

Proposed FY 2016 Financing Plan, De-Risking and Refunding and Update on Recent Transactions

Board of Directors

September 22, 2015

Agenda



- Credit Ratings
- Debt Composition
- FY15 Bond Sales
- Proposed Financings for FY16
- Next Steps

Revenue Bond Credit Ratings



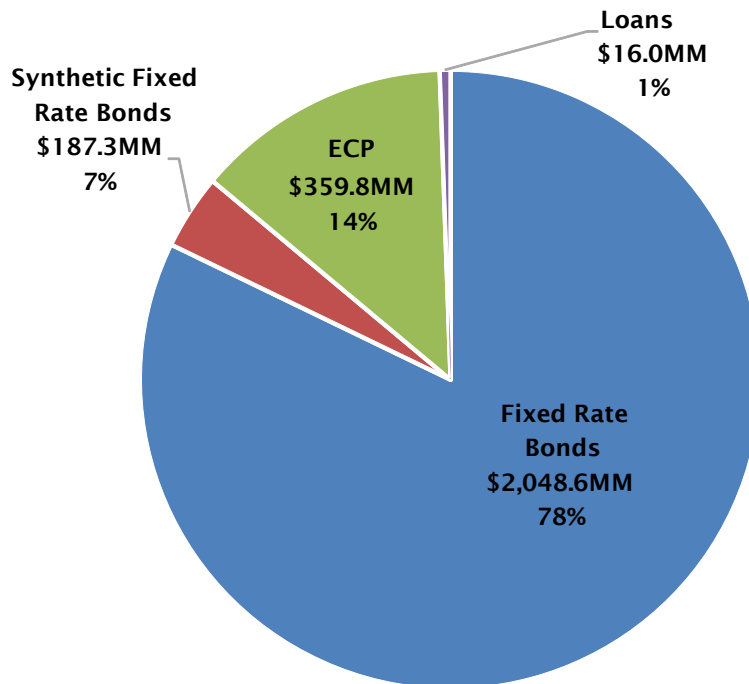
Water Wastewater

S&P	AAA	AAA
Moody' s	Aa1	Aa2
Fitch	AA+	AA+

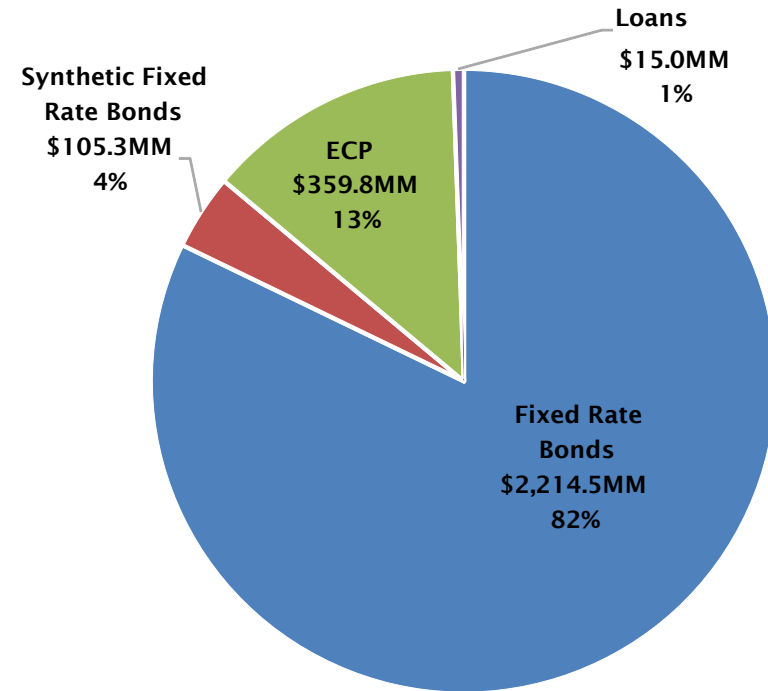
Debt Composition - Water



Total Outstanding as of June 30, 2014
\$2.6 Billion



Total Outstanding as of June 30, 2015
\$2.7 Billion

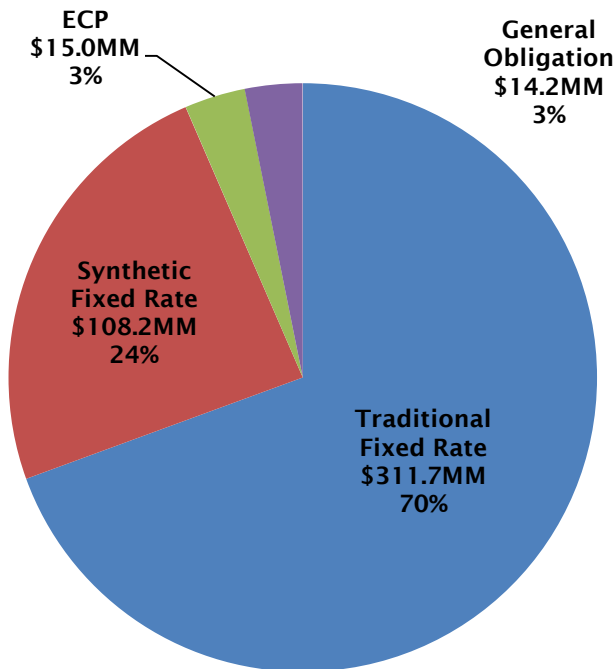


■ Traditional Fixed Rate ■ Synthetic Fixed Rate ■ ECP ■ Loans

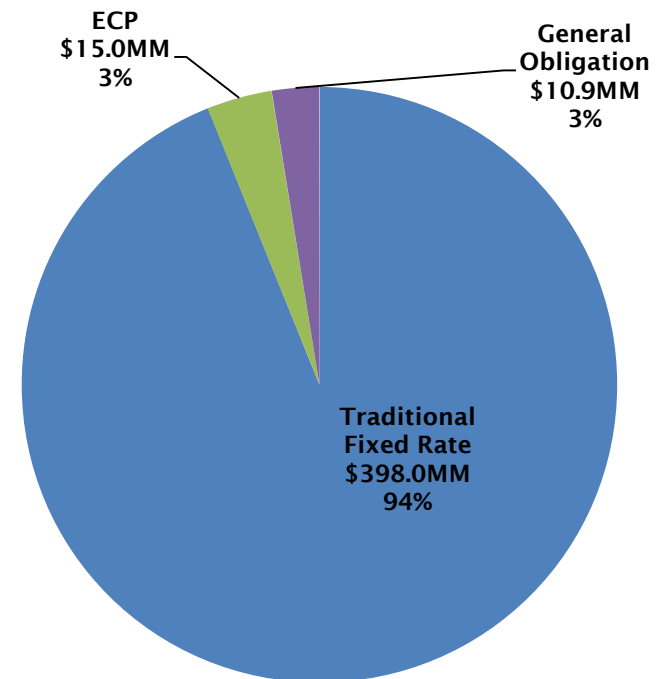
Debt Composition - Wastewater



Total Outstanding as of June 30, 2014
\$449 Million



Total Outstanding as of June 30, 2015
\$424 Million



■ Traditional Fixed Rate ■ Synthetic Fixed Rate ■ ECP ■ General Obligation

Bond Sales in FY15 (in millions)



Water System

Series	Date	Purpose	Par Value	Rate	Refunded	NPV Savings
2015 A	Mar 2015	Refunding/De-risking	\$ 429.4	2.95%	\$ 496.0	\$ 65.4
2015 B	June 2015	New Money (Green)	\$ 74.3	3.70%		
2015 C	June 2015	New Money	\$ 110.7	3.73%		

Wastewater System

Series	Date	Purpose	Par Value	Rate	Refunded	NPV Savings
2014 A/B	Aug 2014	De-risking	\$ 84.7	2.22%	\$ 91.8	\$ 0.3
2015 A/B	Feb 2015	Refunding/De-risking	\$ 71.2	3.29%	\$ 77.0	\$ 7.5

Water 2015B (Green Bonds)



Highlights

- District's first Green Bond sales
- Board's Green Bond Guidance was used to select qualifying projects which did not include projects that:
 - rely heavily on fossil fuel combustion or energy intensive;
 - generate large amounts of waste;
 - lack resilience to climate change; or
 - create unmitigated adversely impact the natural environment.



