



Meeting: **Joint Reservoir Committee & Authority Board**
Agenda Item 3.1

June 17, 2022

Subject: **Financing Action Plan Update and Next Steps for Plan of Finance**

Requested Action:

Review and comment on the Financing Action Plan Roadmap and next steps for the Plan of Finance. Volunteer for an ad-hoc subcommittee tasked with developing the WIFIA loan application.

Detailed Description/Background:

In October 2020, the Reservoir Committee and Authority Board approved the Financing Action Plan to define the approach, schedule, resources, and budget to satisfy the 75% local cost-share requirement for Prop 1 by January 1, 2022. The Final Prop 1 75% local cost share commitment materials were endorsed by the Reservoir Committee and Authority Board in October 2021 and were submitted to the Director of the Department of Water Resources in November 2021. At their December 2021 meeting, the California Water Commission made its determination of feasibility deeming the project eligible for the full WSIP final award.

In March 2022, the Sites Project was invited to apply for a WIFIA loan for up to 49% of project costs (estimated to be \$2.2 billion). The anticipated schedule for WIFIA-related activities is as follows:

- November 2022: Initiate JPA indicative rating process.
- March 2023: Submit WIFIA Application.
- March 2024: Negotiate terms/close WIFIA Loan (subject to the timing of receiving the Water Right Order and Permit which is currently anticipated to occur in December 2023).
- July 2024: Draw on WIFIA loan or anticipation notes depending on the interest rate environment.

The B&F has initiated an ad-hoc subcommittee to develop the materials that will inform the JPA's indicative rating process and support the WIFIA application. At the Budget and Finance Committee meeting on June 10 it was agreed that the ad-hoc subcommittee would be formed, consisting of members from the Reservoir Committee and Authority Board appointed by the Budget and Finance Committee Chair.

The Financing Action Plan Roadmap (Attachment A) represents the Authority's strategy for advancing the Plan of Finance activities including the approach, process, and schedule for submitting a WIFIA application by March 2023.

Prior Action:

October 16, 2020: Accepted the Project Financing Action Plan defining the approach, schedule, resources, budget and next steps to meet the 75% local cost-share requirement for Prop 1 by January 1, 2022.

Fiscal Impact/Funding Source:

The Amendment 3 Work Plan includes a sufficient budget to cover required resources, activities, and fees in support of the WIFIA application. Any required adjustments based on feedback during the rating process or during the WIFIA application will be considered within the FY Budget development process.

Staff Contact:

JP Robinette/Cheyenne Harris

Primary Service Provider:

Brown & Caldwell

Attachments:

Attachment A – Financing Action Plan Roadmap

Financing Action Plan Roadmap

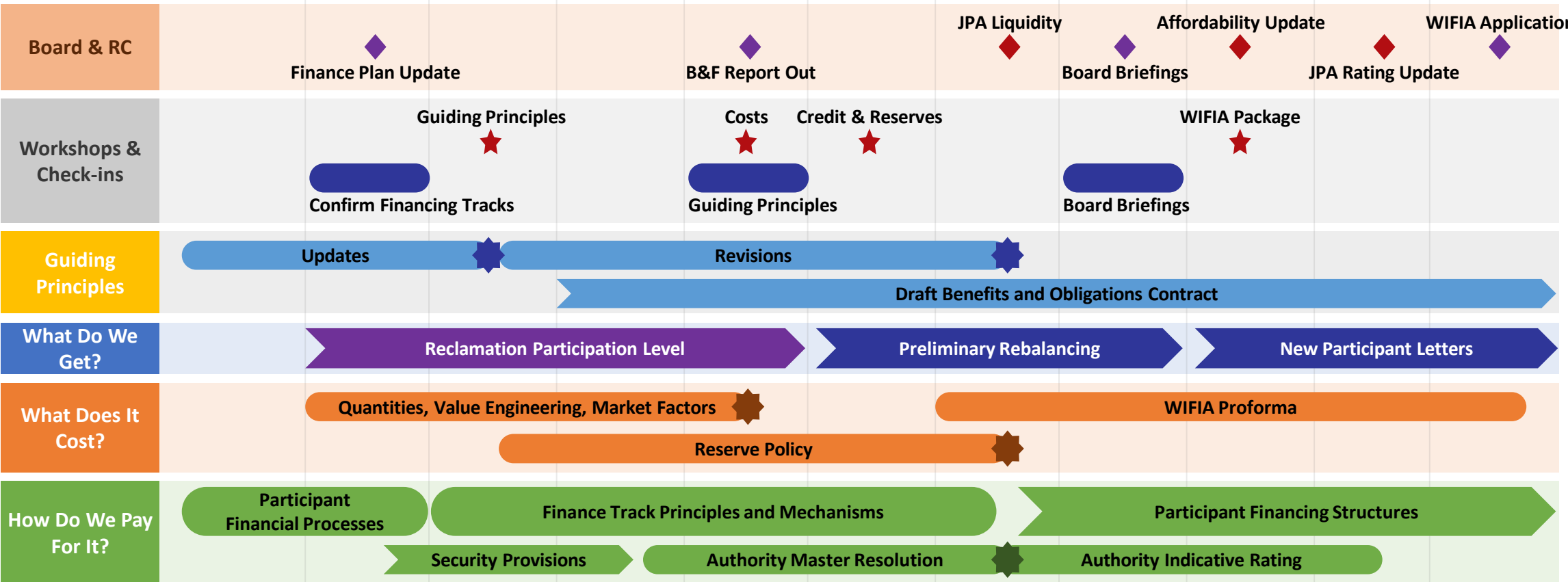
 Indicative Rating Package

 WIFIA Application

2022

2023

May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | 2023 | Feb | Mar



Key



Joint Mtg.



AB/RC Mtgs.



Workshop



Milestone/Update



Participant check-ins