

LEGISLATIVE DIGEST

[Ordinance Amendment - Public Utilities Commission - Water Revenue Bond Issuance - Not to Exceed \$274,130,430]

Ordinance amending Ordinance No. 112-16 to authorize an increase of the issuance and sale of tax-exempt or taxable Water Revenue Bonds and other forms of indebtedness (as described below) by the San Francisco Public Utilities Commission (Commission) to an aggregate principal amount not to exceed \$274,130,430 to finance the costs of various capital water projects benefitting the Water Enterprise, including new funding to finance the cost of the acquisition of the Rollins Road Property (as described below) pursuant to amendments to the Charter of the City and County of San Francisco enacted by the voters on November 5, 2002, as Proposition E; authorizing the issuance of Water Revenue Refunding Bonds; declaring the Official Intent of the Commission to reimburse itself with one or more issues of tax-exempt or taxable bonds or other forms of indebtedness; and ratifying previous actions taken in connection therewith.

Existing Law

This law proposes to amend Ordinance No. 112-16, passed by the Board on June 16, 2016 and signed by the Mayor on June 24, 2016.

Background Information

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

The proposed Ordinance amends Ordinance No. 112-16 (the “Prior Ordinance”) to increase the bonding authorization to \$274,130,430 from \$264,997,468 to (an increase of \$9,132,962) to provide funds for purchase of a one story building and related parking and storage space located at located at 1657-1663 Rollins Road, Burlingame, California (referred to as the Rollins Road Property”). The Rollins Road Property has served as the primary work location for staff from Water Quality Division, the Natural Resources & Land Management Division, and the Water Supply & Treatment Division of the Public Utilities Commission.

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The Bonds will be issued under an Amended and Restated Indenture dated as of January 1, 2002, as further amended and supplemented from time to time, between the Commission and U. S. Bank National Association. Bonds authorized by the Prior Ordinance, as amended, will be issued for any purposes of the Water Enterprise, including, without limitation, the financing or refinancing of capital additions, improvements, repairs and replacements to the Water Enterprise, including the acquisition of the Rollins Road Property.

All other terms of the Prior Ordinance remain in effect, and are incorporated by reference.