

**OTAY WATER DISTRICT
BOARD OF DIRECTORS MEETING
and
OTAY WATER DISTRICT FINANCING AUTHORITY
(Organizational Meeting AND Regular Meeting)**

DISTRICT BOARDROOM
2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA

WEDNESDAY

March 3, 2010

3:30 P.M.

AGENDA

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. APPROVAL OF THE MINUTES OF THE SPECIAL MEETING OF AUGUST 24, 2009 AND REGULAR MEETING OF NOVEMBER 4, 2009
5. PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE BOARD ON ANY SUBJECT MATTER WITHIN THE BOARD'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA

CONSENT CALENDAR

6. ITEMS TO BE ACTED UPON WITHOUT DISCUSSION, UNLESS A REQUEST IS MADE BY A MEMBER OF THE BOARD OR THE PUBLIC TO DISCUSS A PARTICULAR ITEM:
 - a) REPORT ON DIRECTOR'S EXPENSES FOR THE 2ND QUARTER OF FISCAL YEAR 2010
 - b) APPROVE THE ADJUSTMENT OF THE WHEELING RATE FOR THE DELIVERY OF TREATY WATER TO THE CITY OF TIJUANA, AND THE REFUNDING OF ACCUMULATED OVERPAYMENTS FOR PAST WATER DELIVERIES TO RETURN THE DISTRICT TO A COST-NEUTRAL POSITION WITH RESPECT TO THE WATER TRANSFER AGREEMENT WITH MEXICO
 - c) APPROVE THE APOINTMENT OF DIEHL, EVANS & COMPANY, LLP, TO PROVIDE AUDIT SERVICES TO THE DISTRICT FOR THE FISCAL YEAR ENDING JUNE 30, 2010

- d) REJECT TRANSPAC CLAIM
- e) APPROVE THE ADOPTION OF THE MITIGATED NEGATIVE DECLARATION FOR THE RANCHO DEL REY GROUNDWATER WELL PROJECT
- f) APPROVE A PROFESSIONAL SERVICES CONTRACT FOR CONSTRUCTION MANAGEMENT SERVICES TO RBF FOR THE OTAY MESA RECYCLED WATER SUPPLY LINK PROJECT IN AN AMOUNT NOT-TO-EXCEED \$708,560

ACTION ITEMS

7. FINANCE AND ADMINISTRATION

- a) REVIEW OF DETAILS RELATED TO THE PROPOSED DEBT ISSUANCE TO FINANCE THE DISTRICT'S CAPITAL INFRASTRUCTURE (BEACHEM)
- b) ADOPT RESOLUTION NO. 4154 APPROVING THE JOINT EXERCISE OF POWER AGREEMENT WITH THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY TO ESTABLISH THE OTAY WATER DISTRICT FINANCING AUTHORITY; ADOPT RESOLUTION 4155 AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT PURCHASE AGREEMENT, A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND AN OFFICIAL STATEMENT AND APPROVING A TRUST AGREEMENT AND THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT IN CONNECTION WITH WATER REVENUE BONDS AND APPROVING AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH; AND APPROVE THE SELECTION OF AN UNDERWRITER FOR THE BONDS (BEACHEM)

8. RECESS OTAY WATER DISTRICT BOARD MEETING

9. CONVENE OTAY WATER DISTRICT FINANCING AUTHORITY GOVERNING BOARD MEETING

- a) ROLL CALL
- b) PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE AUTHORITY COMMISSION ON ANY SUBJECT MATTER WITHIN IT'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA
- c) ORGANIZATIONAL ITEM
 - i. RESOLUTION NO. 2010-01 ADOPTING THE BYLAWS OF THE AUTHORITY, WHICH PROVIDE, AMONG OTHER THINGS, THAT THE MEMBERS OF THE BOARD OF DIRECTORS OF THE OTAY WATER DISTRICT WILL SERVE AS THE AUTHORITY COMMISSION IN THE

SAME CAPACITY AS SUCH DIRECTOR SERVES IN THE BOARD OF THE DISTRICT AND THAT THE STAFF OF THE DISTRICT WILL BE THE STAFF OF THE AUTHORITY (BEACHEM)

d) REGULAR BUSINESS

- i. RESOLUTION NO. 2010-02 AUTHORIZING THE ISSUANCE OF REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$52,000,000 TO FINANCE THE ACQUISITION, CONSTRUCTION, IMPROVEMENT, RENOVATION AND EQUIPPING OF FACILITIES OF THE OTAY WATER DISTRICT AND OTHER MATTERS RELATING THERETO (BEACHEM)

10. ADJOURN OTAY WATER DISTRICT FINANCING AUTHORITY BOARD MEETING

11. RECONVENE OTAY WATER DISTRICT BOARD MEETING

ACTION ITEMS

12. ENGINEERING AND WATER OPERATIONS

- a) AWARD A PROFESSIONAL AS-NEEDED CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES CONTRACT TO VALLEY CONSTRUCTION MANAGEMENT FOR AN AMOUNT NOT-TO-EXCEED \$175,000 [KAY]

13. BOARD

- a) DISCUSSION OF 2010 BOARD MEETING CALENDAR

INFORMATIONAL ITEMS

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

- a) CAPITAL IMPROVEMENT PROGRAM UPDATE REPORT FOR THE SECOND QUARTER OF FISCAL YEAR 2010 [RIPPERGER]

REPORTS

15. GENERAL MANAGER'S REPORT

- a) SAN DIEGO COUNTY WATER AUTHORITY UPDATE

16. DIRECTORS' REPORTS/REQUESTS

17. PRESIDENT'S REPORT

RECESS TO CLOSED SESSION

18. CLOSED SESSION

a) CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION [GOVERNMENT CODE §54956.9(a)]

(i) MULTIPLE CASES RELATED TO THE FENTON BUSINESS CENTER AND FILED WITH THE SUPERIOR COURT OF THE COUNTY OF SAN DIEGO CONSOLIDATED UNDER CASE NO. 37-2007-00077024-CU-BC-SC

b) CONFERENCE WITH REAL PROPERTY NEGOTIATORS [GOVERNMENT CODE §54956.8]

PROPERTY: INTENT TO PURCHASE WATER FROM A NEW SOURCE

AGENCY NEGOTIATORS: MARK WATTON, YURI CALDERON & BONIFACIO GARCIA

NEGOTIATING PARTIES: GOUGH THOMPSON, NS AGUA, AND OTHER POTENTIAL SOURCES OF POTABLE WATER AND/OR THEIR DESIGNATED REPRESENTATIVES, SUCCESSORS OR OTHER AUTHORIZED ENTITIES

UNDER NEGOTIATION: PRICE AND TERMS OF ACQUISITION, INCLUDING BUT NOT LIMITED TO TIMING AND AMOUNT OF ACQUISITION

RETURN TO OPEN SESSION

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

20. ADJOURNMENT

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

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

Certification of Posting

I certify that on February 26, 2010, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of Otay Water District and the Authority Commission of the Otay Water District Financing Authority, said time being at least 72 hours in advance of the regular meeting of the Board of Directors (Government Code Section §54954.2) and the Organizational and Regular Meeting of the Authority Commission (Government Code Section §54954.2).

Executed at Spring Valley, California on February 26, 2010.



Susan Cruz, District Secretary