

June 25, 2019

To: Finance & Administration Committee Members

From: Frances Mizuno, Assistant Executive Director

Subject: Financial Plan for WIFIA Letter of Interest Submittal

## **BACKGROUND**

The Authority is seeking funding to complete the Jones Pumping Plant (JPP) Unit Motor Rehabilitation Project (the "Project"). One potential funding source is a low interest loan under the Water Infrastructure Finance and Innovation Act ("WIFIA") administered thorough the US Environmental Protection Agency ("EPA"). To seek this financing, a Letter of Interest is required to be submitted by July 5, 2019 which outlines the Project and a proposed plan of finance.

The Authority retained Fieldman, Rolapp & Associates ("FRA") to formulate the finance plan. The information provided below and attached are information required for the LOI.

The Special Finance and Administration Committee meeting is scheduled for the purpose of informing the Committee of the Finance Plan prior to submittal of the LOI. If the Project is selected after the LOI evaluation, the Authority would be invited to submit an Application. Project selection by EPA is expected by October, 2019. The application can be submitted up to 365 days from selection and will take 4-12 months for final approval and closing of the loan.

## **FINANCE PLAN**

The proposed finance plan for the Project (includes all six JPP units) includes the combination of the following funding and is shown in the table below:

- WIFIA Loan
- Bureau of Reclamation Loan
- Authority funds through O&M Rates

A detailed projected operating results, net revenue, and debt service coverage of the Authority is also required to be submitted in the LOI. FRA prepared a JPP Construction Schedule (Attachment 1) and the Financial Proforma (Attachment 2) showing actual/budgeted revenue and expenses from 2015- 2019 and projections for such through 2049 (29- year term for WIFIA loan). This model assumes SLDMWA will issue future additional obligations for other future capital needs based on the Authority's 30-year EO&M Plan (Attachment 3); the debt service on such obligations is included as "Forecasted Other CIP Bonds". The proforma is prepared based on the best available information at this time.

## RELEVANT SECTIONS OF THE LOI

1. Provide a sources and uses of funds table for the construction period(s), including the proposed WIFIA assistance. Note any ineligible project costs. More information about eligible costs is available in the [WIFIA program handbook](#).

Sources Category	Estimated Dollar Value
1. WIFIA Loan	\$17,472,028.49
2. Revenue Bonds	\$0.00
3. Bureau Loan	\$11,035,173.00
4. Borrower Cash	\$7,150,000.00
5. Bond Proceeds	\$0.00
<b>TOTAL SOURCES</b>	<b>\$35,657,201.49</b>
Uses Category	Estimated Cost
1. Construction	\$35,390,350.42
2. Design	\$266,851.07
3. Planning	\$0.00
4. Land Acquisition	\$0.00
5. Other Capital Costs	\$0.00
6. Contingency	\$0.00
7. Total Capital Costs	\$35,657,201.49
9. Ineligible Costs (WIFIA DSRF / RSF)	\$650,000
<b>TOTAL USES</b>	<b>\$36,307,201.49</b>

2. Estimated total eligible project costs (in dollars):

Total estimated project costs are \$36,657,201.

3. Requested amount of the WIFIA loan (in dollars):

The requested amount of the WIFIA Loan is \$17,472,028.

4. Provide a narrative describing the project(s) plan of finance. This should include a discussion of the proposed financial structure and any existing ratings on the security pledged for repayment of the WIFIA loan (if available) or a description of how the senior debt obligations will garner an investment-grade rating(s). Note availability and credit terms of other project funding sources. Include any preliminary revenue projections and explain underlying assumptions.

If the prospective borrower is a pool of eligible borrowers and projects, discuss the existing ratings and repayment schedules of the underlying borrowers and attach supporting documentation as available. Identify the single revenue pledge securing the WIFIA debt.

Attach recent rating agency reports, if available.

The proposed WIFIA loan is expected to achieve investment grade ratings and is proposed to be subordinate to simultaneously issued senior lien debt and an existing United States Bureau of Reclamation Loan. The “SLDMWA Bureau Loan” is included as **Attachment C-1** (*Attachment 1 of this memo*). SLDMWA has no credit rating on the outstanding debt supported by the revenues to be pledged. The Authority has outstanding debt secured by different revenues.

SLDMWA intends to fund ~\$7.15 million in capital projects from water rates and an additional ~\$6 million in potential funding from the Bureau in additional senior lien obligations and a \$17.4 million WIFIA Loan on a subordinate lien (the “Proposed Obligations”) to fund the Project.

SLDMWA has consistently planned its capital needs, generated needed capital financing, and effectively managed its operations and finances by increasing rates and charges as needed to maintain its prudent financial position and outlook. Given the essential service nature of the JPP infrastructure used to deliver CVP water, SLDMWA expects to maintain established levels of financial planning and performance. This includes a focus on necessary increases in customer rates and charges to fully fund all required system and SLDMWA costs, including new capital, operations and maintenance, reserves, existing and future debt service, (including the JPP Motor Unit Rehabilitation Project-related debt service), and local system capital needs.

When issued in fiscal year 2024/25 senior lien bondholders and debtors and Subordinate lien debtors will be protected by a rate covenant that requires the Authority to maintain rates and charges to maintain senior lien debt service at 100% and subordinate lien debt service at 100% at the Authority level and 120% and 110% respectively at the member agency level. The issuance of additional senior lien parity debt is permissible if no event of defaults exists under the indenture and an opinion of counsel is delivered to the trustee to the effects that such additional indebtedness is permitted by law and the additional indebtedness is secured by revenues on a parity with the other senior lien debt.

