

1 [Appropriation - Proceeds from Revenue Bonds, Bay Area Water Supply and Conservation
2 Agency Pre-payment Bonds, Water Revenues and Water Capacity Fees of \$363,758,000 for
3 Water Capital Improvements - FYs 2014-2015 and 2015-2016]

4 **Ordinance appropriating \$363,758,000 of proceeds from revenue bonds, Bay Area**
5 **Water Supply and Conservation Agency (BAWSCA) Pre-payment Bonds, water**
6 **revenues and water capacity fees for the San Francisco Public Utilities Commission**
7 **(SFPUC) Water Enterprise's Capital Improvement Program for FY2014-2015 at**
8 **\$181,213,000 and FY2015-2016 at \$182,545,000; and placing \$229,023,000 by project on**
9 **Controller's reserve subject to SFPUC's and Board of Supervisors' approval following**
10 **completion of project-related analysis pursuant to the California Environmental Quality**
11 **Act, where required, and receipt of proceeds of indebtedness.**

12
13 **Note:** **Unchanged Code text and uncodified text** are in plain Arial font.
14 **Additions to Codes** are in *single-underline italics Times New Roman font.*
15 **Deletions to Codes** are in *strikethrough italics Times New Roman font.*
16 **Board amendment additions** are in double underlined Arial font.
17 **Board amendment deletions** are in ~~strikethrough Arial font.~~
18 **Asterisks (****)** indicate the omission of unchanged Code
19 subsections or parts of tables.

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

21 Section 1. The sources of funding outlined below are herein appropriated to reflect the
22 funding available for FY2014-2015.
23
24
25

1 **SOURCES Appropriation**

2	Fund	Index Code /	Subobject	Description	Amount
3		Project Code			
4	5W CPF 15A – Water	*WTR5WCPF15A /	80111	Proceeds from Sale of	\$86,962,000
5	Enterprise- 2015A	WTR3000100		Bonds	
6	Bond Fund	Bond/Commercial Paper			
7		Expense			
8					
9	5W CPF WCF –	UWUWZZZG505W -	9505W	Water Enterprise	\$15,275,000
10	Wholesale Capital	CUWZZZZZ		Revenue	
11	Project Fund				
12					
13	5W CPF CAP –	*WTR5WCPFCAP –	99999B	Water Capacity Fees	\$2,500,000
14	Capacity Fees	CUW68301			
15					
16	5W AAA AAA –	*WTR5WAAAAAA	99999B	Water Enterprise	\$13,944,000
17	Water Operating -			Revenue (BAWSCA	
18	Non-Proj-Controlled			Pre-Payments Funds)	
19					
20	5W AAA AAA –	*WTR5WAAAAAA	99999B	Water Enterprise	\$8,225,000
21	Capital Projects –			Revenue (BAWSCA	
22	Local Fund			Pre-Payments Funds)	
23					
24					
25					

1	Fund	Index Code /	Subobject	Description	Amount
2		Project Code			
3	5W AAA ACP –	UWAAAACP505W /	9505W	Water Enterprise	\$54,307,000
4	Water Continuing	CUWZZZZZ		Revenue (BAWSCA	
5	Capital Project Fund			Pre-Payments Funds)	
6					
7	Total SOURCES Appropriation				<u><u>\$181,213,000</u></u>

8

9 Section 2. The uses of funding outlined below are herein appropriated in Subobject

10 06700 Buildings Structures and Improvements, 06R00 Capital Renewal Projects, 081C4

11 Internal Audits and 081XX Revenue Bond Oversight Committee, and reflects the projected

12 uses of funding to support the Water Capital Improvement Program at the San Francisco

13 Public Utilities Commission for FY2014-2015.

14

15 **USES Appropriation**

16	Fund	Index Code /	Subobject	Description	Amount
17		Project Code			
18	5W CPF LOC –	WTRX5WCPFLOC /	06R00 Capital	Regional Water	\$3,094,350
19	Capital Projects –	CUW27200	Renewal	Treatment Program	
20	Local Fund		Projects		
21					
22	5W CPF WCF –	WTRX5WCPFWCF	06R00 Capital	Regional Water	\$5,746,650
23	Wholesale Customer	CUW27200	Renewal	Treatment Program	
24	Fund		Projects		