Proposed Financings for FY16



Category	Description	Issue/ Approximate Size	Date of Board Action	Pricing or Issuance Date
Potential Market Opportunities	1. Authorization for opportunistic Water and Wastewater restructurings for de-risking and fixed rate refundings	Based on market opportunities	9/22/2014	TBD
Administration of Existing Debt Portfolio	2. Implement traditional Commercial Paper program to refinance Water System Extendable Commercial Paper	\$360 million	11/24/2015	12/2015
New Money Needs	3. Issue additional “new money” Wastewater Revenue Bonds	\$25 million	5/12/2015	6/2015

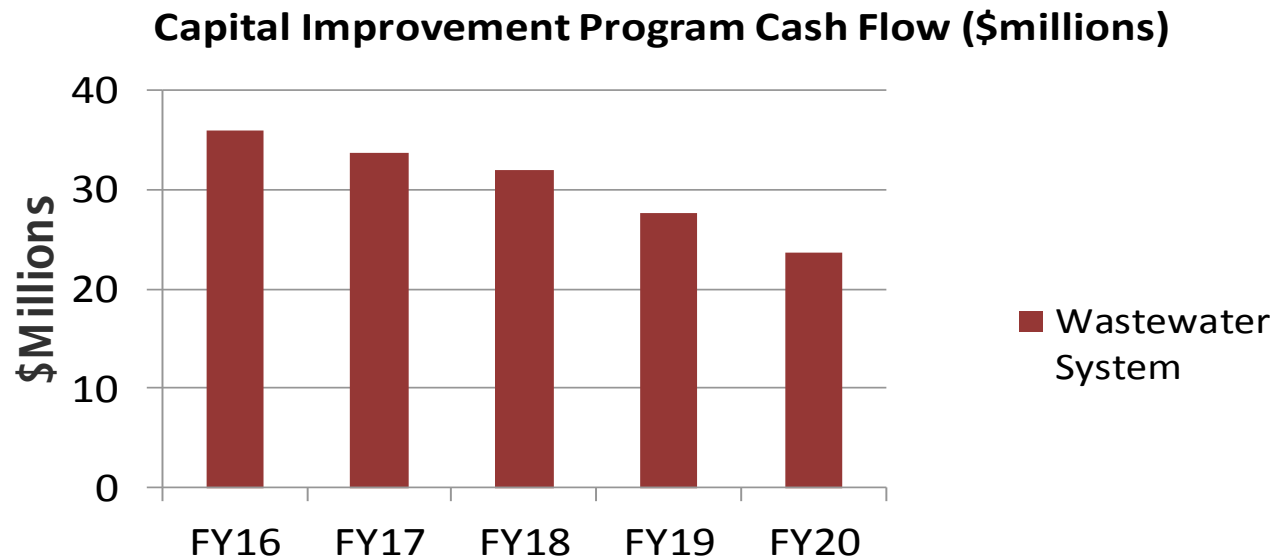
Note: Dates are approximate and subject to change.

