

FILE NO.

RESOLUTION NO.

1 [Revenue Bond Election.]

2

3 **Resolution calling and providing for a special election to be held in the City and County**
4 **of San Francisco for the purpose of submitting to the qualified voters of said City and**
5 **County on November 5, 2002 a proposition for the issuance of revenue bonds and/or**
6 **other forms of revenue financing by the Public Utilities Commission in a principal**
7 **amount not to exceed \$3,628,000,000 to finance the acquisition and construction of**
8 **improvements to the City's water system; and consolidating said special election with**
9 **the General Municipal Election to be held on November 5, 2002; finding the proposed**
10 **project is in conformity with the priority of Planning Code Section 101.1(b) and the**
11 **City's General Plan.**

12

13 WHEREAS, The Board of Supervisors (the "Board") of the City and County of San
14 Francisco (the "City") is authorized to provide for the issuance of revenue bonds subject to the
15 revenue bond voter approval requirements of Section 9.107 of the City Charter; and,

16 WHEREAS, This Board hereby finds and determines that it is in the best interests of
17 the City to submit to the qualified voters of the City, at an election to be held for that purpose
18 on November 5, 2002, the proposition for the issuance of revenue bonds and/or other forms of
19 revenue financing by the Public Utilities Commission, or any successor thereto, in the
20 principal amount not to exceed \$3,628,000,000 to finance the acquisition and construction of
21 improvements to the City's water system; now, therefore, be it,

22 RESOLVED, By the Board of the City, as follows:

23 Section 1. A special election is hereby called and ordered to be held by the City on
24 Tuesday, November 5, 2002, at which election there shall be submitted to the qualified voters
25 of the City the following proposition:

1 WATER SYSTEM IMPROVEMENT REVENUE BONDS.

2 Shall the Public Utilities Commission, or any successor thereto, issue revenue bonds
3 and/or other forms of revenue financing in a principal amount not to exceed \$3,628,000,000
4 (the "Bonds"), to finance the acquisition and construction of improvements to the City's water
5 system?

6 For purposes of this Resolution and the proposition, the following terms shall have the
7 following respective meanings: "improvements " shall mean improvements that will restore,
8 rehabilitate and enhance the ability of the Public Utilities Commission to deliver water to users
9 of the City's water system, such improvements to include, but are not limited to, water delivery
10 and seismic improvements, water quality improvements, water supply improvements, and
11 watershed and environmental improvements as set forth in the San Francisco Public Utilities
12 Commission's Capital Improvement Program (the "CIP"), as such CIP may be amended from
13 time to time; the "City's water system" shall mean the entire water supply, storage, treatment
14 and distribution system and auxiliary and related facilities under the jurisdiction of the Public
15 Utilities Commission, as such system may be modified and extended from time to time; and
16 "other forms of revenue financing" shall include notes, debentures, commercial paper,
17 variable rate demand notes and bonds, auction rate securities, lease revenue bonds,
18 installment sale agreements and other forms of similar financial products which may be
19 created from time to time.

20 Section 2. The Bonds are proposed to be issued to finance improvements to the
21 enterprise consisting of the City's water system (the "Enterprise"). The City's water system
22 and the proposed improvements thereto shall constitute a single, unified, integrated
23 enterprise, and the revenue therefrom shall be pledged to the repayment of the Bonds. The
24 Board hereby finds and determines that the City's water system is necessary and desirable to
25 enable the City to exercise its municipal powers and functions, namely to furnish water supply,

1 storage, treatment and distribution services for any present or future beneficial use of the City.
2 The purpose for which the Bonds are proposed to be issued is to finance the acquisition and
3 construction of improvements to the City's water system, including without limitation
4 capitalized interest on the Bonds and any other expenses incidental thereto or connected
5 therewith. The estimated cost of the improvements is \$3,628,000,000. Said estimated costs
6 includes all costs and expenses incidental thereto or connected therewith, including, but not
7 limited to, engineering, inspection, auditing, legal and fiscal agent fees, cost of the revenue
8 bond election and costs of the issuance of the Bonds. The maximum principal amount of the
9 Bonds proposed to be issued is \$3,628,000,000.

