

1 [Water Revenue Bond Issuance – Not to Exceed \$1,737,724,022]

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3 **Ordinance approving the issuance and sale of water revenue bonds by the San**  
4 **Francisco Public Utilities Commission to finance various projects under the Water**  
5 **System Improvement Program and the Capital Improvement Program, including but not**  
6 **limited to the Commission's Advance Meter Infrastructure System, pursuant to**  
7 **amendments to the Charter of the City and County of San Francisco enacted by the**  
8 **voters on November 5, 2002, as Proposition E; and ratifying previous actions taken in**  
9 **connection therewith.**

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11 Be it ordained by the People of the City and County of San Francisco:

12 Section 1. Findings. The Board of Supervisors (the “Board”) of the City hereby finds  
13 and declares as follows:

14 A. On November 5, 2002, the voters of the City and County of San Francisco (the  
15 “City”) approved Proposition E, which among other things, authorized the Commission to  
16 issue revenue bonds, including notes, commercial paper or other forms of indebtedness,  
17 when authorized by ordinance approved by a two-thirds vote of the Board of Supervisors, for  
18 the purpose of reconstructing, replacing, expanding, repairing or improving water facilities or  
19 clean water facilities or combinations of water and clean water facilities under the jurisdiction  
20 of the Commission; and,

21 B. On October 30, 2008 the Commission reviewed and considered the Final  
22 Program Environmental Impact Report (PEIR) prepared for the Commission’s Water System  
23 Improvement Program (the “WSIP”), and certified by the Planning Commission in Planning  
24 Commission Motion No. 17734, and adopted the findings required by the California  
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1 Environmental Quality Act (CEQA) including a statement of overriding considerations and  
2 monitoring and reporting program in its Resolution No. 08-0200; and

3 C. By Resolution 09-0102 adopted on June 23, 2009 (the "Commission  
4 Resolution") the Commission has determined to issue water revenue bonds to finance a  
5 portion of certain capital projects relating to the WSIP and, pursuant to Section 8B.124 of the  
6 Charter, has formally requested this Board of Supervisors to authorize the issuance and sale  
7 of water revenue bonds for such purposes; and,

8 D. In order to finance the costs of the WSIP, and other Capital Improvement  
9 Projects, including but not limited to the Commission's Advanced Meter Infrastructure System  
10 (the other Capital Improvement Projects and the Advanced Meter Infrastructure System are  
11 referred to as the "Non WSIP Projects"), the Board now desires to authorize the issuance and  
12 sale of water revenue bonds for such purposes; and,

13 E. On August 4, 2009, this Board passed its Ordinance No. 189-09 approving the  
14 issuance and sale of water revenue bonds (the "Water Revenue Bonds") from time to time by  
15 the Commission pursuant to Proposition E of 2002 and in accordance with the Commission  
16 Resolution, in a principal amount not to exceed \$1,310,307,119, representing the difference  
17 between \$2,949,924,182 previously approved total appropriations and \$1,628,000,000 under  
18 Proposition A, to finance and refinance Projects that are within the Commission's Water  
19 System Improvement Program ("WSIP Projects"), which ordinance became effective on  
20 September 12, 2009; and

21 F. In order to finance the Non-WSIP Projects, the Board is concurrently considering  
22 with this ordinance, supplemental WSIP related appropriations totaling \$1,448,149,320, other  
23 Capital Improvement Program related appropriations totaling \$24,203,614 and financing costs  
24 totaling \$203,371,088, desires to additionally authorize the use of proceeds of any Water  
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1 Revenue Bonds previously authorized pursuant to Ordinance No. 189-09 to finance and  
2 refinance Non-WSIP Projects; and

3 G. On July 27, 2009, City Planning Department issued a final Certificate of  
4 Determination/Exemption from Environmental Review for the AMI Project. The City Planning  
5 Department found that the project is exempt from environmental review under the California  
6 Environmental Quality Act. A copy of the Certificate of Determination is on file with the Clerk  
7 of the Board of Supervisors in File No. 091094.

8 Section 2. Approval of the Water Revenue Bonds. The Board hereby approves the  
9 issuance and sale of the Water Revenue Bonds from time to time by the Commission  
10 pursuant to Proposition E and in accordance with the Commission Resolution in an aggregate  
11 principal amount not to exceed \$1,737,724,022, representing \$1,647,249,182 in supplemental  
12 WSIP related appropriations and financing costs, \$28,474,840 in other Capital Improvement  
13 Program related appropriations and financing costs, and \$62,000,000 for the AMI Project  
14 including financing costs, at a maximum rate or rates of interest of not to exceed twelve  
15 percent (12%) per annum to finance a portion of the design, acquisition and construction of  
16 various capital projects in furtherance of the WSIP and the Non-WSIP projects. The  
17 Commission is hereby authorized to determine the timing, amount and manner of sale of each  
18 series of Water Revenue Bonds issued pursuant to this authorization; provided however, the  
19 Commission shall return to the Board prior to the issuance of any such Bonds to obtain  
20 approval by ordinance or resolution of the Board of any related financing or disclosure  
21 documents prepared in connection with the issuance of such obligations.

22 Section 3. General Authority. The Controller, Treasurer , the City Attorney and other  
23 officers of the City and their duly authorized deputies and agents are hereby authorized and  
24 directed, jointly and severally, to take such actions and to execute and deliver such  
25 certificates, agreements, requests or other documents, as they may deem necessary or

1 desirable to facilitate the issuance, sale and delivery of the Water Revenue Bonds, to obtain  
2 bond insurance or other credit enhancements with respect to the Water Revenue Bonds, to  
3 obtain surety, to obtain title and other insurance with respect to the facilities to be financed,  
4 and otherwise to carry out the provisions of this Ordinance.

5 Section 4. Ratification of Prior Actions. All actions authorized and directed by this  
6 Ordinance and heretofore taken are hereby ratified, approved and confirmed by this Board.

7 Section 5. File Documents. All documents referred to as on file with the Clerk of the  
8 Board are in File Nos. 100341.

9 Section 6. Effective Date. Pursuant to Section 14.102 of the Charter, this Ordinance  
10 shall take effect thirty (30) days after its adoption.

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12 APPROVED AS TO FORM:  
13 DENNIS J. HERRERA, City Attorney

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15 By: \_\_\_\_\_  
16 Mark D. Blake  
17 Deputy City Attorney

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