

## **LEGISLATIVE DIGEST**

[Ordinance Amendment - Increasing the Public Utilities Commission Water Revenue Bond Issuance - Not to Exceed \$286,730,430]

**Ordinance amending Ordinance No. 112-16, as amended by Ordinance No. 154-17, 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) in an aggregate principal amount not to exceed \$286,730,430 to finance the costs of various capital water projects benefitting the Water Enterprise, including in addition to the purposes heretofore approved, certain Bioregional Habitat Restoration costs (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, as amended by Ordinance 154-17, which authorized the issuance and sale of Water Revenue Bonds by the San Francisco Public Utilities Commission up to \$274,130,448, to finance capital projects of the water enterprise, including the Rollins Road property and other costs.

### 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, as amended by Ordinance 154-17 (the "Prior Ordinances") to increase the bonding authorization to \$286,730,430 from \$274,130,448 to provide additional funds for Bioregional Habitat Restoration costs which arise from federal and state permit requirements to compensate for impacts to habitats and special-status species associated primarily with the Calaveras Dam Replacement Project, the Lower Crystal Springs Dam Improvement Project, the Crystal Springs/ San Andreas Transmission Upgrade Project, and the Bay Division Pipeline No. 5 Project.

FILE NO. 171010

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 and .

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