SLDMWA projects senior and subordinate lien debt service coverage to remain in excess of 115% and 200% of debt service, respectively, through 2049. SLDMWA expects to issue future additional obligations for other future capital needs; the debt service on such obligations is included as “Forecasted Other CIP Bonds”. Detailed projected operating results, net revenues, and debt service coverage of the Authority is provided in **Attachment C-2**. (*Attachment 2 of this memo*)

Approximately \$17.4 million is expected to be funded through the WIFIA Loan on a subordinate basis. Additional capital projects, projected in the total amount of \$200 million (not including the JPP Unit Motor Rehabilitation Project), are also expected to be financed by senior lien debt over the next 30 years.

5. Describe the proposed credit terms of the WIFIA assistance:
  - a. Identify the security pledge: Subordinate net revenues of the Authority’s Enterprise System
  - b. State whether the WIFIA loan will be issued on a senior or subordinate lien. Note that all project debt must have the same security and priority as the WIFIA loan in a bankruptcy related event. Subordinate Lien

- c. If subordinate, please note that other project debt cannot enjoy senior security without WIFIA springing parity security rights. So Noted
- d. Identify the maturity date (term): 2049
- e. Identify the amortization structure (e.g. straight-line or sculpted): Level repayment

**Proposed WIFIA Loan:** SLDMWA expects to obtain a WIFIA Loan during calendar year 2020 in a minimum amount of approximately \$17.4 million, with a final maturity in 2049. It is proposed the WIFIA Loan will be issued on a subordinate lien basis.

The proposed amortization schedule contemplates level annual repayment over a 26-year period immediately following substantial completion of the Project. SLDMWA expects to drawdown funds over a 3-year period, and to commence debt service payments during 2023. The estimated interest rate on the WIFIA Loan is 2.88 percent. SLDMWA expects interest to accrue on the WIFIA Loan during the drawdown period and estimates that amount of approximately \$480,000 to be “rolled” into the WIFIA Loan. SLDMWA expects to fund rate stabilization and debt service funds for future senior-lien debt obligations.

**Senior Lien Financings:** These financings, are expected to be secured by a pledge of net revenues, including a pledge to maintain rates and charges by the Authority at 100% of all senior parity obligations.

**Subordinate Financings:** The WIFIA Loan will be secured by a pledge of net revenues available after the payment of senior obligations, including a pledge to maintain rates and charges by the Authority at 100% of Subordinate Lien Financings after the payments of Senior Lien Financings.

JPP Construction Schedule

SLDMWA Schedule	FY 2020	FY 2021	FY 2022	FY 2023	TOTAL
1 Unit per 9 Months (Levelized)	\$5,089,156	\$7,610,467	\$7,830,600	\$8,926,978	\$29,457,201
% Total	17%	26%	27%	30%	100%

	\$29,457,201	\$6,200,000
Project Funding Sources	Unit 1 -5	Unit 6
WIFIA	\$17,472,028	\$0
USBR*	\$6,035,173	\$5,000,000
SLDMWA	\$5,950,000	\$1,200,000
Total	\$29,457,201	\$6,200,000

Funding Sources by Fiscal Year	FY 2020	FY 2021	FY 2022	FY 2023	TOTAL
SLDMWA PAYGO (JPP Project)	\$5,089,156	\$860,844	\$0	\$0	\$5,950,000
WIFIA (JPP Project)	\$0	\$5,456,749	\$5,614,585	\$6,400,695	\$17,472,028
USBR Loan #2 (JPP Project)	\$0	\$1,292,874	\$2,216,015	\$2,526,284	\$6,035,173
Total	\$5,089,156	\$7,610,467	\$7,830,600	\$8,926,978	\$29,457,201

TRUE

TRUE

TRUE

TRUE

EPA 80% Threshold

Total Project Costs	\$35,657,201	% Total
Federal Funds	\$28,507,201	80%
SLDMWA Funds	\$7,150,000	20%
TOTAL	\$35,657,201	100%

Eligible WIFIA Project Costs	Estimated Dollar Value	% of Total
Unit 1 - 5	\$29,457,201.00	83%
Unit 6	\$6,200,000.00	17%
Bond Rate Stabilization Fund	\$0.00	0%
Bond Debt Service Reserve Fund	\$0.00	0%
Cost of Issuance	\$0.00	0%
TOTAL ESTIMATED WIFIA COSTS	\$35,657,201.00	100%
49% WIFIA Loan Amount	\$17,472,028.49	

Sources Category	Estimated Dollar Value	% of Total
1. WIFIA Loan	\$17,472,028.49	49%
2. Revenue Bonds	\$0.00	0%
3. Bureau Loan	\$11,035,173.00	31%
4. Borrower Cash	\$7,150,000.00	20%
5. Bond Proceeds	\$0.00	0%
TOTAL SOURCES	\$35,657,201.49	100%
Uses Category	Estimated Cost	% of Total
1. Construction	\$35,657,201.00	98%
2. Design	\$0.00	0%
3. Planning	\$0.00	0%
4. Land Acquisition	\$0.00	0%
5. Other Capital Costs	\$0.00	0%
6. Contingency	\$0.00	0%
7. Total Capital Costs	\$0.00	0%
8. DSRF and RSF	\$0.00	0%
8. Cost of Issuance	\$0.00	0%
9. Ineligible Costs (WIFIA DSRF/RSF)	\$650,000.00	2%
TOTAL USES	\$36,307,201.00	100%

