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## **YLWD's Excellent Credit Rating Beginning to Pay Dividends for Local Water Customers**

*Water District receives coveted AAA rating from Standard & Poor's,  
allows for cost savings on three key capital improvement projects.*

YORBA LINDA, Calif. (May 21, 2008) -- The Yorba Linda Water District last week approved funding for three vital infrastructure projects, utilizing money made available by the recent sale of bonds that were rated with the coveted Standard & Poor's "AAA" rating. YLWD will be able to finance the construction of these projects at a much lower interest rate as a result of the rating, saving District customers hundreds of thousands of dollars over the life of the loans.

YLWD was only one of three water agencies in the nation to receive a AAA rating from Standard & Poor's.

At its May 15 meeting, the YLWD Board of Directors allocated a total of approximately \$1.5 million to replace the aging Highland and Lakeview reservoirs and for design of a system to improve water pressure in the central portion of the District's service area. Funding for these projects was made available through the sale of \$40 million in YLWD capital-improvement bonds, which sold quickly as a result of the AAA rating.

"Standard & Poor's AAA rating is a signal to our ratepayers that YLWD is in excellent financial condition, due in large part to our long history of fiscally conservative leadership," said YLWD General Manager Michael Payne. "The rating also makes it possible for us to more cost-effectively improve our water supply reliability and storage capacity."

Work on the replacement of the 95-year-old Highland Reservoir, YLWD's oldest storage facility, began last week with the allocation of \$714,000 for project design and initial construction. The \$11.2 million project will replace the aging 4.6-million-gallon reservoir on Highland Avenue near Buena Vista Avenue with a 6-million-gallon underground reinforced concrete reservoir that will increase water supply reliability and improve nearby views.

The Board also allocated approximately \$677,000 to replace the Lakeview Reservoir, a 50-year-old facility on Lakeview Avenue north of Bastanchury Road in the Vista del Verde section of Yorba Linda. Storage capacity at the site will be doubled, as two smaller, above-ground tanks will be replaced by an eight-million-gallon underground tank.

A third system improvement project, the Pressure Zone Reconfiguration and Sub-Zone Extension Project, will improve water pressure for customers in YLWD's Zone 3, an area that diagonally bisects the District, with the majority of the zone bounded by Yorba Linda Boulevard, Fairmont Boulevard and Esperanza Avenue. Approximately \$114,000 was allocated to begin studies and design.

“These three projects will allow YLWD to store and transport an additional 5.4 million gallons of water, increasing our system’s capacity to ensure enough water is on hand when our customers need it most,” Payne said.

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