12/09	GIS (AIR-TRAK) CELLULAR SERVICE	3,918.52	3,918.52
2020620	10/28/09	03467	NIAGARA CONSERVATION CORP	133079	10/02/09	TOILET DYE TABLETS	422.83	422.83
2020621	10/28/09	03101	OTAY WATER DISTRICT	Ben2400308	10/29/09	PAYROLL DEDUCTION - ASSN DUES	805.00	805.00
2020622	10/28/09	00227	PELL MELL SUPPLY	46426200	10/05/09	BOLTS FOR 978-1 PUMP STATION	574.20	574.20
2020623	10/28/09	10514	PENSA RHIANNA	001633	10/23/09	REIMB FOR PEAT POTS	113.54	113.54
2020624	10/28/09	00137	PETTY CASH CUSTODIAN	001634	10/27/09	PETTY CASH REIMBURSEMENT	616.57	616.57

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 202063 THROUGH 2020659
RUN DATES 10/7/2009 TO 10/28/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2020625	10/28/09	06641	PRUDENTIAL OVERALL SUPPLY	30046511	10/08/09	ADMIN/OPS UNIFORMS	333.40	
				30048208	10/15/09	ADMIN/OPS UNIFORMS	326.75	
				30046510	10/08/09	ADMIN/OPS MATS, TOWELS AND SUPPLIES	148.00	
				30048207	10/15/09	ADMIN/OPS MATS, TOWELS AND SUPPLIES	148.00	
				30046512	10/08/09	ADMIN/OPS MATS, TOWELS AND SUPPLIES	106.19	
				30048209	10/15/09	ADMIN/OPS MATS, TOWELS AND SUPPLIES	106.19	
				30046132	10/07/09	ADMIN/OPS MATS, TOWELS AND SUPPLIES	94.96	
				30047846	10/14/09	ADMIN/OPS MATS, TOWELS AND SUPPLIES	94.96	
				30046513	10/08/09	ADMIN/OPS UNIFORMS	85.88	
				30048210	10/15/09	ADMIN/OPS UNIFORMS	70.13	
				30046131	10/07/09	ADMIN/OPS UNIFORMS	47.31	
				30047845	10/14/09	ADMIN/OPS UNIFORMS	47.31	1,609.08
2020626	10/28/09	01890	RECON	39509	10/07/09	P1253 - PREP OF THE SUBAREA PLAN	11,181.42	11,181.42
2020627	10/28/09	00521	RICK POST WELDING &	8597	10/06/09	SUBLET WELDING	675.00	675.00
2020628	10/28/09	05984	RICK'S MACHINE SHOP	57692	10/07/09	REPAIR PART	1,999.68	1,999.68
2020629	10/28/09	00217	RW LITTLE CO INC	94460	10/07/09	SANDBLAST AND POWDERCOAT AIR VACS	750.00	750.00
2020630	10/28/09	00758	SAN DIEGO BUSINESS JOURNAL	001246140909	09/29/09	SUBSCRIPTION RENEWAL	89.00	89.00
2020631	10/28/09	00121	SAN DIEGO GAS & ELECTRIC	001638	10/19/09	UTILITY EXPENSES	25,585.18	
				001630	10/22/09	UTILITY EXPENSES	7,690.88	
				001617	10/27/09	UTILITY EXPENSES	1,313.01	34,589.07
2020632	10/28/09	09339	SANGALANG, ALEX	17831009	10/27/09	REFUND PAYROLL DEDUCTION	313.82	313.82
2020633	10/28/09	05512	SD COUNTY VECTOR CONTROL PROG	SD10037FY0910	10/21/09	MOSQUITO DISEASE CONTROL ASSESSMENT	541.80	541.80
2020634	10/28/09	03612	SIMON WONG ENGINEERING	11723	05/31/09	1296-3 RESERVOIR SUBMITTAL REVIEW	5,000.00	5,000.00
2020635	10/28/09	03592	SOFTCHOICE CORPORATION	2169251	10/02/09	TOUGH BOOK ACCESSORIES	215.11	215.11
2020636	10/28/09	03103	SOUTHCOAST HEATING &	C41541	10/16/09	AIR CONDITIONING MAINTENANCE	1,013.00	1,013.00
2020637	10/28/09	03760	SPANKY'S PORTABLE SERVICES INC	823825	10/07/09	PORTABLE TOILET RENTAL	80.06	80.06
2020638	10/28/09	01717	SPRING VALLEY CHAMBER OF	2040	08/04/09	WATER CONSERVATION WEB AD	350.00	350.00
2020639	10/28/09	02354	STANDARD ELECTRONICS	13100	10/06/09	TESTING & INSPECTING FIRE ALARM SYSTEMS	212.50	
				13099	10/06/09	TESTING & INSPECTING FIRE ALARM SYSTEMS	198.31	410.81
2020640	10/28/09	06281	STATE DISBURSEMENT UNIT	Ben2400324	10/29/09	PAYROLL DEDUCTION	286.73	286.73
2020641	10/28/09	06299	STATE DISBURSEMENT UNIT	Ben2400312	10/29/09	PAYROLL DEDUCTION	237.69	237.69