SLDMWA ENTERPRISE FUND

Fiscal Year (Last Day in February)	Historic -->					Estimated		Projected -->												
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Audited	Estimated Unaudited	Estimated Unaudited	Estimated Unaudited	Estimated Unaudited	Budgeted														
Revenues																				
Operating Revenue	\$10,125,619	\$11,050,977	\$11,122,928	\$11,757,352	\$12,513,343	\$13,672,581	\$14,082,758	\$14,505,241	\$14,940,398	\$15,388,610	\$15,850,269	\$16,325,777	\$16,815,550	\$17,320,017	\$17,839,617	\$18,374,806	\$18,926,050	\$19,493,831	\$20,078,646	\$20,681,006
Investment Income	53,883	76,533	112,657	120,000	125,000	30,900	32,864	33,356	33,857	34,365	66,432	67,428	101,795	103,322	104,872	115,711	117,447	119,208	120,997	127,722
Revenue for debt service	-	-	-	-	-	500,128	400,128	400,128	400,128	1,881,697	6,088,600	6,088,600	10,536,015	10,536,016	10,536,015	11,771,453	11,771,453	11,771,453	11,771,453	12,426,177
PAYGO Capital	-	-	-	-	665,714	5,089,156	1,110,844	-	-	-	-	-	-	-	-	-	-	-	-	-
EO&M Payments	1,624,023	1,313,821	1,880,491	2,192,752	1,201,877	2,683,000	5,173,000	4,732,000	4,892,000	4,273,000	2,770,000	1,535,000	2,158,000	1,885,000	2,391,000	2,486,000	2,711,000	3,433,000	2,501,000	2,283,000
Total Revenue	\$11,803,525	\$12,441,332	\$13,116,076	\$14,070,104	\$14,505,933	\$21,975,765	\$20,799,594	\$19,670,726	\$20,266,383	\$21,577,672	\$24,775,301	\$24,016,805	\$29,611,360	\$29,844,355	\$30,871,504	\$32,747,970	\$33,525,950	\$34,817,493	\$34,472,096	\$35,517,905
Expenses																				
Salaries and related benefits	\$8,104,965	\$8,521,559	\$9,084,369	\$9,679,123	\$10,375,103	\$10,652,965	\$10,972,554	\$11,301,731	\$11,640,782	\$11,990,006	\$12,349,706	\$12,720,197	\$13,101,803	\$13,494,857	\$13,899,703	\$14,316,694	\$14,746,195	\$15,188,581	\$15,644,238	\$16,113,565
Professional Services	\$789,811	\$760,914	\$440,001	\$419,920	\$308,072	\$808,503	\$832,758	\$857,741	\$883,473	\$909,977	\$937,277	\$965,395	\$994,357	\$1,024,187	\$1,054,913	\$1,086,560	\$1,119,157	\$1,152,732	\$1,187,314	\$1,222,933
Memberships	\$21,052	\$21,827	\$22,290	\$22,677	\$23,269	\$23,380	\$24,081	\$24,804	\$25,548	\$26,314	\$27,104	\$27,917	\$28,754	\$29,617	\$30,506	\$31,421	\$32,363	\$33,334	\$34,334	\$35,364
Parts and materials	\$596,870	\$1,005,088	\$940,330	\$947,865	\$973,915	\$1,210,604	\$1,246,922	\$1,284,330	\$1,322,860	\$1,362,545	\$1,403,422	\$1,445,524	\$1,488,890	\$1,533,557	\$1,579,564	\$1,626,951	\$1,675,759	\$1,726,032	\$1,777,813	\$1,831,147
Rents/leases	\$93,192	\$236,975	\$114,457	\$122,951	\$152,303	\$148,654	\$153,114	\$157,707	\$162,438	\$167,311	\$172,331	\$177,501	\$182,826	\$188,310	\$193,960	\$199,779	\$205,772	\$211,945	\$218,303	\$224,853
Office Expense	\$52,365	\$50,530	\$49,547	\$39,000	\$54,130	\$87,819	\$90,454	\$93,167	\$95,962	\$98,841	\$101,806	\$104,860	\$108,006	\$111,246	\$114,584	\$118,021	\$121,562	\$125,209	\$128,965	\$132,834
Travel and continuing education	\$30,025	\$52,524	\$52,152	\$76,677	\$88,175	\$176,025	\$181,306	\$186,745	\$192,347	\$198,118	\$204,061	\$210,183	\$216,489	\$222,983	\$229,673	\$236,563	\$243,660	\$250,970	\$258,499	\$266,254
Insurance	\$182,133	\$175,633	\$180,305	\$200,124	\$223,118	\$198,522	\$204,478	\$210,612	\$216,930	\$223,438	\$230,141	\$237,046	\$244,157	\$251,482	\$259,026	\$266,797	\$274,801	\$283,045	\$291,536	\$300,282
Utilities and communication	\$173,418	\$186,465	\$191,929	\$184,503	\$231,692	\$269,829	\$277,924	\$286,262	\$294,849	\$303,695	\$312,806	\$322,190	\$331,856	\$341,811	\$352,066	\$362,628	\$373,506	\$384,712	\$396,253	\$408,141
Other Operating Expenses	\$81,788	\$39,462	\$47,548	\$64,512	\$83,565	\$96,280	\$99,168	\$102,143	\$105,208	\$108,364	\$111,615	\$114,963	\$118,412	\$121,965	\$125,624	\$129,392	\$133,274	\$137,272	\$141,390	\$145,632
Total Expenses	\$10,125,619	\$11,050,977	\$11,122,928	\$11,757,352	\$12,513,343	\$13,672,581	\$14,082,758	\$14,505,241	\$14,940,398	\$15,388,610	\$15,850,269	\$16,325,777	\$16,815,550	\$17,320,017	\$17,839,617	\$18,374,806	\$18,926,050	\$19,493,831	\$20,078,646	\$20,681,006
