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PRESS RELEASE

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FOR IMMEDIATE RELEASE

Goleta Water District Closes Successful Refinancing Deal

On Wednesday, January 22, 2014, the Goleta Water District closed a successful bond sale, generating more than \$5.5 million in additional proceeds for system-wide capital improvement projects. Current market conditions, coupled with historically low rates for tax-exempt municipal bonds enabled the District to refinance approximately \$19 million of existing debt, while keeping existing debt service terms and payments flat.

The District bond sale was the first California utility transaction of the year and generated significant market demand for the District's bonds. "As a result of prudent fiscal management and oversight, we were able to take advantage of the improved bond market to secure proceeds that we can now reinvest into the community's water infrastructure," said Board President Bill Rosen.

As part of the process leading up to the Board authorization of the refinancing project, the District secured a credit upgrade in November 2013 from Standard & Poor's, bringing its credit rating from A to A+. This upgrade is a result of the District's improved financial performance, including the implementation of a Board-approved five-year rate schedule, development of a cash reserve and ongoing capital project investments.

Bond sale proceeds will fund critical infrastructure improvements designed to protect and enhance the efficiency of the District water distribution and treatment system such as upgrades to the Corona Del Mar Water Treatment Plant, meter replacement and leak detection, as well as projects to offset escalating energy costs. These investments help secure the District's ability to provide safe and reliable water to customers today and in the future.

The Goleta Water District provides water to a diverse population of approximately 87,000 in the Goleta Valley area, including residential, agricultural, commercial, industrial, and institutional customers. The District water system includes over 270 miles of pipelines, a water treatment plant, storage reservoirs, pumping facilities, active wells, a recycled water system, and connections with Lake Cachuma and the State Water Project. For more on the District, visit www.goletawater.com.

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