New Money Needs



Issue \$25.5 million additional “new money” Wastewater Revenue Bonds

- Budget for FY16 and FY17 assumes \$25.5 million bonds issued
- Issuance expected at end FY16 or FY17 depending on cash flow



Next Steps



- Staff seeks Board approval of proposed financing plan
- Staff seeks Board authorization for de-risking and refunding transactions that meet certain parameters
 - Authorize Restructure for De-Risking Water Bonds
 - Authorize Fixed Rate Refundings of Water Bonds
 - Authorize Fixed Rate Refundings of Wastewater Bonds

Questions



Butte Fire Briefing

September 22, 2015

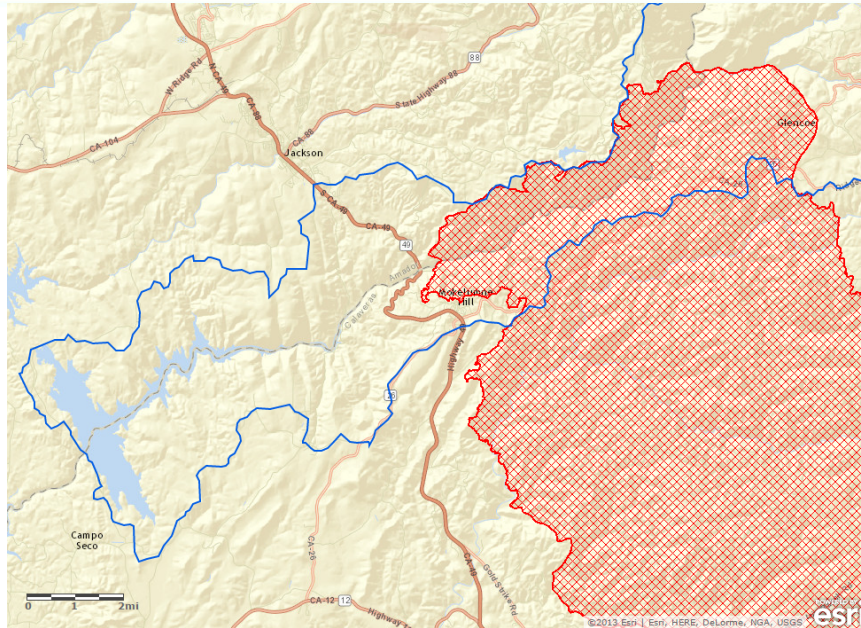
Butte Fire Current Status



- 70,868 acres burned
- 80% contained
- 2 fatalities
- 545 residences,
356 outbuildings destroyed
- Started September 9, just north of
District's Mokelumne Watershed