Net Revenue	\$1,677,906	\$1,390,354	\$1,993,148	\$2,312,752	\$1,992,590	\$8,303,184	\$6,716,836	\$5,165,484	\$5,325,985	\$6,189,061	\$8,925,032	\$7,691,029	\$12,795,810	\$12,524,338	\$13,031,887	\$14,373,164	\$14,599,900	\$15,323,662	\$14,393,450	\$14,836,899
Senior Debt Service																				
2018 Bureau Loan	-	-	-	-	-	400,128	400,128	400,128	400,128	400,129	400,128	400,128	400,128	400,129	400,128	400,128	400,128	400,128	400,128	400,129
JPP Project Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Forecasted JPP Bureau Loan	-	-	-	-	-	-	-	-	-	490,957	490,957	490,957	490,957	490,957	490,957	490,957	490,957	490,957	490,957	490,957
Forecasted Other Bureau Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Forecasted Other CIP Bonds	-	-	-	-	-	-	-	-	-	-	4,206,904	4,206,904	8,654,319	8,654,319	8,654,319	9,889,758	9,889,758	9,889,758	9,889,758	10,544,480
Total Senior Debt Service	\$0	\$0	\$0	\$0	\$0	\$400,128	\$400,128	\$400,128	\$400,128	\$891,086	\$5,097,990	\$5,097,990	\$9,545,404	\$9,545,405	\$9,545,404	\$10,780,843	\$10,780,843	\$10,780,843	\$10,780,843	\$11,435,567
Senior Debt Service Coverage	NA	NA	NA	NA	NA	20.75	16.79	12.91	13.31	6.95	1.75	1.51	1.34	1.31	1.37	1.33	1.35	1.42	1.34	1.30
Revenue available for Subordinate Debt Service	\$1,677,906	\$1,390,354	\$1,993,148	\$2,312,752	\$1,992,590	\$7,903,056	\$6,316,708	\$4,765,356	\$4,925,857	\$5,297,975	\$3,827,042	\$2,593,039	\$3,250,406	\$2,978,933	\$3,486,483	\$3,592,322	\$3,819,057	\$4,542,819	\$3,612,607	\$3,401,332
Subordinate Debt Service																				
WIFIA Loan	-	-	-	-	-	-	-	-	-	990,611	990,611	990,611	990,611	990,611	990,611	990,611	990,611	990,611	990,611	990,611
Total Subordinate Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611
Subordinate Debt Service Coverage	NA	NA	NA	NA	NA	NA	NA	NA	NA	5.35	3.86	2.62	3.28	3.01	3.52	3.63	3.86	4.59	3.65	3.43
Total Debt Service	\$0	\$0	\$0	\$0	\$0	\$400,128	\$400,128	\$400,128	\$400,128	\$1,881,697	\$6,088,600	\$6,088,600	\$10,536,015	\$10,536,016	\$10,536,015	\$11,771,453	\$11,771,453	\$11,771,453	\$11,771,453	\$12,426,177
Total Debt Service Coverage	NA	NA	NA	NA	NA	20.75	16.79	12.91	13.31	3.29	1.47	1.26	1.21	1.19	1.24	1.22	1.24	1.30	1.22	1.19
Revenue Available for Capital and Other	\$1,677,906	\$1,390,354	\$1,993,148	\$2,312,752	\$1,992,590	\$7,903,056	\$6,316,708	\$4,765,356	\$4,925,857	\$4,307,365	\$2,836,432	\$1,602,428	\$2,259,795	\$1,988,322	\$2,495,872	\$2,601,711	\$2,828,447	\$3,552,208	\$2,621,997	\$2,410,722
Capital Needs																				
Extraordinary O&M	\$1,624,023	\$1,313,821	\$1,880,491	\$2,192,752	\$1,201,877	\$2,683,000	\$5,173,000	\$4,732,000	\$4,892,000	\$4,273,000	\$2,770,000	\$1,535,000	\$2,158,000	\$1,885,000	\$2,391,000	\$2,486,000	\$2,711,000	\$3,433,000	\$2,501,000	\$2,283,000
PAYGO Capital	\$0	\$0	\$0	\$0	\$665,714	\$5,089,156	\$1,110,844	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Beginning Cash and Reserves Balance	\$2,949,423	\$2,949,423	\$2,712,335	\$2,737,515	\$1,935,000	\$2,060,000	\$2,190,900	\$2,223,764	\$2,257,120	\$2,290,977	\$4,428,794	\$4,495,225	\$6,786,361	\$6,888,157	\$6,991,479	\$7,714,070	\$7,829,781	\$7,947,228	\$8,066,437	\$8,514,795
Net Revenues (deficit) available after Capital	\$0	\$0	\$0	\$120,000	\$125,000	\$130,900	\$32,863	\$33,356	\$33,857	\$34,365	\$66,432	\$67,428	\$101,795	\$103,322	\$104,872	\$115,711	\$117,447	\$119,208	\$120,997	\$127,722
Rate Stabilization Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,103,452	\$0	\$2,223,707	\$0	\$0	\$617,719	\$0	\$0	\$0	\$327,361	\$0
Ending Cash and Reserves Balance	\$2,949,423	\$2,712,335	\$2,737,515	\$2,655,254	\$2,060,000	\$2,190,900	\$2,223,764	\$2,257,120	\$2,290,977	\$4,428,794	\$4,495,225	\$6,786,361	\$6,888,157	\$6,991,479	\$7,714,070	\$7,829,781	\$7,947,228	\$8,066,437	\$8,514,795	\$8,642,516
Days Operating Cash	106	90	90	82	60	58	58	57	56	105	104	152	150	147	158	156	153	151	155	153

