

Water System Revenue Bonds Series 2019A

Board of Directors

May 28, 2019

Agenda



- Proposed debt issue
- Details of Water System Revenue Bond Sale
- Green Bonds
- Interest rate environment
- Recommend authorization for issuance of Water System Revenue Bonds

FY19 Plan of Finance



- In October 2018 the Board approved the FY19 Financial Plan
- The Plan included issuance of up to \$200 million in Water System Revenue Bonds in FY19 for capital improvements
- The District now plans to issue \$200 million in bonds in June 2019

Series 2019A will be Issued as Green Bonds



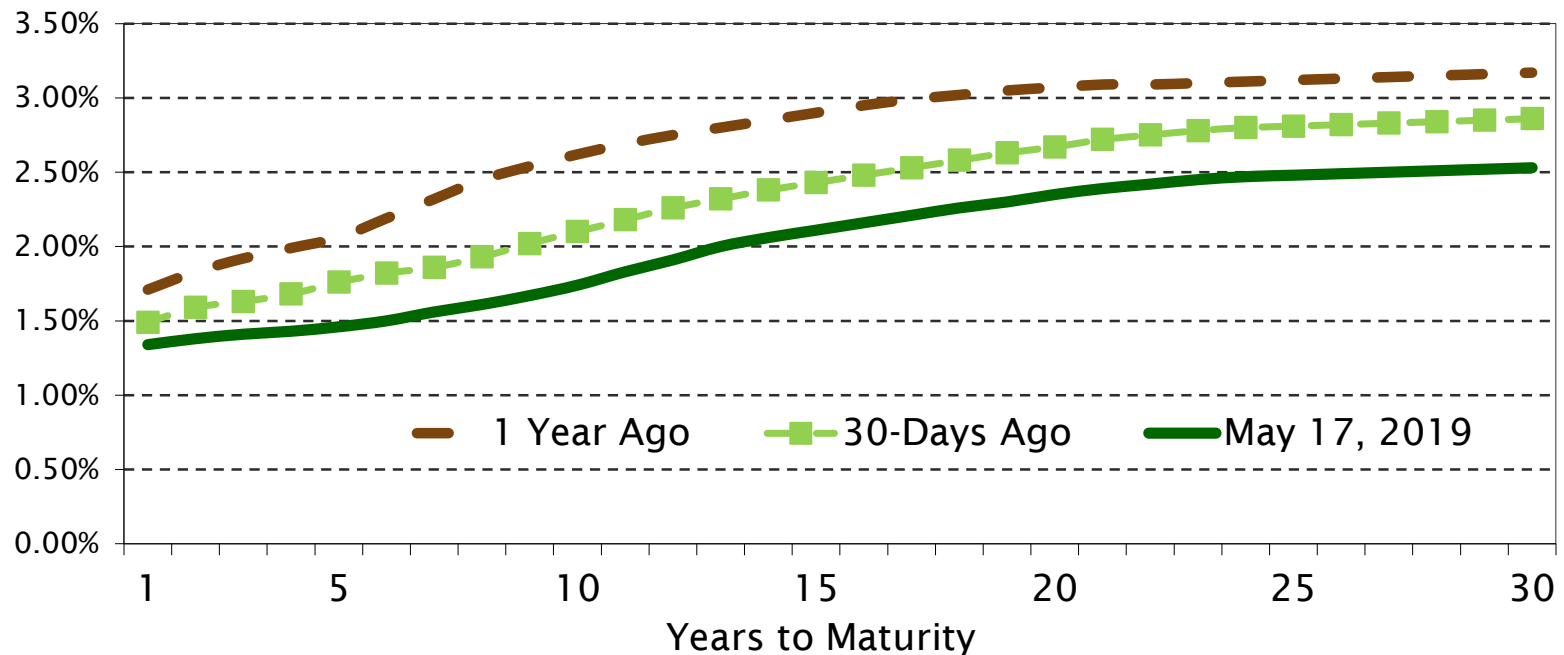
- The District intends to issue the bonds as “Green Bonds” similar to bond issues in 2015 and 2017
- Green Bonds are bonds that finance “green” infrastructure
 - Climate change resilient projects
 - Other environmentally beneficial projects
- Green Bonds provide opportunities to invest in sustainable infrastructure
- The District’s issuance of Green Bonds helps further develop the Green Bond market

Current Bond Market Conditions



- The 2019A bond sale will benefit from long-term rates that have declined over the last year

California General Obligation Bond Yield Curves



Recommend Authorization of 2019 Bond Issue



- Authorize and approve the issuance of EBMUD Water System Revenue Bonds, Series 2019A
 - Approve execution of bond documents
 - Aggregate principal amount not to exceed \$225 million
 - True interest cost not to exceed 5.0%
 - Negotiated sale