



Moulton Niguel Water District's Excellent Credit Rating Will Save Customers Millions over Life of Key Infrastructure Projects

AA+ stable rating a reflection of MNWD's conservative fiscal leadership.

LAGUNA NIGUEL, Calif. (January 19, 2010) – Moulton Niguel Water District (MNWD) was recently awarded an AA+ stable credit rating from both Fitch and Standard & Poor's, allowing the District to issue "Build America" stimulus bonds for water-supply improvement projects at lower interest rates, which will save its ratepayers as much as \$5 million over the life of the bonds.

AA+ is the second highest credit rating possible.

"The AA+ rating is an indicator to our ratepayers that MNWD has been and will continue to be a careful steward of public funds," said MNWD General Manager Dr. Robert Gumerman. "The rating also makes it possible for us to save a significant amount of money in interest payments as we construct necessary improvements to our water supply reliability and storage capacity. These projects will ensure enough water is available for our customers during emergency conditions."

MNWD sold \$60 million in 30-year bonds last month to finance its portion of three key regional water infrastructure improvement projects that will increase the reliability of MNWD's and south Orange County's water supply in emergency situations. The District is partnering with other South County water districts and cities on the projects, all of which are anticipated to be completed in 2011.

The Upper Chiquita Reservoir in Rancho Santa Margarita, which broke ground in June, will provide south Orange County with 244 million gallons of emergency reserve water. MNWD's financial participation in the project secures it 34.1 percent of the reservoir's water, which would be used to help fight fires, or when supplies to South County are halted due planned shutdowns or emergencies in the region's delivery system.

The Baker Water Treatment Plant in Irvine will further secure South County's supplies by providing an alternate means to treat water imported from Northern California and the Colorado River. Currently, all water imported to south Orange County is treated at the Robert F. Diemer Treatment Plant in Yorba Linda. The Baker facility will allow South County agencies to treat water when the Diemer plant is offline, improving the reliability of supplies. MNWD is responsible for 29.9 percent of its cost.

MNWD is also taking part in the construction of a series of pipelines and pumping stations that will connect South County with the Irvine Ranch Water District system, which has access to groundwater resources in central Orange County. Portions of this project just came on line, and will be key assets as MNWD works to ensure a reliable supply during this month's planned shutdown of the Diemer plant.

About MNWD

The Moulton Niguel Water District was formed in 1960 and has grown to serve the water and wastewater needs of more than 167,000 people living in Aliso Viejo, Laguna Niguel, Laguna Hills, Mission Viejo and Dana Point. For more information, please visit www.MNWD.com.

About Standard & Poor's

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