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DATE: January 6, 2010
FOR IMMEDIATE RELEASE

GOLETA WATER DISTRICT WILL COOPERATE WITH CIVIL GRAND JURY INQUIRY

GOLETA, California - The Goleta Water District is cooperating with and responding to the Santa Barbara Civil Grand Jury's request for information pertaining to its past billing practices. Based on articles published last year, the Grand Jury contacted District staff and requested an interview to better understand the District's procedures.

William Rosen, President of the Board of Directors of the Water District, said "The District will cooperate fully with the needs of the Grand Jury and we will provide staff and documentation as necessary."

In 2009, the District discovered that, due to a change in its billing system, it failed to continue invoicing customers who closed accounts between 2005 and 2008 and did not pay their final bill. Consequently, the District referred these unpaid bills to its collection agency, Financial Credit Network. The issue involves the lag time between the customer's final bill and any notice received from the collection agency. In fact, the District's General Counsel, Attorney Fran Farina, made an evaluation of the billing practices of the District in October, 2009 and found that the District complied with the law and properly assigned the past due accounts. Additionally, some accounts with credit balances from the same time period were found to be outstanding, and the District commenced efforts to reach those former customers to make appropriate refunds to them. The District notified all of its customers of its actions on the billing matter via the District's Autumn, 2009, newsletter and website.

Since discovering the past due noticing issue last year, the District has corrected its billing system and no further problems have arisen. In the event an account is closed, the customer now receives a final bill and subsequent timely and ongoing notices until payment is made. John McInnes, General Manager of the District, stated "assigning unpaid bills to our collection service is never a preferred path and we are confident that our current system provides past customers with every opportunity to pay the District for services rendered."

The Goleta Water District is the largest water supply special district serving the South Coast. It serves the region between the western boundary of the City of Santa Barbara and the Gaviota Coast area.