Butte Fire Mokelumne River Watershed



Watershed Acres Burned

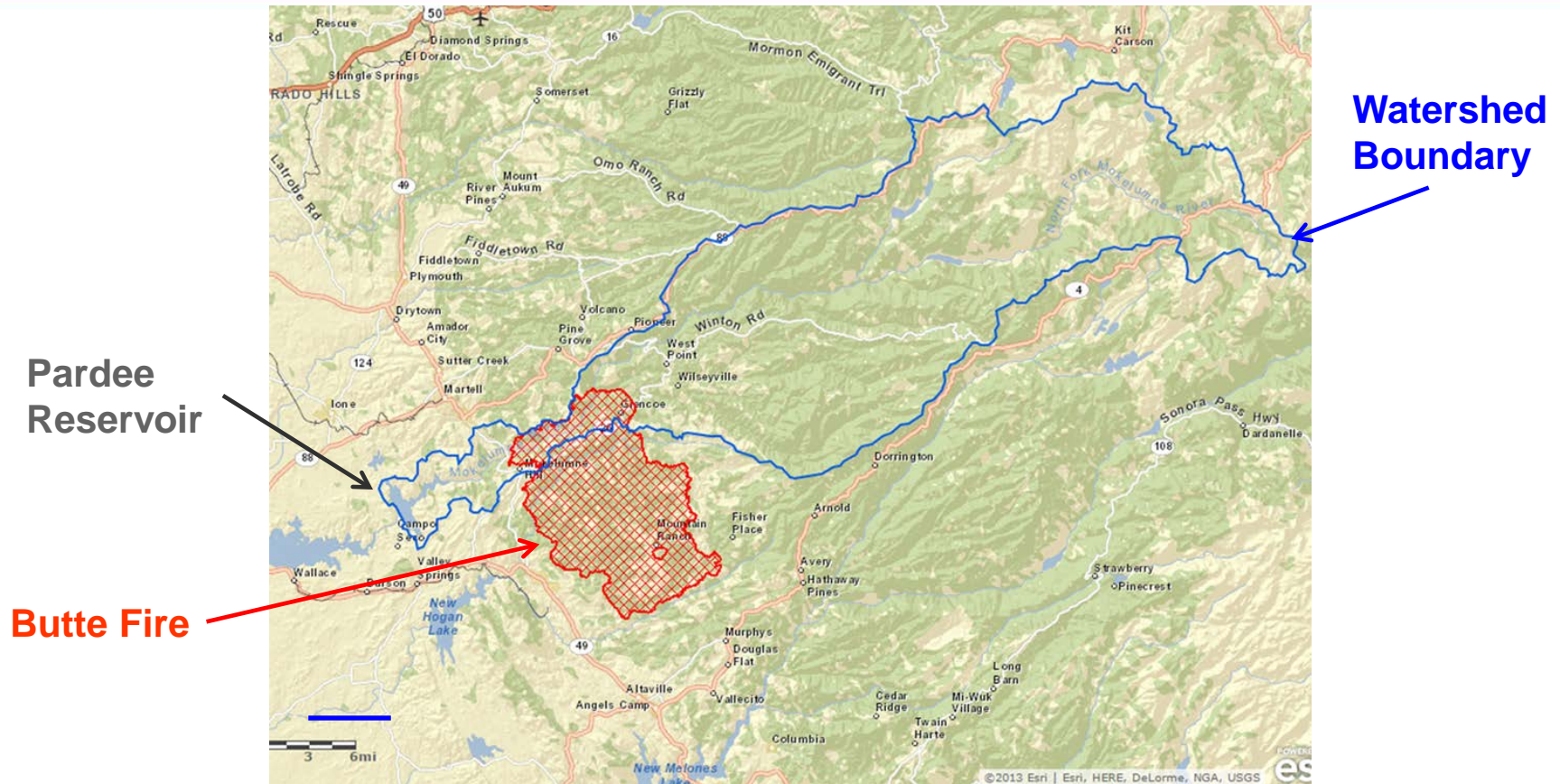
- 12,000

River Miles Burned:

- Mokelumne main stem 9
- Middle Fork 1.5
- South Fork (0.5 miles) 0.5

Location: Just above Hwy 49 & Pardee Reservoir

Butte Fire Mokelumne River Watershed



12,000 acres burned in Mokelumne watershed (3% of watershed)

Butte Fire Immediate Impacts



Staff Directly Impacted

- 3 Employees Lost Homes
- 13 Employees Evacuated/Displaced



Butte Fire Immediate Impacts



Community Impacts

- Devastating impacts in Calaveras County, homes, power, phones, water and wastewater systems
- Far less significant impacts in Amador County, mostly normal operations for AWA

Butte Fire

EBMUD Response Actions



- Regular check-in with water agencies, no aid requested yet
- Opened up Camanche South Shore campground to displaced residents
- Housing some employees at Pardee Center
- Through CALWARN offered mutual aid to Calaveras OES (no request as of this time)
- Attending community meetings hosted by CalFire
- Meeting with Bureau of Land Management today to coordinate on protection actions

Butte Fire Potential Impacts to District



- Water Quality
- Sedimentation in river and Pardee
- Debris

Butte Fire Upcoming Response Actions



- Survey burned area
- Identify highest priorities for actions
- Work with landowners, public and private, to implement measures
- Implement water quality monitoring program

Valley Fire



- 76,000 acres burned (75% contained)
- 1910 structures destroyed
- Started September 12
- In response to California OES, EBMUD has responded to assist with damage inspections and may assist with recovery actions for water/wastewater systems