

ATTACHMENT #4

PROJECT FINANCING

In addition to cash from the District's and City of San Mateo's wastewater enterprises, financing for the project consists of the following funding sources:

Revenue Bonds – The San Mateo Foster City Public Financing Authority (“PFA”) sold \$270 million in revenue bonds in 2019 for Clean Water Program costs. The District's share of the proceeds from that bond issue was \$40,131,000. The WWTP 2019 bond funds were fully expended in July 2021.

The Program through the San Mateo-Foster City PFA is obtaining additional financing through the two programs as described below:

Water Infrastructure Finance and Innovation Act (WIFIA) - The PFA approved the close of the WIFIA loan in November 2020 in the total amount of \$277.2 million (San Mateo share is \$210.4 million and EMID share is \$67.8 million). The WIFIA loan has excellent rates (1.32% for San Mateo and 1.14% for EMID). We have until 8/1/25 to start drawing on the WIFIA loan.

2021 Wastewater Revenue Notes, Series A (Estero Municipal Improvement District) - On July 1, 2021, the San Mateo-Foster City PFA issued \$62.76 million of 2021 Wastewater Revenue Notes, Series A (EMID) to attain a cost savings (from lower interest rates than the WIFIA loan) of approximately \$1.1 million for the financing of EMID's share of WWTP project costs. These notes have a maturity date of 8/1/25 when the City will draw on the WIFIA Loan to pay off the notes.

State Revolving Fund (SRF) –The SRF loan package, for a maximum loan amount of \$137,000,000, was approved by the State with an interest rate not to exceed 1.6% (EMID's share of the loan is \$33,044,400). These funds are now available as part of the financial strategy for the project.