Adopt Short-Term Certificates Resolution authorizing the sale and issuance of up to $400 million of short-term revenue Certificates and providing for credit facilities and trust agreements

Finance & Insurance Committee
Item # 8-2
March 7, 2016

Short-Term Certificates Resolution

- **Authorized by MWD Act Sections 296 -299.5**
- **Funding of:**
  - Operation and maintenance expenditures
  - Water purchases
  - Replenishing financial reserves
  - Traditional construction projects
  - Any expenditure obligated by law

Short-Term Certificates Resolution

- **Up to one year term**
  - **Certificates may be refunded for multi-year financings**
- **Tax-exempt or taxable basis**
  - **Construction**
  - **Operation and maintenance expenditures, water purchases, and reserve replenishment**
- **Final terms and conditions approved by Ad Hoc Committee**

Short-Term Certificates

- **Certificates issued with two credit facilities that will provide up to $400 million**
  - **Three year term**
  - **RBC Capital Markets and U.S. Bank N.A.**
  - **Expected in April 2016**
  - **Undrawn fee and a draw fee**
  - **Draw fee approximately 1.00% at current rates**

Board Options

- **Option #1**
  - **Adopt CEQA Determination , and**

  a. **Adopt the Short-Term Certificates Resolution authorizing the sale and issuance from time to time of up to $400 million of short-term revenue Certificates and providing for credit facilities and trust agreements, as contained in Attachment 1.**

Board Options

- **Option #2**

  Do not adopt the:

  - **Short-Term Certificates Resolution authorizing the issuance of up to $400 million of short-term revenue Certificates.**

Staff Recommendation

- **Option #1**

End of Presentation