SLDMWA ENTERPRISE FUND

Fiscal Year (Last Day in February)	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Revenues															
Operating Revenue	\$21,301,436	\$21,940,479	\$22,598,693	\$23,276,654	\$23,974,954	\$24,694,202	\$25,435,028	\$26,198,079	\$26,984,021	\$27,793,542	\$28,627,348	\$29,486,169	\$30,370,754	\$31,281,876	\$32,220,333
Investment Income	129,638	131,582	133,556	135,559	137,593	139,657	141,752	143,878	146,036	169,046	171,581	174,155	197,551	200,515	203,522
Revenue for debt service	12,026,048	12,026,048	12,026,048	12,026,048	11,535,091	11,535,091	11,535,091	11,535,091	11,535,091	14,310,959	14,310,959	14,310,959	17,082,172	17,082,172	17,082,172
PAYGO Capital	-	-	-	2,500,000	-	-	-	-	-	-	-	-	-	-	-
EO&M Payments	2,960,000	2,165,000	6,590,000	6,422,000	7,192,000	6,425,000	5,978,000	7,268,000	4,155,000	3,600,000	3,591,000	4,273,000	4,020,000	3,419,000	1,743,000
Total Revenue	\$36,417,122	\$36,263,109	\$41,348,297	\$44,360,261	\$42,839,637	\$42,793,950	\$43,089,871	\$45,145,048	\$42,820,148	\$45,873,547	\$46,700,889	\$48,244,283	\$51,670,477	\$51,983,563	\$51,249,027
Expenses															
Salaries and related benefits	\$16,596,972	\$17,094,882	\$17,607,728	\$18,135,960	\$18,680,039	\$19,240,440	\$19,817,653	\$20,412,183	\$21,024,548	\$21,655,284	\$22,304,943	\$22,974,091	\$23,663,314	\$24,373,213	\$25,104,410
Professional Services	\$1,259,621	\$1,297,410	\$1,336,332	\$1,376,422	\$1,417,715	\$1,460,246	\$1,504,054	\$1,549,175	\$1,595,651	\$1,643,520	\$1,692,826	\$1,743,611	\$1,795,919	\$1,849,796	\$1,905,290
Memberships	\$36,425	\$37,518	\$38,644	\$39,803	\$40,997	\$42,227	\$43,494	\$44,798	\$46,142	\$47,527	\$48,953	\$50,421	\$51,934	\$53,492	\$55,097
Parts and materials	\$1,886,082	\$1,942,664	\$2,000,944	\$2,060,972	\$2,122,801	\$2,186,485	\$2,252,080	\$2,319,642	\$2,389,232	\$2,460,909	\$2,534,736	\$2,610,778	\$2,689,101	\$2,769,774	\$2,852,868
Rents/leases	\$231,598	\$238,546	\$245,702	\$253,073	\$260,666	\$268,486	\$276,540	\$284,836	\$293,382	\$302,183	\$311,248	\$320,586	\$330,203	\$340,110	\$350,313
Office Expense	\$136,819	\$140,924	\$145,151	\$149,506	\$153,991	\$158,611	\$163,369	\$168,270	\$173,318	\$178,518	\$183,873	\$189,390	\$195,071	\$200,924	\$206,951
Travel and continuing education	\$274,241	\$282,468	\$290,943	\$299,671	\$308,661	\$317,921	\$327,458	\$337,282	\$347,401	\$357,823	\$368,557	\$379,614	\$391,002	\$402,732	\$414,814
Insurance	\$309,291	\$318,570	\$328,127	\$337,970	\$348,110	\$358,553	\$369,309	\$380,389	\$391,800	\$403,554	\$415,661	\$428,131	\$440,975	\$454,204	\$467,830
Utilities and communication	\$420,385	\$432,996	\$445,986	\$459,366	\$473,147	\$487,341	\$501,961	\$517,020	\$532,531	\$548,507	\$564,962	\$581,911	\$599,368	\$617,349	\$635,870
Other Operating Expenses	\$150,001	\$154,501	\$159,136	\$163,910	\$168,828	\$173,892	\$179,109	\$184,482	\$190,017	\$195,717	\$201,589	\$207,637	\$213,866	\$220,282	\$226,890
Total Expenses	\$21,301,436	\$21,940,479	\$22,598,693	\$23,276,654	\$23,974,954	\$24,694,202	\$25,435,028	\$26,198,079	\$26,984,021	\$27,793,542	\$28,627,348	\$29,486,169	\$30,370,754	\$31,281,876	\$32,220,333
Net Revenue	\$15,115,686	\$14,322,630	\$18,749,604	\$21,083,607	\$18,864,684	\$18,099,747	\$17,654,842	\$18,946,969	\$15,836,127	\$18,080,004	\$18,073,540	\$18,758,114	\$21,299,723	\$20,701,687	\$19,028,694
Senior Debt Service															
2018 Bureau Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
JPP Project Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Forecasted JPP Bureau Loan	490,957	490,957	490,957	490,957	-	-	-	-	-	-	-	-	-	-	-
Forecasted Other Bureau Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Forecasted Other CIP Bonds	10,544,480	10,544,480	10,544,480	10,544,480	10,544,480	10,544,480	10,544,480	10,544,480	10,544,480	13,320,348	13,320,348	13,320,348	16,091,562	16,091,562	16,091,562
Total Senior Debt Service	\$11,035,438	\$11,035,438	\$11,035,438	\$11,035,438	\$10,544,480	\$10,544,480	\$10,544,480	\$10,544,480	\$10,544,480	\$13,320,348	\$13,320,348	\$13,320,348	\$16,091,562	\$16,091,562	\$16,091,562
Senior Debt Service Coverage	1.37	1.30	1.70	1.91	1.79	1.72	1.67	1.80	1.50	1.36	1.36	1.41	1.32	1.29	1.18
Revenue available for Subordinate Debt Service	\$4,080,248	\$3,287,193	\$7,714,167	\$10,048,170	\$8,320,203	\$7,555,267	\$7,110,362	\$8,402,488	\$5,291,647	\$4,759,656	\$4,753,192	\$5,437,765	\$5,208,162	\$4,610,125	\$2,937,133
Subordinate Debt Service															
WIFIA Loan	990,611	990,611	990,611	990,611	990,611	990,611	990,611	990,611	990,611	990,611	990,611	990,611	990,611	990,611	990,611
Total Subordinate Debt Service	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611	\$990,611
Subordinate Debt Service Coverage	4.12	3.32	7.79	10.14	8.40	7.63	7.18	8.48	5.34	4.80	4.80	5.49	5.26	4.65	2.96
Total Debt Service	\$12,026,048	\$12,026,048	\$12,026,048	\$12,026,048	\$11,535,091	\$11,535,091	\$11,535,091	\$11,535,091	\$11,535,091	\$14,310,959	\$14,310,959	\$14,310,959	\$17,082,172	\$17,082,172	\$17,082,172
Total Debt Service Coverage	1.26	1.19	1.56	1.75	1.64	1.57	1.53	1.64	1.37	1.26	1.26	1.31	1.25	1.21	1.11
Revenue Available for Capital and Other	\$3,089,638	\$2,296,582	\$6,723,556	\$9,057,559	\$7,329,593	\$6,564,657	\$6,119,752	\$7,411,878	\$4,301,036	\$3,769,046	\$3,762,581	\$4,447,155	\$4,217,551	\$3,619,515	\$1,946,522
Capital Needs															
Extraordinary O&M	\$2,960,000	\$2,165,000	\$6,590,000	\$6,422,000	\$7,192,000	\$6,425,000	\$5,978,000	\$7,268,000	\$4,155,000	\$3,600,000	\$3,591,000	\$4,273,000	\$4,020,000	\$3,419,000	\$1,743,000
PAYGO Capital	\$0	\$0	\$0	\$2,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Beginning Cash and Reserves Balance	\$8,642,516	\$8,772,154	\$8,903,736	\$9,037,293	\$9,172,852	\$9,310,445	\$9,450,101	\$9,591,853	\$9,735,731	\$11,269,701	\$11,438,746	\$11,610,327	\$13,170,089	\$13,367,640	\$13,568,155
Net Revenues (deficit) available after Capital	\$129,638	\$131,582	\$133,556	\$135,559	\$137,593	\$139,657	\$141,752	\$143,878	\$146,036	\$169,046	\$171,581	\$174,155	\$197,551	\$200,515	\$203,522
Rate Stabilization Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,387,934	\$0	\$0	\$1,385,607	\$0	\$0	\$0
Ending Cash and Reserves Balance	\$8,772,154	\$8,903,736	\$9,037,293	\$9,172,852	\$9,310,445	\$9,450,101	\$9,591,853	\$9,735,731	\$11,269,701	\$11,438,746	\$11,610,327	\$13,170,089	\$13,367,640	\$13,568,155	\$13,771,677
Days Operating Cash	150	148	146	144	142	140	138	136	152	150	148	163	161	158	156

