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NEWS RELEASE

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**MONTE VISTA WATER DISTRICT PURCHASES 300 SHARES
OF SAN ANTONIO WATER COMPANY STOCK**

780 acre-feet of water to supplement District's annual supply portfolio

MONTCLAIR, CA . . . Monte Vista Water District recently completed the purchase of 300 shares of stock in the Upland-based San Antonio Water Company (SAWCo) from Vulcan Materials Company's Western Division at a cost of \$30,000 per share or \$9 million.

The stock purchase will provide the District with an additional 780 acre-feet of local water supply annually to supplement the District's water supply portfolio, which currently includes locally produced groundwater, imported water from Northern California and recycled water. The SAWCo water purchase equates to 250 million gallons of water, enough to meet the needs of 1,600 families annually.

"The District is very pleased to be associated with SAWCo due to its long history in the region, its ability to produce reliable water supply and its stable financial position," said Mark Kinsey, general manager.

Purchase Represents Lower Cost Water Supply Source

"The water supply purchased from SAWCo is at a significantly less cost than the District's other supply sources. Having this supply source will also reduce the District's reliance on imported water supplies purchased from Metropolitan Water District of Southern California, which are becoming less reliable due to environmental constraints in the Sacramento-San Joaquin Delta region, and therefore are increasing in cost significantly," Kinsey said.

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Water District

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Page 2 Monte Vista Water District/SAWCo Stock Purchase

An analysis of the financial transaction estimates that the District's water supply costs will be initially reduced by \$250,000 in 2012. By 2023, annual water supply cost savings are projected to exceed the annual debt service payment obligations of \$593,000, according to Raymond Harton, the District's manager of finance and administration.

"After experiencing three years of severe drought conditions and reductions in imported water supply due to environmental and legal problems in the Delta region, we have seen our water supply costs rise significantly," said Sandra Rose, president of the Monte Vista Water District board of directors. "Our obligation to our customers is to secure the lowest cost water supply sources as possible," she commented. "Our efforts to diversify our water supply sources are reaping benefits now and will continue to do so in the future. The purchase of the SAWCo shares represents a continuation of this strategy," she added.

Revenue Certificates of Participation Issued for Purchase Transaction

The purchase of the SAWCo shares was accomplished through the issuance of revenue certificates of participation (COPs) through the Monte Vista County Water District Water Facilities Corporation, a non-profit public entity established in 1986 to assist Monte Vista Water District in financing water facilities. The underwriter was Stone & Youngberg, LLC. Bond counsel was Stradling Yocca Carlson & Rauth. Financial consultant was Glenn Reiter and Associates. Standard & Poor's Rating Services assigned a 'AA' long-term rating to the District.

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Monte Vista Water District provides retail and wholesale water services to a population of over 135,000 in the communities of Montclair, Chino Hills, and portions of Chino.