

1 [2002 Water Revenue Refunding Bonds Issuance]

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3 **Resolution approving the issuance of not to exceed \$100,000,000 aggregate principal**
4 **amount of San Francisco water revenue refunding bonds to be issued by the Public**
5 **Utilities Commission of the City and County of San Francisco; affirming covenants**
6 **contained in the indenture pursuant to which the water revenue refunding bonds are**
7 **issued; and authorizing the taking of appropriate actions in connection therewith; and**
8 **related matters.**

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10 WHEREAS, Pursuant to Section 9.109 of the Charter (the “Charter”) of the City and
11 County of San Francisco (the “City”), the Board of Supervisors of the City (the “Board”) is
12 authorized to provide for the issuance of revenue refunding bonds which are expected to
13 result in net debt service savings to the City on a present value basis, calculated as provided
14 by ordinance; and,

15 WHEREAS, In 1992, the Public Utilities Commission of the City and County of
16 San Francisco (the “Commission”) \$107,180,000 of its San Francisco Water Revenue Bonds,
17 1992 Series A (the “Prior Bonds”); and,

18 WHEREAS, The Commission, pursuant to the terms of Resolution No. 01-0246,
19 adopted by the Commission on December 11, 2001 (the “Resolution”), has authorized the
20 issuance of not to exceed \$100,000,000 aggregate principal amount of its Water Revenue
21 Refunding Bonds (the “Refunding Bonds”) for the purpose of refunding on a current basis all
22 or a portion of the Prior Bonds as well as for the payment of costs of issuance and other
23 incidental costs therefor; and approved the form of an Amended and Restated Indenture (to
24 be dated as of a date selected by the General Manager of the Commission) by and between the
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1 Commission and U.S. Bank Trust National Association (the “Indenture”); and other matters;
2 and,

3 WHEREAS, The Resolution, among other things, finds that the issuance of the
4 Refunding Bonds would result net debt service savings to the City on a present value basis of
5 at least three percent (3%) of the par amount of the Prior Bonds, and establishes a maximum
6 rate of interest for the Water Revenue Refunding Bonds of eight percent (8%) per annum;
7 now, therefore, be it

8 RESOLVED by the Board of Supervisors of the City and County of San Francisco, as
9 follows:

10 Section 1. Recitals. All of the recitals herein are true and correct.

11 Section 2. Approval and Authorization of Water Revenue Refunding Bonds. The
12 Board hereby authorizes and approves the issuance by the Commission of the Water
13 Revenue Refunding Bonds in an aggregate principal amount not to exceed \$100,000,000 at a
14 rate or rates not to exceed eight percent per annum to provide funds to refund the Prior
15 Bonds.

16 Section 3. Savings. Pursuant to Section 9.109 of the Charter, the Board hereby finds
17 that the Refunding Bonds are expected to result in net debt service savings to the City on a
18 present value basis.

19 Section 4. Affirmation of Existing Bond Covenants. This Board hereby confirms
20 Section 5.01(b) of the Indenture which sets forth the disposition of Revenues (as defined in
21 the Indenture) applicable to the Bonds (as defined in the Indenture) and covenants with the
22 holders of the Bonds that the Revenues shall be appropriated and expended as set forth in
23 Section 5.01(b) of the Indenture. This Board also declares that the City will comply with all of
24 the terms, provisions and covenants contained in the Indenture, including the covenants to
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1 establish, fix, prescribe and collect rates, fees and charges sufficient to enable the
2 Commission to comply with the terms, conditions and covenants of the Indenture.

3 Section 5. General Authority. The Treasurer of the City, the City Attorney, and all
4 other appropriate officers, employees, representatives and agents of the City are hereby
5 authorized and directed to do everything necessary or desirable to provide for the issuance
6 and security of the Water Revenue Refunding Bonds.

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8 APPROVED AS TO FORM:

9 LOUISE H. RENNE
10 City Attorney

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13 By: _____
MICHELLE W. SEXTON
Deputy City Attorney

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