San Luis & Delta-Mendota Water Authority - EO&M Projects 30-Year Plan

Project Type	EXTRAORDINARY MAINTENANCE PROJECTS	Service Life	FY																														
			2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	
C2011001	ALL	Facility Infrastructure Replacement/Rehabilitation Program	1	137	55	214	52	149	92	76	33	114	122	124	127	129	132	135	137	140	143	146	149	152	155	158	161	164	167	171	174	178	181
E2000004	ALL	Replace Computer/Network Comm Equip (Reserve Fund)	1	79	88	129	109	66	81	71	141	91	42	75	77	78	80	81	83	84	86	88	90	91	93	95	97	99	101	103	105	107	109
V1999001	ALL	Heavy Equipment Replacement Program (Reserve Fund)	1	927	622	414	477	345	72		203	335	250	255	260	265	271	276	282	287	293	299	305	311	317	323	330	336	343	350	357	364	371
V1999002	ALL	Vehicle Replacement Program (Reserve Fund)	1	162	307	34	107	81	180	43	91	89	19	150	153	156	162	166	169	172	176	179	183	187	190	194	198	202	206	210	214	219	223
M2010001	ALL	TFO Domestic/Potable Waterline Replacement	50												250																		
E2019018	ALL	Telephone & Communication System Modernization	15													100															135		
M2019035	ALL	TFO Industrial Water Storage Tank Rehabilitation	20												125																		
M2019036	ALL	TFO Domestic Water System StorageTank Rehabilitation	20															150															
M2019006	DCI	Fire Protection System Assessment & Modernization	50	42																													
C2019005	DCI	Penstock/Manifold Interior Coating Rehabilitation	15								150																202						
E2019002	DCI	SCADA & Communication System Improvements	15								88																118						
E2019004	DCI	Penstock Cathodic Protection System Replacement	15								88																118						
M2019005	DCI	HVAC System Rehabilitation/Replacement	15								75																101						
M2019009	DCI	Flowmetering Improvements	15								100																135						
E2019019	DCI	Plant Security System Improvements	15											50																	67		
E2019001	DCI	Motor Rehabilitation	20													259	264																
E2019015	DCI	Plant Motor Control Center Upgrades	20													150	153																
E2019022	DCI	Plant Annunciator Modernization	20													150																	
E2019023	DCI	Unit Protection System Modernization	20													100																	
M2019004	DCI	Pump Rehabilitation	20													100	102																
M2019008	DCI	Pump Intake Diffuser Panel Rehabilitation/Replacement	20													75																	
M2019041	DCI	CA Turnout Slide Gate Rehabilitation/Replacement	20													150																	
M2019003	DCI	Plant Trashrack Rehabilitation/Replacement	25																		75												
M2019039	DCI	CA Turnout Bulkhead Gate Rehabilitation/Replacement	25																		50												
M2019040	DCI	CA Turnout Trashrack Rehabilitation/Replacement	25																		30												
M2019042	DCI	Plant 42" & 72" Valve Rehabilitation/Replacement	25																		100												
E2019016	DCI	Facility Switchyard Improvements	30																								200						
E2019021	DCI	Unit Breaker Upgrade/Replacement	30																							200	204						
M2019007	DCI	Plant Bulkhead Gate Rehabilitation/Replacement	30																							50							
C1997002	DMC	O&M Road Maintenance Program	1	165	159	163	166	170	173	176	180	184	187	191	195	199	203	207	211	215	219	224	228	233	237	242	247	252	257	262	267	273	278
C2021001	DMC	Bridge Abutment Repair at MP 92.73	50		50																												
C2015001	DMC	Concrete Lining Repair	20				325	332																			483	493					
C2017003	DMC	Turnout Trashrack Fabrication Contract	15					200														269											
C2020001	DMC	Canal Modifications due to Subsidence (Labor Only)	50					25		100	102	104	106																				
C1996012	DMC	Intake Channel Embankment Stabilization	50						300																								
C2015004	DMC	DMC 5 Yr Subsidence Survey	5						83				91				101					111						123					
E2019003	DMC	Check Electrical Equipment Rehabilitation	25						84																								
C2009003	DMC	Wasteway Capacity Restoration	50							75		250	255																				
C2020002	DMC	Replace Althea Ave Bridge (Labor Only)	75									25	75																				
C2016001	DMC	DMC Road Rehabilitation	15										391												477								581
C2019001	DMC	Radial Gate Rehabilitation Program	30											400	408	416	424	433	442	450	459	469	478										
C2020003	DMC	Replace Russell Ave Bridge (Labor Only)	75										25	75																			
M2019011	DMC	Check Structure Mechanical Equipment Rehabilitation	25											400																			
C2019002	DMC	Canal Embankment Erosion Protection	15													350															471		
E2019017	DMC	SCADA & Communication System Modernization	15												75																101		
M2012002	DMC	DMC Turnout Flow Measurement Improvements	20																			160											
C1994009	DMC	Rehabilitate Timber Farm Bridges	50																				350	357	364								
C2009007	DMC	Lower DMC Check Structure Stoplog & Guide Replacement	50																														



