

[Water Revenue Bond Issuance – Not to Exceed \$49,100,000]

Ordinance approving the issuance and sale of water revenue bonds by the San Francisco Public Utilities Commission in an amount not to exceed \$49,100,000 to finance improvements to the CUW260 Water Main, the Commission's Hetch Hetchy Water and Power System and the Treasure Island Project, 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; and ratifying previous actions taken in connection therewith.

NOTE: Additions are *single-underline italics Times New Roman*;
deletions are ~~*strike-through italics Times New Roman*~~.
Board amendment additions are double-underlined;
Board amendment deletions are ~~strike-through normal~~.

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

Section 1. Findings. The Board of Supervisors (the "Board") of the City hereby finds and declares as follows:

A. On November 5, 2002, the voters of the City and County of San Francisco (the "City") approved Proposition E, which among other things, 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; and,

B. On October 30, 2008, the Commission reviewed and considered the Final Program Environmental Impact Report (PEIR) prepared for the Commission's Water System Improvement Program, and certified by the Planning Commission in Planning Commission Motion No. 17734, and adopted the findings required by the California Environmental Quality

1 Act (CEQA) including a statement of overriding considerations and monitoring and reporting
2 program in its Resolution No. 08-0200; and,

3 C. On August 4, 2009, this Board passed its Ordinance No. 189-09 approving the
4 issuance and sale of water revenue bonds (the "Water Revenue Bonds") from time to time by
5 the Commission pursuant to Proposition E of 2002, in a principal amount not to exceed
6 \$1,310,307,119, representing the difference between \$2,949,924,182 previously approved
7 total appropriations and \$1,628,000,000 under Proposition A, to finance and refinance
8 Projects that are within the Commission's Water System Improvement Program, which
9 ordinance became effective on September 12, 2009; and,

10 D. On April 20, 2010, this Board passed its Ordinance No. 89-10 authorizing the
11 issuance and sale of the Water Revenue Bonds from time to time by the Commission
12 pursuant to Proposition E of 2002, in a principal amount not to exceed \$1,737,724,038, to
13 finance and refinance Projects that are within and not within the Commission's Water System
14 Improvement Program and Capital Improvement Projects, including but not limited to the
15 Commission's Advanced Meter Infrastructure System, which ordinance became effective on
16 May 30, 2010; and,

17 E. The Commission has previously issued under Ordinance 189-09 and Ordinance
18 89-10 \$1,365,710,000 aggregate principal amount of Water Revenue Bonds. The remaining
19 amount of Water Revenue Bonds that are authorized but unissued under Ordinance 189-09
20 and Ordinance 89-10 which may be used to finance Projects that are within the Commission's
21 Water System Improvement Program and financing costs is \$1,591,846,317. The remaining
22 amount of Water Revenue Bonds that are authorized but unissued under Ordinance 189-09
23 and Ordinance 89-10 which may be used to finance Projects that are not within the
24 Commission's Water System Improvement Program and financing costs is \$28,474,840; and,

1 F. The Board now desires to authorize an additional use of proceeds of Water
2 Revenue Bonds authorized pursuant to Ordinance No. 189-09 and Ordinance No. 89-10, that
3 use being to finance the costs of improvements to the CUW260 Water Main, the
4 Commission's Hetch Hetchy Water and Power System and the Treasure Island Project; and,

5 G. On or about May 10, 2011, the City Planning Department issued a final
6 Certificate of Determination/Exemption from Environmental Review for the improvements to
7 the CUW260 Water Main. The City Planning Department found that the project is exempt from
8 environmental review under the California Environmental Quality Act. A copy of the
9 Certificate of Determination is on file with the Clerk of the Board of Supervisors in File
10 No. _____; and,

11 H. On or about May 10, 2011, the City Planning Department issued a final
12 Certificate of Determination/Exemption from Environmental Review for the improvements to
13 the Commission's Hetch Hetchy Water and Power System. The City Planning Department
14 found that the project is exempt from environmental review under the California Environmental
15 Quality Act. A copy of the Certificate of Determination is on file with the Clerk of the Board of
16 Supervisors in File No. _____; and,

17 I. On or about May 10, 2011, the City Planning Department issued a final
18 Certificate of Determination/Exemption from Environmental Review for the Treasure Island
19 Project. The City Planning Department found that the project is exempt from environmental
20 review under the California Environmental Quality Act. A copy of the Certificate of
21 Determination is on file with the Clerk of the Board of Supervisors in File No. _____.

22 Section 2. Authorization of Water Revenue Bonds. The Board hereby authorizes
23 the issuance and sale of Water Revenue Bonds from time to time authorized under Ordinance
24 189-09 and Ordinance 89-10 for the purposes of financing improvements to the CUW260
25 Water Main, the Commission's Hetch Hetchy Water and Power System and the Treasure

1 Island Project, in an additional aggregate principal amount not to exceed \$49,100,000,
2 representing \$9,600,000 in improvements to the CUW260 Water Main, \$31,200,000 in Hetch
3 Hetchy Water and Power System improvements and financing costs and \$8,300,000 for the
4 Treasure Island Project improvements and related financing costs; provided however that
5 funds related to Treasure Island Project shall be held in reserve by the Controller until the
6 certifications required by Proposition E are on file with the Clerk. Such bonds shall be
7 otherwise subject to the same limitations as other authorized but unissued bonds under
8 Ordinance 189-09 and Ordinance 89-10.

9 Section 3. Clarification of Commercial Paper Authorization. Commercial paper may
10 be issued under Resolution No. 08-0202, adopted by the Commission on October 30, 2008
11 and Resolution No. 09-0175 adopted by the Commission on October 27, 2009, for the
12 purpose of providing flexible construction financing for Water Enterprise capital improvement
13 projects, whether or not a Water System Improvement Program project. This Ordinance is
14 intended to clarify the intent of such resolutions, and any commercial paper issued pursuant to
15 such resolutions to finance non-Water System Improvement Program projects is hereby
16 ratified and approved.

17 Section 4. General Authority. The Controller, Treasurer, the City Attorney and other
18 officers of the City and their duly authorized deputies and agents are hereby authorized and
19 directed, jointly and severally, to take such actions and to execute and deliver such
20 certificates, agreements, requests or other documents, as they may deem necessary or
21 desirable to facilitate the issuance, sale and delivery of the Water Revenue Bonds under
22 Ordinance 189-09 and Ordinance 89-10, to obtain bond insurance or other credit
23 enhancements with respect to the Water Revenue Bonds, to obtain surety, to obtain title and
24 other insurance with respect to the facilities to be financed, and otherwise to carry out the
25 provisions of this Ordinance.

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

3 Section 6. File Documents. All documents referred to as on file with the Clerk of the
4 Board are in File Nos. _____.

5 Section 7. Effective Date. Pursuant to Section 14.102 of the Charter, this Ordinance
6 shall take effect thirty (30) days after its adoption.

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9 APPROVED AS TO FORM:

10 DENNIS J. HERRERA, City Attorney

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12
13 By: _____
14 Mark D. Blake
15 Deputy City Attorney