

NOTICE TO STATE WATER PROJECT CONTRACTORS**Date:** MAR 24 2014**Number:** 14-04

Subject: Central Valley Project Water System Revenue Bonds. Series AR
 Par Amount: Series AR \$161,445,000
 Closing Date: March 6, 2014

From:

 Mark W. Cowin, Director
 Department of Water Resources
Summary of Financing Results

The Department of Water Resources (DWR) issued tax-exempt bond Series AR with a par amount of \$161.4 million through a competitive sale to take out \$123.1 million of DWR's current outstanding commercial paper, which included \$113.8 million for the Water Systems project and \$9.3 million for the South Bay Aqueduct Enlargement project. Bond proceeds were also used to provide up front financing of \$45 million for the construction of the East Branch Extension Phase I Improvements and

Phase II. Bond proceeds were also used to fund the debt service reserve, pay costs of issuance, and fund capitalized interest. A summary of the financing results is provided in Table 1 below:

Table 1: Summary of Financing Results

	<u>Series AR</u>
Delivery Date	3/6/2014
Par Amount	\$ 161,445,000
Premium	\$ 18,713,550
Last Maturity	12/1/2035
Average Coupon	4.32%
Average Life (years)	13.2
True Interest Cost	3.23%
All-in True Interest Cost	3.25%

If you have any questions, please contact Perla Netto-Brown, Chief of DWR's Division of Fiscal Services at (916) 653-9836.