

1 [2002 Water Revenue Bonds Issuance]

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3 **Resolution approving the issuance of not to exceed \$164,000,000 aggregate principal**
4 **amount of San Francisco water revenue bonds to be issued by the Public Utilities**
5 **Commission of the City and County of San Francisco; affirming covenants contained in**
6 **the indenture pursuant to which the water revenue bonds are issued; and authorizing the**
7 **taking of appropriate actions in connection therewith; and related matters.**

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9 WHEREAS, At a duly called and held revenue bond election on November 4, 1997, a
10 majority of voters voting on the measure approved the issuance by the Public Utilities
11 Commission of the City and County of San Francisco (the "Commission") of its revenue bonds
12 in the aggregate principal amount of \$157,000,000 for the purpose of providing funds for
13 acquiring and constructing reliability and seismic safety improvements (the "System Reliability
14 Project") to the water system (the "Water Enterprise") of the City and County of San Francisco
15 (the "City") and approved the issuance by the Commission of its revenue bonds in the
16 aggregate principal amount of \$147,000,000 for the purpose of acquiring and constructing
17 safe drinking water improvements (the "Safe Water Project") to the Water Enterprise (such
18 revenue bonds referred to herein collectively as, the "Water Revenue Bonds"); and,

19 WHEREAS, Pursuant to Section 9.107 of the Charter (the "Charter") of the City, the
20 Board of Supervisors of the City (the "Board") is authorized to provide for the issuance of
21 revenue bonds by the Commission following the approval of the issuance of such revenue
22 bonds by a majority of the voters, such revenue bonds to be issued and sold in accordance
23 with State law or any procedure provided for by ordinance; and,

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1 WHEREAS, The Commission, pursuant to the terms of Resolution No. 01-0246,
2 adopted by the Commission on December 11, 2001 (the "Resolution"), has authorized the
3 issuance of not to exceed \$140,000,000 aggregate principal amount outstanding at any one
4 time of its Water Revenue Bonds for the purpose of financing the costs of improvements,
5 betterments and additions to the Water Enterprise as well as for the payment of costs of
6 issuance and other incidental costs therefor; approved the form of an Amended and Restated
7 Indenture expected to be dated as of March 1, 2002 by and between the Commission and
8 U.S. Bank Trust National Association (the "Indenture"); and other matters; and,

9 WHEREAS, The Resolution, among other things, establishes a maximum rate of
10 interest for the Water Revenue Bonds of eight percent (8%) per annum; now, therefore, be it

11 RESOLVED by the Board of Supervisors of the City and County of San Francisco, as
12 follows:

13 Section 1. Recitals. All of the recitals herein are true and correct.

14 Section 2. Approval and Authorization of Water Revenue Bonds. The Board hereby
15 authorizes and approves the issuance by the Commission of the Water Revenue Bonds in an
16 aggregate principal amount not to exceed \$164,000,000 at a rate or rates not to exceed eight
17 percent per annum to provide funds to be used for the System Reliability Project and the Safe
18 Water Project.

19 Section 3. Affirmation of Existing Bond Covenants. This Board hereby confirms
20 Section 5.01(b) of the Indenture which sets forth the disposition of Revenues (as defined in
21 the Indenture) applicable to the Bonds (as defined in the Indenture) and covenants with the
22 holders of the Bonds that the Revenues shall be appropriated and expended as set forth in
23 Section 5.01(b) of the Indenture. This Board also declares that the City will comply with all of
24 the terms, provisions and covenants contained in the Indenture, including the covenants to

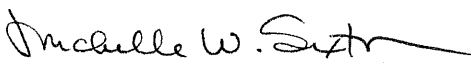
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1 establish, fix, prescribe and collect rates, fees and charges sufficient to enable the
2 Commission to comply with the terms, conditions and covenants of the Indenture.

3 Section 4. General Authority. The Treasurer of the City, the City Attorney, and all
4 other appropriate officers, employees, representatives and agents of the City are hereby
5 authorized and directed to do everything necessary or desirable to provide for the issuance
6 and security of the Water Revenue Bonds.

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8 APPROVED AS TO FORM:

9 LOUISE H. RENNE
10 City Attorney

11
12 By: 
13 MICHELLE W. SEXTON
14 Deputy City Attorney



City and County of San Francisco

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

Tails

Resolution

File Number: 012282

Date Passed:

Resolution approving the issuance of not to exceed \$164,000,000 aggregate principal amount of San Francisco water revenue bonds to be issued by the Public Utilities Commission of the City and County of San Francisco; affirming covenants contained in the indenture pursuant to which the water revenue bonds are issued; and authorizing the taking of appropriate actions in connection therewith; and related matters.

February 19, 2002 Board of Supervisors — ADOPTED

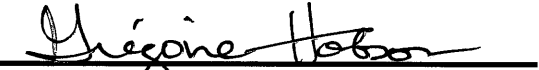
Ayes: 11 - Ammiano, Daly, Gonzalez, Hall, Leno, Maxwell, McGoldrick,
Newsom, Peskin, Sandoval, Yee

File No. 012282

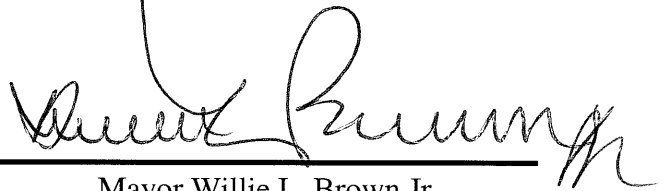
I hereby certify that the foregoing Resolution was ADOPTED on February 19, 2002 by the Board of Supervisors of the City and County of San Francisco.

MAR 01 2002

Date Approved



Gregoire Hobson
Acting Clerk of the Board



Mayor Willie L. Brown Jr.