



**Moody's Investors Service**

*99 Church Street  
New York, New York 10007*

October 22, 2002

MBIA Insurance Corporation  
113 King Street  
Armonk, New York 10504

To Whom It May Concern:

Moody's Investors Service has assigned the rating of **Aaa** (MBIA Insurance Corporation Insured - Policy No. 39248 ) to the **\$286,945,000.00 , Public Facilities Financing Authority of the City of San Diego Subordinated Water Revenue Bonds, Series 2002 (Payable Solely From Subordinated Installment Payments Secured By Net System Revenue of the Water Utility Fund)** , dated October 24, 2002 which sold through negotiation on October 8, 2002. The rating is based upon an insurance policy provided by MBIA Insurance Corporation.

Should you have any questions regarding the above, please do not hesitate to contact the assigned analyst, Margaret Kessler at (212) 653-7884.

Sincerely yours,

*Margaret Kessler*

Margaret L. Kessler  
Vice President/Senior Analyst

MK:SY