

**April 22, 2005**

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**FOR IMMEDIATE RELEASE:**

*Auburn* - Directors of the Placer County Water Agency on Thursday (Apr. 21) approved a plan to refinance a portion of the Agency's existing long-term debt.

Officials said the water agency could realize a savings of about \$3 million, or 8.9 percent net present value, by refinancing and taking advantage of current lower interest rates in the repayment of outstanding certificates of participation (COPs) that total \$37 million.

PCWA issued the 30-year COPs in 1995 and 1999 to finance major water system improvements, including the expansion of the Foothill Water Treatment Plant in Newcastle.

The Board of Directors authorized staff to prepare final documents for the refinancing of these COPs. As protection against any changes in the financial marketplace, directors added a condition that the transaction must realize at least a 4 percent overall net present value savings at the time of pricing.

Director of Financial Services Joseph H. Parker said the final refinancing pricing would likely be conducted the first week of May, depending on market conditions.

Approval of the measure came at two levels. The board convened as the Placer County Water Agency Public Facilities Corp. for the first vote and adopted the resolution and reconvened as the PCWA board to adopt the final resolution to implement the refinancing opportunity.

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In other business, directors:

- heard an update from Director of Strategic Affairs Einar Maisch on construction of the American River Pump Station. Maisch reported that a negotiation session had been set with the federal Bureau of Reclamation to discuss terms for the Agency's participation in the funding of construction of the American River Pump Station. The Agency anticipates that it will be reimbursed from future federal appropriations.

- learned that the bureau's annual installation of temporary pumps on the American River has been delayed from Apr. 15 to May 6 or 7. PCWA relies on the pumps to meet summertime demand but officials said wet spring weather has made the delay less critical.

- authorized submittal to the Pacific Gas and Electric Company a proposed 2006 Middle Fork American River Project budget of \$22.8 million. The proposed budget includes \$12 million to repair the Middle Fork Tunnel, \$1 million for an overhaul of the Ralston Powerhouse generator and \$400,000 for rehabilitation at three mountain campgrounds.

- received an update from Director of Customer Services John Kingsbury on this year's water meter replacement program. Kingsbury said crews would begin replacing old meters in Alta in early May and then work down toward the lower elevations. Customers will be notified by mail and door tags when meter work is planned in their areas, he noted. PCWA has obtained grant funding for the work and hopes to eventually replace more than 4000 old meters.

The PCWA Board of Directors will next meet in adjourned session on Apr. 28. The board will meet at 2 p.m. at the PCWA Business Center, 144 Ferguson Road in Auburn, and then depart for a tour of Agency canals and water transmission facilities in the East Loomis Basin area.

The next regular meeting of the board begins at 3 p.m. on May 5 in the Placer County Board of Supervisors chambers, 175 Fulweiler Avenue, in Auburn. PCWA board meetings are open to the public.