

Water System Revenue Bonds, Series 2024A and 2024B

Wastewater System Revenue Bonds, Series 2024A

Finance/Administration Committee

January 23, 2024



Water and Wastewater Plan of Finance

Water Revenue Bonds, not to exceed \$525 million, for the following purposes:

- \$275 million in funding for capital projects
- Refund callable Water 2014A, 2014B and 2014C bonds for debt service savings

Wastewater Revenue Bonds, not to exceed \$30 million, for the following purpose:

- \$25 million in funding for capital projects

New Money Bonds will be Issued as Green Bonds

- Water and Wastewater new money bonds will be labeled “Green Bonds”
 - Fifth time for Water System since 2015
 - Second time for Wastewater System
- Proceeds from issues will be used for environmentally beneficial projects
- Applying “Guidance for Issuing Green Bonds” adopted by the Board in March 2022

Refunding for Debt Service Savings

- Water, Series 2024B
 - Refunding \$213 million callable Water Series 2014A, 2014B and 2414C bonds
 - Projected debt service savings of 17.3% of refunded par amount

Proposed Indenture Amendments

- Amended and restated indenture:
 - Remove the label “subordinated” from the definition of pledged revenues
 - Incorporate amendments made to the Indenture by the Sixteenth Supplemental Indenture
- Indenture modifications:
 - Clarify the District’s rate covenant
 - Revise the provisions allowing for the District to issue additional bonds or incur other Parity Debt
 - Update the timing requirement for the District to furnish its audited financial statements to the Trustee

Next Steps for 2024 Water Bond Issues

- Board considers authorizing and approving the issuance of the EBMUD Water System Revenue Bonds, Series 2024A and 2024B at its January 23, 2024 meeting
- Board considers approving execution of bond documents at its January 23, 2024 meeting
- Aggregate principal amount not to exceed \$525 million
- True interest cost not to exceed 5.75%
- Negotiated sale

Next Steps for 2024 Wastewater Bond Issues

- Board considers authorizing and approving the issuance of the EBMUD Wastewater System Revenue Bonds, Series 2024A at its January 23, 2024 meeting
- Board considers approving execution of bond documents at its January 23, 2024 meeting
- Aggregate principal amount not to exceed \$30 million
- True interest cost not to exceed 5.75%
- Negotiated sale

Questions?

