

1 [Amending Ordinance No. 107-14 - Wastewater Revenue Bond Issuance and Sale - Public
2 Utilities Commission - Not to Exceed \$819,035,941]

3 **Ordinance amending Ordinance No. 107-14, to include, in addition to revenue bonds,**
4 **the execution and delivery of State of California State Water Resources Control Board**
5 **Installment Sales Agreements for State Revolving Loans by the San Francisco Public**
6 **Utilities Commission in an aggregate principal amount not to exceed an amount**
7 **previously authorized of \$819,035,941 to finance the costs of various projects**
8 **benefitting the Wastewater Enterprise pursuant to the Charter, including Proposition**
9 **E, an amendment to the Charter enacted by the voters on November 5, 2002; and**
10 **ratifying previous actions taken in connection therewith.**

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

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

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

19 A. On November 5, 2002, the voters of the City and County of San Francisco (the
20 "City") approved Proposition E, codified as Article VIIIB of the Charter of the City (the
21 "Charter"), which among other things, authorized the Commission to issue revenue bonds,
22 including notes, commercial paper or other forms of indebtedness, when authorized by
23 ordinance approved by a two-thirds vote of the Board of Supervisors, for the purpose of
24 reconstructing, replacing, expanding, repairing or improving water facilities or clean water
25

1 facilities, or combinations of water and clean water facilities under the jurisdiction of the
2 Commission; and

3 B. The Commission adopted the and in connection therewith, has from time to
4 time issued revenue bonds to finance projects benefitting the Wastewater Enterprise; and

5 C. By Resolution No.15-0069 adopted on March 10, 2015 (the "Commission
6 Resolution"), the Commission has determined to execute and deliver one or more State of
7 California Water Resources Control Board Installment Sales Agreements in connection with
8 State Revolving Loans in an aggregate principal amount not to exceed \$819,035,941 (the
9 "State Loans ") to finance the costs of all or a portion of certain capital projects described
10 therein benefitting the Wastewater Enterprise (the "Capital Projects" such projects as further
11 described in the Commission Resolution), of costs of issuance and other incidental costs
12 related thereto], and formally has requested this Board of Supervisors to authorize the
13 execution and delivery of Installment Sale Agreements for State Loans for such purposes,
14 pursuant to Section 8B.124 of the Charter, such Commission Resolution and the Installment
15 Sales Contract relating to the State Loans referenced therein being on file with the Clerk of
16 the Board in File No. 150362, which is hereby declared to be a part of this Ordinance as if
17 set forth fully herein; and

18 D. The Commission has determined that it is necessary and desirable to make
19 certain additional improvements to the facilities of the Wastewater Enterprise (the
20 "Improvements"), and has further determined to finance the costs of the Improvements
21 through the execution and delivery of the State Loans. The State Loans shall be payable from
22 a pledge of the Net Revenues of the Wastewater Enterprise on a parity with outstanding
23 Bonds of the Wastewater Enterprise, as such terms as defined in that certain Indenture dated
24 as of January 1, 2003, as amended and supplemented (the "Indenture"), between the
25 Commission and U. S. Bank National Association. The Board now desires to authorize the

1 execution and delivery from time to time of Installment Sales Agreements related to State
2 Loans by the Commission pursuant to said Section 8B.124; provided however, the
3 Commission shall file with the Board of Supervisors any and all certifications required by
4 Section 8B.124 of the Charter prior to the execution and delivery of any Installment Sales
5 Contract related to any State Loans authorized hereby (as further described below); and

6 E. Section 8B.124 of the Charter allows for the issuance of revenue bonds or
7 other forms of indebtedness by ordinance approved by two-thirds of the Board, subject to
8 the provision of certain certifications of an independent engineer retained by the
9 Commission and certain certifications by the San Francisco Planning Department, which
10 certifications shall make the findings and determinations set forth in Section 8B.124; and

11 F. Pursuant to Ordinance No 107-14, adopted July 2, 2014 the Board has
12 approved related supplemental appropriations totaling \$819,035,941 for the Capital
13 Improvement Program for fiscal years ending 2015 and 2016, including the authorization of
14 the issuance of Wastewater Revenue Bonds; and

15 G. The Commission has requested to supplement and amend Ordinance No. 107-
16 14 to authorize the issuance of State Loans, in addition to Wastewater Revenue Bonds, in
17 either case, in an aggregate principal amount not to exceed \$819,035,941.

18 H. Section 2. Ordinance No. 107-14 is Amended and Supplemented. Ordinance
19 No. 107-14 is hereby amended and supplemented to provide for the execution and deliver of
20 State Loans, in addition to the issuance of Wastewater Revenue Bonds authorized in
21 Ordinance 107-14, to finance the costs of projects benefitting the Wastewater Enterprise
22 (such projects being further described in Commission Resolution 14-0032, adopted by the
23 Commission on February 11, 2014); provided however that the Commission shall not be
24 authorized to issued any such indebtedness in an aggregate principal amount exceeding
25 \$819,035,941.

1 Section 3. Approval of the Installment Sales Agreements for State Loans. Subject to
2 the terms of this Ordinance, the Commission is hereby authorized to enter into Installment
3 Sales Agreements with the State Water Resources Control Board pursuant to Section 8B.
4 124 of the Charter to finance a portion of the design, acquisition and construction of the
5 Capital Projects (including the costs of issuance for such obligations) and other incidental
6 costs relating thereto; and the Board hereby approves the execution and delivery of such
7 Installment Sales Agreements for State Loans from time to time by the Commission
8 pursuant to Section 8B. 124 of the Charter in accordance with the Commission Resolution,
9 in an aggregate principal amount not to exceed \$819,035,941 (inclusive of financing costs),
10 at a maximum rate or rates of interest of not to exceed twelve percent (12%) per annum and
11 for a term not to exceed 30 years from the date of the execution of any Installment Sales
12 Agreement, or from such other date as otherwise provided in the Agreement. The
13 Commission is hereby authorized to determine the timing, amount and manner of each
14 Installment Sales Contract executed pursuant to this authorization; provided however, the
15 Commission's authorization to enter into any Installment Sales Agreements is subject to the
16 filing with the Clerk of the Board any certifications required by Proposition E prior to the
17 issuance of any bonds herein authorized.

18 Section 5. General Authority. The Controller, Treasurer, the City Attorney and other
19 officers of the City and their duly authorized deputies and agents are hereby authorized and
20 directed, jointly and severally, to take such actions and to execute and deliver such
21 certificates, agreements, requests or other documents, as they may deem necessary or
22 desirable to facilitate the execution and delivery of any Installment Sales Agreements in
23 connection with State Loans, to obtain title and other insurance with respect to the facilities
24 to be financed, and otherwise to carry out the provisions of this Ordinance.

1 Section 6. 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 7. File Documents. All documents referred to as on file with the Clerk of the
4 Board are in File No. 150362.

5 Section 7. Effective Date. Pursuant to Section 2.105 of the Charter, this Ordinance
6 shall take effect immediately upon its adoption.

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8 APPROVED AS TO FORM:
9 DENNIS J. HERRERA, City Attorney

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11 By: _____
12 MARK D. BLAKE
13 Deputy City Attorney