



California WaterFix

Board of Directors
Item 8-7
April 10, 2018

Full Project Analysis of Costs and Benefits

9,000 cfs Facility	
Metropolitan CA WaterFix Share	64.6% MWD
Costs	
• MWD Total Capital Cost	Up to \$10.8 billion
• MWD Annual Costs (Capital + O&M) ¹	Up to \$515 million/yr.
• MWD Annual Increase (over 15-years)	Up to 2.2%
• MWD Average Cost Increase (per AF) ^{1,2}	Up to \$303/AF
• Household Cost ^{1,3}	Up to \$4.80/month
Benefits	
• Water Supply – MWD share	Approx. 405 – 455 TAF/yr.
• Additional Available Transfer Capacity ⁴	1.1 MAF/yr. at 50th percentile
• Water Quality – TDS Improvement	Up to 19%
• Water Quality – Bromide Improvement	Up to 31%
• Average Reverse Flows (in South Delta)	Up to +53 cfs

Notes: All costs in 2017 dollars; (1) When project fully operational in 2033 or year 15, at 4% interest rate; (2) based on Metropolitan's 2017/18 budget of 1.70 MAF; (3) based on 6.2 million occupied residential households in the MWD service area and 70% residential / 30% industrial split; (4) based on State Water Contractor analysis

Board Action

Adopt CEQA determination, and:

1. Adopt Resolutions authorizing the General Manager to participate, support and fund additional financing and funding arrangements for up to a 64.6 percent share of the full facility
2. Amend the General Manager's existing authorization to execute JPAs to allow for governance structures commensurate with member participation
3. Authorize funding of up to \$86 million for start-up costs subject to a reimbursement agreement
4. Authorize the General Manager to negotiate for one or more multi-year transfers of SWP water supplies

Board of Directors

Item 8-7 Slide 3

April 10, 2018

10-Year Forecast

(Including CA WaterFix – Full Project)



Overall Rate Increase	4.0%	4.0%	3.0%	3.0%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%
Water Transactions (MAF)**	1.54	1.55	1.65	1.75	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Revenue Bond Coverage	1.6	1.5	1.6	1.9	2.1	2.1	2.2	2.3	2.5	2.5	2.6	2.7
Fixed Charge Coverage	1.4	1.4	1.5	1.6	1.8	1.7	1.6	1.5	1.4	1.3	1.3	1.2
CA WaterFix, \$M			8	27	51	82	128	186	245	303	368	438

Notes: CA WaterFix assumes 4% interest rate

* Revenue Remainder and Water Rate Stabilization Fund

** Includes water transactions, exchange and wheeling

Board of Directors

Item 8-7 Slide 4

April 10, 2018