			San Luis & Delta-Mendota Water Authority - EO&M Projects 30-Year Plan																														Attachment 3					
Project Type	EXTRAORDINARY MAINTENANCE PROJECTS	Service Life																																				
			FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040	FY2041	FY2042	FY2043	FY2044	FY2045	FY2046	FY2047	FY2048	FY2049						
M2015002	JPP	TFO Domestic Water Treatment Plant Replacement	25	319																									553									
M2015004	JPP	Fire Protection System Assessment & Modernization	50	83																																		
E2020001	JPP	Unit Rewind (Rotor & Stator) (Units 1 - 5 Labor Only) (F4)	25	686	711	733	755	777											1363	1404	1446	1490	1534	1580														
E2015001	JPP	TFO/LBFO/DCI Arc Flash Study	5			80						96						111						128						149						173		
M2016001	JPP	Purchase Wear Rings for Pumps	30			300																																
C2019004	JPP	TFO O&M Complex Pavement Rehabilitation	25					250																														
E2015003	JPP	Arc Flash Study - JPP	5					105						116						128						141						156						172
M2015003	JPP	Rehabilitate Coating on Pump Casings & Bifurcation	30					100	102	104																												
E2014006	JPP	SCADA System Modernization	15					187	193																300	309												
E2020002	JPP	Excitation System & Control Modernization (Labor Only)	25					175	100	100	100	100	100																									
M2019028	JPP	Plant Flowmetering System Rehabilitation	15					250																336														
M2019044	JPP	Machine Shop Crane Rehabilitation	25					75																														
M2019045	JPP	Stub Shaft Crane Rehabilitation	25					60																														
E2020003	JPP	Station Service & Dist. Equip. Replacement (Labor Only)	50					200						100	100																							
M2019022	JPP	HVAC System Rehabilitation/Replacement	20					400																594														
E2009004	JPP	UPS Battery Replacement	15					88																118														
E2019024	JPP	Station Service Backup Battery System Replacement	15					115																155														
M2019014	JPP	Stoplog Rehabilitation	30					250																														
M2019016	JPP	Siphon Breaker Valve Control System Rehabilitation	25					100																														
E2019025	JPP	Plant Security System Upgrades	15					75																101														
M2019025	JPP	100 Ton Gantry Crane Rehabilitation	20					300																														
M2019002	JPP	JPP Sandfilter System Replacement	50					100																														
M2019015	JPP	Trashrack Cleaner Rehabilitation	20					300																														
M2019048	JPP	Plant Hydraulic System Rehabilitation/Replacement	25					125																														
E2019008	JPP	Protection Relay Modernization	20					250																														
M2008002	JPP	Cooling Water Line Replacement	25					100																														
E2019006	JPP	Current & Potential Transformer Rehabilitation	20					135																														
C2020004	JPP	Dredge Intake Channel (Labor Only)	50					75						150																								
E2019027	JPP	Plant Annunciator Upgrades	15					105																														
M2019046	JPP	Impeller Rehabilitation	40					315	322	328	335	341	348																									
M2010003	JPP	Trash Rack Rehabilitation/Replacement	25					300																														
M2019054	JPP	Thrust Bearing Spare Parts (All Units)	50					250																														
M2019023	JPP	Trashrack Supports & Stoplog Guide Replacement	50					500	510	520	531	541	552																									
M2019020	JPP	Discharge Valve Rehabilitation	50					500	510	520	531	541	552																									
E2019026	JPP	Unit Breaker Replacement (CONTRACT w/SLDMWA SUPPO	50					84																														
M2015005	ONP	Fire Protection System Assessment & Modernization	50																																			
E1995005	ONP	Main Transformer Rehabilitation	50			1050	300																															
E2015002	ONP	Arc Flash Study & Facility Rating Review - OPP	5			123						143						166						192						223						258		
M2012004	ONP	Rehabilitate Penstocks Interior Coating	15			715	736	758																1147	1181	1217	1253	1291	1330									
M2015006	ONP	Rehabilitate Pump Assemblies Program	20			1293	1332	1372	1413																2075	2138	2202	2268	2336	2406								
E2009003	ONP	SCADA System Modernization	15			227	234																354	364														
E2016001	ONP	WECC Testing by USBR Denver Office	5			71						82						95						110						127						148		
E2019030	ONP	Plant Security System Improvements	15					81																109														
M1994022	ONP	ONP Cooling Water System Rehabilitation	25					250																														
E2019028	ONP	Station Service Backup Battery System Replacement	15					110																148														
M2019001	ONP	O'Neill PP Bridge Crane Rehabilitation	25					113																														
M2019010	ONP	Install New Pump Bowl Access Openings on Unit 1	50					500																														
M2019037	ONP	Plant Water Storage Tank Rehabilitation	20					150																														