OTAY WATER DISTRICT
CHECK REGISTER
FOR CHECKS 2020263 THROUGH 2020659
RUN DATES 10/7/2009 TO 10/28/2009

Check #	Date	Vendor	Vendor name	Invoice	Inv Date	Description	Amount Paid	Check Total
2020642	10/28/09	06303	STATE DISBURSEMENT UNIT	Ben2400318	10/29/09	PAYROLL DEDUCTION	836.30	836.30
2020643	10/28/09	08533	STATE DISBURSEMENT UNIT	Ben2400316	10/29/09	PAYROLL DEDUCTION	841.01	841.01
2020644	10/28/09	02261	STATE STREET BANK & TRUST CO	Ben2400304	10/29/09	DEFERRED COMP PLAN	6,806.58	6,806.58
2020645	10/28/09	11052	STEVEN SABIN	RF050052420	10/26/09	CUSTOMER REFUND ON ACCT #050-0524-20	93.27	93.27
2020646	10/28/09	07678	STREAMLINE FORMS & GRAPHICS	35471	10/02/09	DOOR TAGS	439.35	439.35
2020647	10/28/09	02987	T M PEMBERTON	27562	10/07/09	CEMENT	1,627.10	1,627.10
2020648	10/28/09	02799	TARULLI TIRE INC - SAN DIEGO	20040484 20040483	10/06/09 10/06/09	TIRE SERVICE TIRE SERVICE	775.87 630.60	1,406.47
2020649	10/28/09	06847	THIRD AVENUE VILLAGE ASSN	001620	10/19/09	STARLIGHT PARADE ENTRY	50.00	50.00
2020650	10/28/09	02529	UNION TRIBUNE PUBLISHING CO	4863551009	10/19/09	SUBSCRIPTION RENEWAL	209.94	209.94
2020651	10/28/09	05417	UNITED STATES DEPARTMENT	Ben2400320	10/29/09	PAYROLL DEDUCTION	100.00	100.00
2020652	10/28/09	07662	UNITEDHEALTHCARE SPECIALTY	092880000605	10/27/09	BASIC LIFE/AD&D & SUPP LIFE INS	5,370.83	5,370.83
2020653	10/28/09	03212	UNUM LIFE INSURANCE	Ben2400300	10/29/09	LONG TERM DISABILITY	7,098.80	7,098.80
2020654	10/28/09	07674	US BANK CORPORATE PAYMENT	001636 001635	09/22/09 09/22/09	DISTRICT EXPENSES DISTRICT EXPENSES	5,171.81 2,648.74	7,820.55
2020655	10/28/09	04345	US CONCRETE PRECAST GROUP	0139040IN	10/05/09	INVENTORY	3,647.74	3,647.74
2020656	10/28/09	01095	VANTAGEPOINT TRANSFER AGENTS	Ben2400310	10/29/09	DEFERRED COMP PLAN	6,291.12	6,291.12
2020657	10/28/09	06414	VANTAGEPOINT TRANSFER AGENTS	Ben2400314	10/29/09	401A PLAN	778.00	778.00
2020658	10/28/09	00125	WESTERN PUMP INC	0080834	10/13/09	FUEL ISLAND SERVICE	212.50	212.50
2020659	10/28/09	08664	YMCA OF SAN DIEGO COUNTY	RF998570400	10/21/09	CUSTOMER REFUND ON ACCT #998-5704-00	814.42	814.42
GRAND TOTAL							1,972,847.63	1,972,847.63