

# PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 22-0030

WHEREAS, On January 7, 2022, this Commission heard and considered budget priorities for the department. Additionally, on January 7, January 14, and January 20, 2022, the San Francisco Public Utilities Commission (SFPUC) General Manager and staff additionally presented the preliminary proposed FY 2022-23 Capital Budget for the Water Enterprise, Wastewater Enterprise, and Hetch Hetchy Water & Power, including the Power Enterprise and CleanPowerSF (“Capital Budget”) including the list of projects, cost estimates, and schedules to the Commission; and

WHEREAS, An overview of the proposed FY 2022-23 Capital Budget for each SFPUC Enterprise is set forth as Attachment A and is on file with the Commission Secretary; and

WHEREAS, the Capital Budget Steering Committee recommended proceeding with only a single year capital budget supplemental for FY 2022-23; and

WHEREAS, As a preliminary step to development of the FY 2022-23 Capital Budget, a baseline review of all existing project appropriations was completed for potential closeout or repurposing to new capital budget needs; and

WHEREAS, The FY 2022-23 Capital Budget submittals went through a quality review to assure the budget addresses the immediate capital improvement needs of each Enterprise and reflects a sound project prioritization process which included a validation of costs and schedule of all proposed projects and an assessment of the ability to deliver the projects within FY 2022-23; and

WHEREAS, The proposed FY 2022-23 Capital Budget must be submitted to, and approved by the Mayor and the Board of Supervisors; and

WHEREAS, The SFPUC General Manager recommends that the Commission request a supplemental appropriation ordinance for the capital expenditures for each of the three Enterprises presented in the proposed FY 2022- 23 Capital Budget to timely implement public improvement projects; and

WHEREAS, Approval of funding mechanisms do not constitute a project under the California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(4) related to the creation of government funding mechanisms which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment; and

WHEREAS, The subsequent approvals of projects to be funded through this Capital Plan would be considered only after the necessary environmental review process in conformance with CEQA, Administrative Code Chapter 31, and Proposition E (approved by the voters in 2002 for Water and Wastewater projects) by this Commission; and

WHEREAS, The Water Enterprise is de-appropriating and re-appropriating \$38,331,660 in Water Capital Projects to fund project spending in FY 2022-23; and

WHEREAS, The Wastewater Enterprise is de-appropriating and re-appropriating \$41,158,347 in Wastewater Capital Projects to fund project spending in FY 2022-23; and

WHEREAS, This Commission has considered the proposed FY 2022-23 Capital Budget for the Water Enterprise, Wastewater Enterprise, and Hetch Hetchy Water and Power, including the Power Enterprise and CleanPowerSF, which totals \$1,117,521,515, as set forth in Attachment A to the February 8, 2022 staff report; now, therefore, be it

RESOLVED, That this Commission hereby adopts the FY 2022-23 SFPUC Capital Budget in the amount of \$1,117,521,515 for the Water Enterprise, the Wastewater Enterprise, and Hetch Hetchy Water and Power, including the Power Enterprise and CleanPowerSF as presented at the public hearings on January 7, January 14, and January 20, 2022 and as set forth in the attached Attachment A, as follows:

<b>FY 2022-23 Capital Budget</b>	<b>Amount</b>	<b>Financing Costs</b>	<b>Total</b>
Wastewater Enterprise	\$ 687,374,066	\$ 105,629,835	\$ 793,003,901
Water Enterprise	101,319,297	9,387,595	110,706,892
Hetchy Water	114,943,889	20,228,083	135,171,972
Hetchy Power	66,185,543	10,867,161	77,052,704
CleanPowerSF	<u>1,586,046</u>	<u>0</u>	<u>1,586,046</u>
<b>Total</b>	<b>\$ 971,408,841</b>	<b>\$ 146,112,674</b>	<b>\$ 1,117,521,515</b>

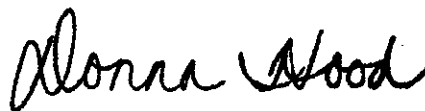
and be it;

FURTHER RESOLVED, That this Commission authorizes the General Manager to seek Board of Supervisors approval for the de-appropriation and re-appropriation of \$38,331,660 in Water Capital Projects and de-appropriation and re-appropriation of \$41,158,347 in Wastewater Capital Project funding; and, be it

FURTHER RESOLVED, That the SFPUC General Manager is authorized to reallocate funds within an Authority Code as provided in the staff report and Attachment A appended to this Resolution and to make further technical adjustments to these approved amounts as may be necessary, or upon further direction from the Commission, the Mayor, or the Board of Supervisors; and, be it

FURTHER RESOLVED, The General Manager is hereby authorized and directed to submit to the Board of Supervisors proposed ordinances authorizing the issuance of (1) not to exceed \$129,653,767 aggregate principal amount of Water Revenue Bonds and other forms of indebtedness, including commercial paper and State Revolving Fund (SRF) loans, (2) \$704,198,901 aggregate principal amount of Wastewater Revenue Bonds and other forms of indebtedness, including commercial paper and SRF loans, under the terms of Proposition E (approved by the voters November 2002), and (3) \$140,889,875 aggregate principal amount of Power Revenue Bonds and other forms of indebtedness, including commercial paper and loans, subject to the terms of Charter Sections 9.107(6) and 9.107(8). The General Manager shall return to this Commission for a subsequent discretionary approval of any disclosure and transaction related documents prepared in connection with the issuance of such Bonds and other forms of indebtedness.

*I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of February 8, 2022.*



*Secretary, Public Utilities Commission*