



LIVERMORE VALLEY

WATER FINANCING AUTHORITY

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ORIGINATING DIVISION: ADMINISTRATIVE SERVICES
CONTACT PERSON: OSBORN SOLITEI

AGENDA DATE: March 20, 2019

ITEM NO. 16

SUBJECT: Livermore Valley Water Financing Authority, Water Revenue Bonds, 2018 Series A - Cash and Investments Update as of January 31, 2019

SUMMARY:

The Livermore Valley Water Financing Authority (the “Authority”) was formed on November 1, 2017 to assist in the financing of public capital improvements. The Authority is a joint exercise agency organized under the laws of the State of California and was composed of the Alameda County Flood Control and Water Conservation District, Zone 7 (the “Agency”) and the California Statewide Communities Development Authority (“CSCDA”). The Agency Board of Directors serves as the governing board of the Authority. The Authority transactions are reported in Water Enterprise Operations and Water Enterprise Capital Expansion funds. As of June 30, 2018, the Agency had \$64.0 million in outstanding debt and \$7.4 million of unamortized bond premium. The bond proceeds of the issuance are used for the 2018 Water Project, which includes \$57 million for Del Valle Water Treatment Plant (DVWTP) and Patterson Pass Water Treatment Plant (PPWTP) ozone projects and refunding of \$14.1 million capital payments in connection with the Cawelo Water District Certificates of Participation, Series 2006 for the Groundwater Banking Program.

This report provides and update on the sources, uses and balance of the bond proceeds as of January 31, 2019.

Other Financing (Sources) – Bond Proceeds:

The Authority bond proceeds are invested in accordance to the Trust Agreement between the Authority and U.S. Bank National Association (as Bond Trustee), dated April 1, 2018. As of June 30, 2018, the fair market values of the Authority bond proceeds (cash and investments) held by bond trustee are as follows:

Investment Type	Total
U.S Agency Securities	\$ 4,997,150
U.S. Treasury Notes	35,806,350
Commercial Paper	9,943,800
Money Market Fund	6,419,021
Total Investments	\$ 57,166,321

Other Financing (Uses) – Bond Proceeds:

The table below shows the actual construction monthly progress payment for C. Overaa & Co. for DVWTP Ozone Project:

C. Overaa & Contract Value	Month No.	Month	Actual Monthly Progress Payment	Actual Cumulative Progress Payments	C. Overaa & Contract Balance*
\$ 34,361,000	1	May-18	\$ 1,400,000.00	\$ 1,400,000.00	\$ 32,961,000.00
	2	Jun-18	\$ 1,127,500.00	\$ 2,527,500.00	\$ 31,833,500.00
	3	Jul-18	\$ 457,500.00	\$ 2,985,000.00	\$ 31,376,000.00
	4	Aug-18	\$ 609,000.00	\$ 3,594,000.00	\$ 30,767,000.00
	5	Sep-18	\$ 1,658,500.00	\$ 5,252,500.00	\$ 29,108,500.00
	6	Oct-18	\$ 1,632,238.00	\$ 6,884,738.00	\$ 27,476,262.00
	7	Nov-18	\$ 1,538,904.00	\$ 8,423,642.00	\$ 25,937,358.00
	8	Dec-18	\$ 961,084.00	\$ 9,384,726.00	\$ 24,976,274.00

* \$38 million of bond proceeds is ear marked for DVWTP and the remaining \$19 million for PPWTP

Bond Proceeds Balance:

As of January 31, 2019, the fair market values of the bond proceeds (cash and investments) held by bond trustee are as follows:

Investment Type	Total
U.S Agency Securities	\$ 10,910,080
U.S. Treasury Bills	13,928,340
U.S. Treasury Notes	8,932,140
Commercial Paper	7,892,200
Money Market Fund	7,795,193
Total Investments	\$ 49,457,953

Interest Income:

As of January 31, 2019, the bond proceeds held by the bond trustee earned **\$871,172** of interest income.

Fair market value amounts are from U.S. Bank, which provides trustee services for the Authority. Book value amounts include premiums or discounts and are adjusted at year-end on the general ledger.

FUNDING: N/A

RECOMMENDED ACTION: For Information only.