10 Section 3. The Board hereby submits to the qualified voters of the City at such
11 special election the proposition set forth in Section 1 of this Resolution, and designates and
12 refers to such proposition in the form of ballot hereinafter prescribed for use at said election.
13 The special election hereby called and ordered to be held shall be held and conducted and
14 votes thereat received and canvassed, and the returns thereof made and the results thereof
15 ascertained, determined and declared as herein provided, and in all particulars not herein
16 recited said election shall be held and the votes canvassed according to the applicable laws of
17 the State of California and the Charter of the City and any regulations adopted pursuant
18 thereto, providing for and governing elections in the City, and the polls for such election shall
19 be and remain open during the time required by said laws and regulations.

20 Section 4. The special election hereby called shall be and hereby is consolidated
21 with the General Election of the City to be held Tuesday, November 5, 2002, and the voting
22 precincts, polling places and officers of election for said General Election are hereby adopted,
23 established, designated and named, respectively, as the voting precincts, polling places and
24 officers of elections for such special election hereby called. The ballots to be used at the
25 special election shall be the ballots to be used at the General Election.

1 Section 5. In addition to any other matter required by law to be printed on the
2 ballots, there shall appear thereon the proposition set forth in Section 1 of this Resolution.

3 Each voter to vote for the proposition hereby submitted and in favor of the issuance of
4 the Bonds shall mark the ballot card in the location corresponding to a "YES" vote for the
5 proposition, and to vote against the proposition and against the issuance of the Bonds shall
6 mark the ballot card in the location corresponding to a "NO" vote for the proposition.

7 On absentee voter ballots, the voter to vote for the proposition and in favor of the
8 issuance of the Bonds shall mark the ballot card in the location corresponding to a "YES" vote
9 for the proposition, and to vote against said proposition and against the issuance of the Bonds
10 shall mark the ballot card in the location corresponding to a "NO" vote for the proposition.

11 Section 6. If at such special election it shall appear that a majority of all the voters
12 voting on the proposition voted in favor of and approve the issuance of the Bonds for the
13 purposes set forth in this Resolution, then such proposition shall have been authorized by the
14 electors, and the Bonds may be issued and sold for the purpose set forth in this Resolution.
15 The rate of interest on such bonds shall not exceed the maximum rate allowed by law, may be
16 fixed or variable, and shall be payable at such times and in such manner as the Public Utilities
17 Commission shall hereafter determine.

18 Section 7. The Bonds, if authorized, shall be special, limited obligations of the City,
19 payable exclusively from and secured by a lien on the revenues of the Enterprise and such
20 other funds as may be legally available and pledged for such purpose. The Bonds shall not
21 be secured by the taxing power of the City, and shall be issued under Section 9.107 of the
22 Charter of the City and any state law or any procedure provided for by ordinance. The
23 principal of and interest on the Bonds and any premiums upon the redemption thereof shall
24 not constitute or evidence a debt of the City, nor a legal or equitable pledge, charge, lien or
25 encumbrance upon any of its property, or upon any of its income, receipts or revenues, except

1 the revenues of the Enterprise and such other funds as may be legally available and pledged
2 for such purpose.

3 Section 8. This Resolution shall be published in accordance with any state law
4 requirements, and such publication shall constitute notice of said election and no other notice
5 of the election hereby called need be given.

6 Section 9. The appropriate officers, employees, agents and representatives of the
7 City are hereby authorized and directed to do everything necessary or desirable to the calling
8 and holding of said special election, and to otherwise carry out the provisions of this
9 Resolution.

10 Section 10. The Board having reviewed the proposed legislation, finds and declares
11 that the proposed Bond special election is in conformity with the priority policies of Section
12 101.1(b) of the City Planning Code and with the City's General Plan, and hereby adopts the
13 findings of the City Planning Department, as set forth in the General Plan Referral.
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15 APPROVED AS TO FORM:

16 DENNIS J. HERRERA, City Attorney
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18 By: _____
19 MICHAEL MARTIN
20 Deputy City Attorney
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