

News and Media Contact:

David Matson, Assistant General Manager (805) 879-4624

dmatson@goletawater.com

PRESS RELEASE

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Goleta Water District Board Reaches New Agreement with SEIU

The Goleta Water District Board of Directors ratified a new labor Agreement with the Service Employees International Union Local 620 (SEIU) on Tuesday, August 9, 2011. Overall, the Agreement reduces personnel costs by 3 percent, and achieves more than \$2 million in savings over the next 10 years. "Our customers have told us to manage costs associated with District salaries and benefits, and we have listened," said Board President Bill Rosen. "We count on our employees to operate a very complex water system and their willingness to help the District regain its financial footing is a tribute to all of them."

In addition to various improvements in contract language, the District achieved key concessions in the new three-year SEIU Agreement including:

- A two-tiered retirement program for District workers, similar to programs instituted by other agencies participating in the California Public Employees' Retirement System (CalPERS).
 Beginning January 1, 2012, new employees will participate in the CalPERS 2.0% @ 55 plan.
- · All employees will begin contributing to their retirement plans.
- New employees will contribute more towards their healthcare costs.

The Agreement was reached after several months of negotiation with SEIU. "With these concessions, the Goleta Water District has addressed critical cost challenges and delivered the financial balance needed to keep water rates and charges reasonable for ratepayers into the future," said President Rosen. "This action enables the District to speed investments into our water system, establish meaningful contingency reserves, and achieve long-term financial sustainability."

The District provides water to a diverse population of approximately 85,000, including agricultural, residential, commercial, industrial, and institutional customers. The District's 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. The estimated replacement value of the entire system is approximately \$700 million. For more, visit www.goletawater.com.