

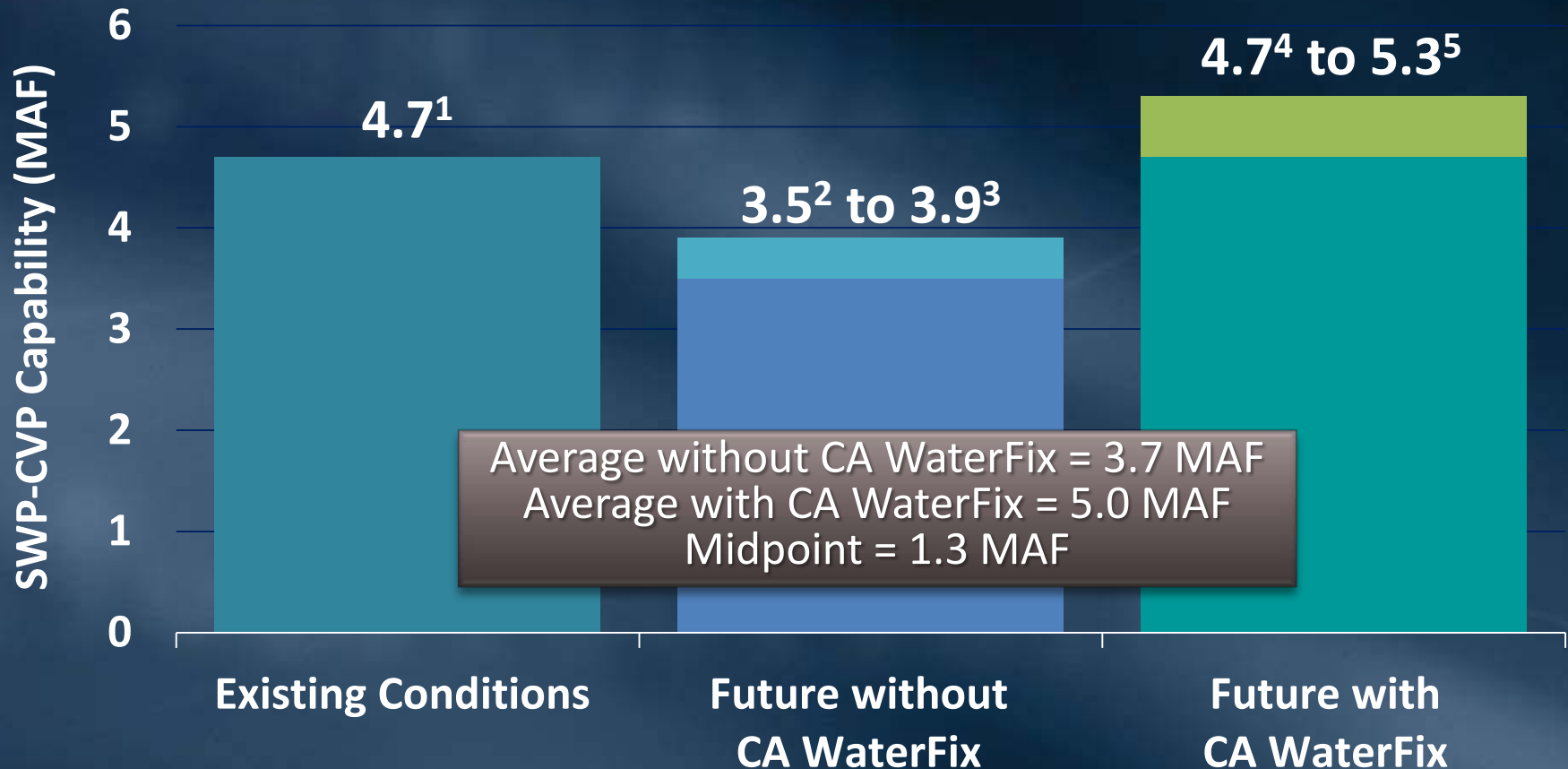


California WaterFix

Board of Directors
Item 8-6
July 10, 2018

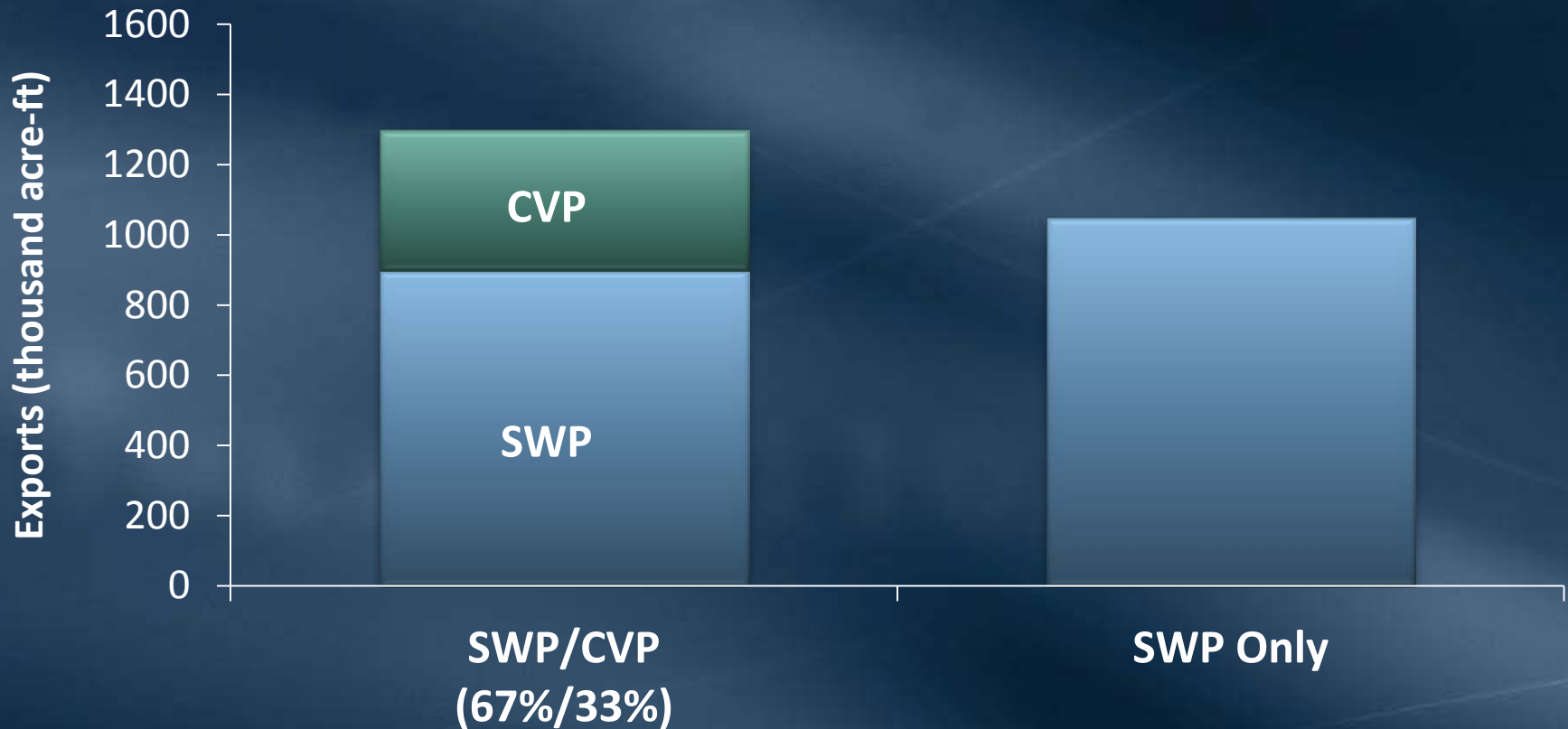
Water Supply Reliability Analysis

Average Delivery Capability With & Without CA WaterFix



1. California WaterFix EIR/EIS No Action Alternative, existing conditions with 2025 climate change impacts
2. 2015 Delivery Capability Report Existing Conveyance High Outflow scenario
3. 2015 Delivery Capability Report Existing Conveyance Low Outflow scenario
4. California WaterFix EIR/EIS Alternative 4A-H4, initial operating criteria lower range
5. California WaterFix EIR/EIS Alternative 4A-H3, initial operating criteria upper range

Average Annual Export Improvement with California WaterFix



Metropolitan's Maximum Financial Exposure Cost Analysis (2017 Dollars)

	Maximum Exposure 6,000 cfs SWP (67%) 3,000 cfs MWD (33%)
Metropolitan Share	64.6%
Metropolitan Capital Cost	\$10.8 billion
Overall Metropolitan Budget Impact	
• Annual Increase	2.2 %
• Cumulative Increase (at end of 15-yr) ¹	33 %
Estimated Average Household Cost²	Up to \$4.80/month

(1) Based on Metropolitan's 2017/18 Revenue Requirement of \$1,574 M; assume 4% interest rate base case

(2) Assumes 4% interest, based on 6.2 million occupied residential households in Metropolitan's service area and a 70% residential/30% industrial split. The per household cost will vary depending on retail agencies' wide variation of costs, water sources and rate decisions.

Board Action

● Option #1:

- Rescind the Board action taken on April 10, 2018 approving Board Item 8-7;
- Adopt Resolutions authorizing the General Manager to participate, support and fund additional financing and funding arrangements for California WaterFix up to 64.6% of total project costs;
- Amend the General Manager's existing authorization to execute Joint Powers Agreements forming the Construction and Financing JPAs;
- Authorize funding of up to \$86 million for further contributions for study, review, planning, engineering, design, and other preconstruction capital costs for the California WaterFix; and
- Authorize the General Manager to negotiate draft terms and conditions for one or more multi-year transfers of SWP water supplies subject to Board approval.

● Option #2

- Take no action