

1 [PUC State Loan Application]
2 AUTHORIZING THE PUBLIC UTILITIES COMMISSION TO APPLY FOR AND ENTER INTO
3 LOAN AGREEMENTS NOT TO EXCEED \$50 MILLION FOR THE REIMBURSEMENT OF
4 PRIOR EXPENDITURES INCURRED FOR THE CONSTRUCTION OF THE ISLAIS
5 CREEK/RANKIN STREET TRANSPORT STORAGE FACILITIES.

6 WHEREAS, The State of California, acting through the State Water Resources Control
7 Board ("SWRCB"), has appropriated funds and developed a program to provide revolving fund
8 loans to municipal sewer agencies for the construction of sewage treatment works; and,

9 WHEREAS, The Public Utilities Commission has previously expended funds for the
10 design and construction of the Islais Creek Transport/Storage Facilities ("Islais Creek
11 Facilities") and the Rankin Street Pump Station/SEWPCP Improvements ("Rankin Street
12 Facilities") and all works, property and structures incidental thereto in the central portion of the
13 City; and,

14 WHEREAS, The Islais Creek Facilities and the Rankin Street Facilities capture, store
15 and transport combined sewage to the Southeast Treatment Plant from the drainage areas in
16 the central portion of the City, which has resulted in the enhancement, preservation and
17 protection of the quality of water in the San Francisco Bay; and

18 WHEREAS, The Controller of the City has advised the Board of Supervisors that use of
19 state revolving fund loans to reimburse prior expenditures incurred for the construction of the
20 Islais Creek Facilities and the Rankin Street Facilities is the most cost-effective means of
21 financing the project; and,

22 WHEREAS; The State of California, acting through SWRCB, is willing to loan to
23 San Francisco up to \$50 million for reimbursement of prior expenditures made for the
24 construction of the Islais Creek Facilities and the Rankin Street Facilities subject to availability
25 of funds; and,

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1 WHEREAS, The Public Utilities Commission, acting through its General Manager, has
2 requested authorization pursuant to Charter Section 9.111-1 to apply for a state revolving fund
3 loan (the "Loan") to assist in reimbursement of prior expenditures made for the construction of
4 the Islais Creek Facilities and the Rankin Street Facilities; and

5 WHEREAS, On November 4, 1994, the electorate of the City passed Proposition D
6 authorizing the issuance of \$146 million of general purpose sewer revenue bonds (the
7 "Approved Debt") to provide funds for acquiring, constructing, improving and financing
8 additions, betterments and improvements to the existing municipal sewage treatment and
9 disposal system, including, without limitation, flood control and major rehabilitation and
10 upgrade of existing systems and facilities; and

11 WHEREAS, On June 29, 1995 the Public Utilities Commission issued its City and
12 County of San Francisco Sewer Revenue Bonds, Series 1995A and Series 1995B (the
13 "Series 1995 Bonds") in the aggregate principal amounts of \$44,230,000 and \$11,282,147.10,
14 respectively, as a portion of the Approved Debt; and

15 WHEREAS, Acceptance of the Loan will allow the Public Utilities Commission to use
16 revenues to retire or defease all or a portion of the Series 1995 Bonds; and

17 WHEREAS, Approximately 91 million dollars of the Approved Debt remains unissued;
18 and

19 WHEREAS, The difference, if any, between the principal amount of the Loan and the
20 principal amount of the Series 1995 Bonds defeased or retired will count against the Approved
21 Debt; and

22 WHEREAS, acceptance of the Loan will not increase the amount of Approved Debt;
23 now, therefore, be it

24 RESOLVED, That the Board of Supervisors hereby finds and determines, that the use
25 of Loan for reimbursement of construction expenses for the Islais Creek Facilities and the

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1 Rankin Street Facilities (i) is for a project which protects, preserves, or enhances water
2 resources or the environment; and (ii) based on the certification of the Controller, a copy of
3 which is on file with the Clerk of the Board of Supervisors in File No. 991269, is the
4 most cost-effective method of financing the construction of the Islais Creek Facilities and the
5 Rankin Street Facilities; and (iii) does not increase the amount of Approved Debt for the
6 Public Utilities Commission; be it

7 FURTHER RESOLVED, That the General Manager, Clerk of the Board of Supervisors,
8 City Attorney and City Controller are each hereby authorized and directed in the name and on
9 behalf of the City and County of San Francisco to take any and all steps to issue and deliver
10 any and all certificates, requisitions, agreements, notices, consents, and other documents,
11 which they or any of them might deem necessary or appropriate in order to consummate the
12 lawful application for and acceptance and use of the Loan for the reimbursement of prior
13 expenditures made for the construction of the Islais Creek Facilities and the Rankin Street
14 Facilities.

15
16 APPROVED AS TO FORM:

17 LOUISE H. RENNE
18 City Attorney

19 By:

20 James A. Sanchez
21 Deputy City Attorney
22
23
24
25

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City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails

Resolution

File Number: 991269

Date Passed:

Resolution authorizing the Public Utilities Commission to apply for and enter into loan agreements not to exceed \$50 million for the reimbursement of prior expenditures incurred for the construction of the Islais Creek/Rankin Street storage facilities.

July 26, 1999 Board of Supervisors — ADOPTED

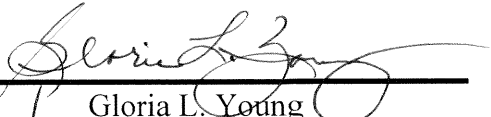
Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom,
Teng, Yaki, Yee

File No. 991269

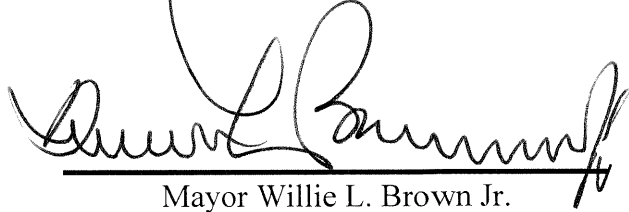
I hereby certify that the foregoing Resolution
was ADOPTED on July 26, 1999 by the
Board of Supervisors of the City and County
of San Francisco.

AUG - 6 1999

Date Approved



Gloria L. Young
Clerk of the Board



Mayor Willie L. Brown Jr.