


**NOTICE TO STATE WATER PROJECT CONTRACTORS****Date:** SEP 09 2017**Number:** 17-08**Subject:** Central Valley Project Water System Revenue Bonds,  
Remarketing of Series AT and AU  
**Par Amount:** Series AT \$149,245,000 and AU \$109,275,000  
**Closing Date:** August 3, 2017**From:**  
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**Grant Davis, Director**  
Department of Water Resources**Summary of Cash Flow Financing Results**

On August 3, 2017, the Department of Water Resources (DWR) remarketed its Central Valley Project (CVP) Water System Revenue variable rate bonds Series AT and AU with par amounts of \$149,245,000 and \$109,275,000, respectively.

The variable rate bonds were remarketed in connection with upcoming mandatory tender dates resulting in DWR's election to adjust the interest rate period, for each series, of such bonds. The Series AT bonds were originally issued on November 6, 2014 and had a mandatory tender date of December 1, 2017. The Series AU bonds were originally issued on September 2, 2015 and had a mandatory tender date of September 1, 2017. As a result of this remarketing transaction, the weighted average interest rate for both series decreased 0.13% from 0.44% to 0.31%, and the weighted average remarketing term increased from 2.6 years to 4.5 years. DWR retained the Securities Industry and Financial Markets Association (SIFMA) index for calculating interest payments.

A summary of the remarketing results, comparing the original issuance, is provided in Table 1 below.

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Table 1 – Financing Results Series AT & AU Remarketing

<b>Original Bonds</b>								
Series	Par	Maturity	Delivery Date	First Call Date	Mandatory Tender Date	Term (Yrs.)	Index	Stated Spread
AT	\$ 149,245,000	12/1/2035	11/6/2014	6/1/2017	12/1/2017	3.1	SIFMA	0.30%
AU	109,275,000	12/1/2035	9/2/2015	3/1/2017	9/1/2017	2	SIFMA	0.62%
Combined	\$ 258,520,000			Weighted Average		2.6		0.44%

<b>New 2017 Remarketing</b>								
Series	Par	Maturity	Delivery Date	First Call Date	Mandatory Tender Date	Term (Yrs.)	Index	Stated Spread
AT	\$ 149,245,000	12/1/2035	8/3/2017	6/1/2022	12/1/2022	5.3	SIFMA	0.37%
AU	109,275,000	12/1/2035	8/3/2017	6/1/2020	12/1/2020	3.3	SIFMA	0.22%
Combined	\$ 258,520,000			Weighted Average		4.5		0.31%

<b>Weighted Average Savings</b>								<b>0.13%</b>
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If you have any questions, please contact Vinay Behl, Chief, Division of Fiscal Services, at (916) 653-9836 or [Vinay.Behl@water.ca.gov](mailto:Vinay.Behl@water.ca.gov).