



BUSINESS CENTER

144 Ferguson Road

MAIL

P.O. Box 6570

Auburn, CA 95604

PHONE

530.823.4860

530.823.4960 - fax

[WWW.PCWA.NET](http://WWW.PCWA.NET)

## NEWS RELEASE

FOR IMMEDIATE RELEASE:

April 4, 2008

Contact: David A. Breninger, (530) 823-4860

or: Dave Carter, (530) 265-NEWS

*AUBURN* -- Directors of the Placer County Water Agency were pleased to learn Thursday (Apr. 3) that the agency's Standard & Poor's credit rating has been upgraded to 'AA' from 'AA-' and affirmed the Agency's stable financial outlook.

The upgraded rating means a more favorable interest rate next week when the agency prices the refinancing of \$35 million in Certificates of Participation (COPs) issued in 2005.

In a presentation to the board, PCWA Director of Financial Services Joseph Parker said he was advised of the upgrade on Tuesday (Apr. 1). The rating marks a continuing ascent for PCWA; it was upgraded to 'AA-' from 'A' last July.

Parker also reported that Moody's had affirmed the agency's credit rating at an 'A1'.

The Standard & Poor's profile summary cited ample and inexpensive local water supplies with good storage capacity, a diverse ratepayer base of primarily residential customers, strong PCWA financial performance and good liquidity as reasons for the upgrade. The stable outlook reflects the expectation that the Agency will continue to provide good debt service coverage through balanced operations and good cash reserves.

The financial director provided comparisons showing PCWA has one of the highest credit ratings among regional water agencies and compares very favorably to some of the larger water agencies in the state.

*-more-*

“We’re very excited about this recent and unexpected credit rating upgrade, which comes at a time when the market is skittish and investors are concerned about credit quality. The upgrade to an ‘AA’ rating will result in more favorable pricing for the 2008 bonds, which is scheduled for next week.” Parker said.

In other business, directors:

- declared that 13,328 acre-feet of irrigation water would be available this year to commercial growers in Zone 5. Director of Field Services Mike Nichol more water is available this year than last and that the agency is in good position to deliver the full amount requested by growers.

- heard a report from Katie Burdick, executive director of CABY, a regional alliance of water agencies, including PCWA, on the Cosumnes, American, Bear and Yuba River watersheds. CABY’s purpose, Burdick said, is to design, fund and implement projects that will benefit the watersheds.

- authorized staff to prepare a water supply letter (SB 610) to the City of Auburn, noting that PCWA has sufficient supplies to serve the proposed Baltimore Ravine Specific Plan development, south of Interstate 80 and west of Auburn-Folsom Road. The letter notes that the project developer would be responsible for water system infrastructure upgrades and all on-site water facilities.

- heard an update on the planned PCWA Heritage Center, a water history and educational site envisioned on part of a 37-acre PCWA property off Ophir Road.

The next regular meeting of the PCWA Board of Directors will be held at 2 p.m. on Apr. 17 at the PCWA Business Center, 144 Ferguson Road, in Auburn. PCWA board meetings are open to the public.

Information on PCWA board meetings is available through the Clerk to the Board at (530) 823-4850.