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San Francisco To Sell \$1.15 Billion In Bonds To Help Fund Sewer Projects.

San Francisco is planning to sell \$1.15 billion in municipal bonds to help pay for improvements to its sewer system.

The Public Utilities Commission of the City and County of San Francisco will issue \$432.3 million 2024 Series A bonds, \$85.8 million 2024 Series B bonds, \$547.8 million 2024 Series C bonds and \$86.3 million 2024 Series D bonds to help finance capital projects benefiting wastewater treatment including its Sewer System Improvement Program, as well as retiring tax-exempt commercial paper notes and other purposes.

The 2024A and 2024C bonds have been designated as green bonds, meeting the Water Climate Bond Standard. The 2024A and 2024B notes are federally taxable, according to a document posted Monday on MuniOS.

Officials say the sewer program is aimed at helping maximize system flexibility, improving operational and seismic reliability, as well as promoting current and future regulatory compliance. San Francisco's combined sewage and stormwater system handles an average of about 40 billion gallons a year.

The interest rate and yield on the debt have yet to be determined. The bonds are expected to price on July 17 and 18 and the transaction has a preliminary closing date of July 31.

The bonds are secured by a pledge of net revenues from the Wastewater Enterprise under the utilities commission.

Moody's Ratings assigned Aa2 to all of the bonds. S&P Global Ratings assigned AA to the 2024B, 2024C and 2024D bonds but hasn't assigned a rating to the 2024A note.

BofA Securities and Morgan Stanley are the lead underwriters.

Provided by Dow Jones

By Patrick Sheridan

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Write to Patrick Sheridan at patrick.sheridan@wsj.com