			San Luis & Delta-Mendota Water Authority - EO&M Projects 30-Year Plan																														Attachment 3	
Project Type		EXTRAORDINARY MAINTENANCE PROJECTS	Service Life	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040	FY2041	FY2042	FY2043	FY2044	FY2045	FY2046	FY2047	FY2048	FY2049	
M2019049	ONP	Trashrack Replacement (SLDMWA FAB & CONTRACT BLST&	20						50	51																								
E2019012	ONP	UPS Battery Charging System Replacement	20							100																								
M2019026	ONP	Stoplog Rehabilitation (Lakeside)	30								75																							
M2017001	ONP	OPP Shaft Sleeve Manufacturing	25									102																						
M2019032	ONP	Trashrack Cleaner & Stoplog Crane Rehabilitation	15									200															250							
E2019010	ONP	Plant Flowmeter System Rehabilitation	15										244															328						
M2019033	ONP	Plant Roof Surface Replacement	20										100																					
M2019043	ONP	HVAC System Rehabilitation/Replacement	15										100																					
E2020004	ONP	Unit Rewind (Labor Only)	50											350	350	350	350	350	350															
M2019038	ONP	Water System Sand Filter System Rehabilitation/Replacem	20										250																					
E2017001	ONP	ONP Cathodic Protection System Replacement	15													132																178		
E2019011	ONP	UPS Battery Replacement	30																250															
M2019027	ONP	Siphon Breaker System Rehabilitation	25																200															
E2019029	ONP	Unit Excitation Rehabilitation	40																		286	286	286	286	286	286								
M2019051	ONP	Unit Propeller Rehabilitation	30																		71	73	74	76	77	79								
M2019052	ONP	Unit Cladding Rehabilitation	30																		107	109	111	114	116	118								
M2019034	ONP	Stoplog Rehabilitation (Canal side)	30																			75												
E2019031	ONP	Plant Annunciator Upgrades	15																				111											
M2019053	ONP	Thrust Bearing Spare Parts (All Units)	50																					200										
C1994005	ONP	Design & Construct Warehouse & Machine Shop Building	50																															
M1994024	ONP	Rehabilitate ONP Motor Air Coolers	25																															
M1999002	ONP	Unit Woodward Governor Replacement (All Units)	50																															
FY TOTALS:				2683	5173	4732	4892	4273	2770	1535	2158	1885	2391	2486	2711	3433	2501	2283	2960	2165	6590	6422	7192	6425	5978	7268	4155	3600	3591	4273	4020	3419	1743	
Project Type		PROJECTS SEEKING OUTSIDE FUNDING	Service Life	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040	FY2041	FY2042	FY2043	FY2044	FY2045	FY2046	FY2047	FY2048	FY2049	
C2015003	DMC	DMC Subsidence Mitigation Project	50		250				25000	25000	25000	25000																						
C2015006	DMC	Replace DMC Althea Ave Bridge	75									1500	1545																					
C2015005	DMC	Replace DMC Russell Ave Bridge	75											1500	1545																			
E1999001	JPP	Unit Rewinds (Rotor & Stator) All Units	25	5213	5375	5525	5690	10000																			10277	10586	10903	11230	11567	11914		
E2009005	JPP	JPP Excitation Cabinet & Control Panel Refurbishment	30					1245	914	933	951	970	990																					
E2019005	JPP	Station Service SWBD & Breaker Replacement	25							250		2500	2575																					
C1994008	JPP	Dredge JPP Intake Channel	75															300				2500												
E2004002	ONP	Unit Rotor & Stator Rewind (All Units)	35											2250	2295	2341	2388	2435	2484															
E2019009	ONP	Unit Breaker Replacement	35																								3000							
FY TOTALS:				5213	5625	5525	5690	11245	25914	26183	25951	29970	5110	3750	3840	2341	2388	2435	2784				2500				13277	10586	10903	11230	11567	11914		
REPORT GRAND TOTALS:				7897	10798	10257	10582	15518	28684	27718	28109	31855	7501	6236	6551	5774	4889	4718	5744	2165	6590	8922	7192	6425	5978	7268	17432	14186	14494	15503	15587	15333	1743	