1	Fund	Index Code /	Subobject	Description	Amount
2		Project Code			
3	5W AAA ACP – Water	WTRX5WAAAACP	06R00 Capital	Town of Sunol – Fire	\$2,000,000
4	Continuing Capital	CUW26308	Renewal	Suppression System	
5	Project Fund		Projects		
6					
7	5W CPF LOC –	WTRX5WCPFLOC	06R00 Capital	Water Transmission	\$2,518,600
8	Capital Projects –	CUW27300	Renewal	Program	
9	Local Fund		Projects		
10					
11	5W CPF WCF -	WTRX5WCPFWCF	06R00 Capital	Water Transmission	\$4,677,400
12	Wholesale Customer	CUW27300	Renewal	Program	
13	Fund		Projects		
14					
15	5W CPF LOC –	WTRX5WCPFLOC /	06R00 Capital	Water Supply &	\$719,250
16	Capital Projects –	CUW27400	Renewal	Storage	
17	Local Fund		Projects		
18					
19	5W CPF WCF -	WTRX5WCPFWCF /	06R00 Capital	Water Supply &	\$1,335,750
20	Wholesale Customer	CUW27400	Renewal	Storage	
21	Fund		Projects		
22					
23	5W CPF LOC –	WTRX5WCPFLOC /	06R00 Capital	Watershed & Land	\$492,800
24	Capital Projects –	CUW27500	Renewal	Management	
25	Local Fund		Projects		

	Fund	Index Code / Project Code	Subobject	Description	Amount
1					
2					
3	5W CPF WCF -	WTRX5WCPFWCF /	06R00 Capital	Watershed & Land	\$915,200
4	Wholesale Customer	CUW27500	Renewal	Management	
5	Fund		Projects		
6					
7	5W CPF LOC -	WTRX5WCPFLOC /	06R00 Capital	Communication &	\$1,225,000
8	Capital Projects -	CUW27600	Renewal	Monitoring Program	
9	Local Fund		Projects		
10	5W CPF WCF -	WTRX5WCPFWCF /	06R00 Capital	Communication &	\$2,275,000
11	Wholesale Customer	CUW27600	Renewal	Monitoring Program	
12	Fund		Projects		
13					
14	5W CPF LOC -	WTRX5WCPFLOC /	06R00 Capital	Buildings & Grounds	\$175,000
15	Capital Projects -	CUW27700	Renewal	Regional	
16	Local Fund		Projects		
17					
18	5W CPF WCF -	WTRX5WCPFWCF /	06R00 Capital	Buildings & Grounds	\$325,000
19	Wholesale Customer	CUW27700	Renewal	Regional	
20	Fund		Projects		
21					
22	5W AAA ACP - Water	WTRX5WAAAACP /	06R00 Capital	Local Water	\$51,200,000
23	Continuing Capital	CUW28000	Renewal	Conveyance/	
24	Project Fund		Projects	Distribution	
25					

1	Fund	Index Code /	Subobject	Description	Amount
2		Project Code			
3	5W CPF CAP –	WTRX5WCPFCAP /	06R00 Capital	Local Water	\$2,500,000
4	Capacity Fee	CUW28000	Renewal	Conveyance/	
5			Projects	Distribution	
6					
7	5W AAA ACP – Water	WTRX5WAAAACP /	06R00 Capital	Building & Grounds	\$800,000
8	Continuing Capital	CUW68800	Renewal	Improvements	
9	Project Fund		Projects		
10	5W AAA ACP – Water	WTRX5WAAAACP /	06R00 Capital	Pacific Rod & Gun	\$11,105,000
11	Continuing Capital	CUW28100	Renewal	Club Remediation	
12	Project Fund		Projects		
13					
14	5W AAA ACP – Water	WTRX5WAAAACP /	06R00 Capital	Systems Monitoring &	\$1,510,000
15	Continuing Capital	CUW28201	Renewal	Control	
16	Project Fund		Projects		
17					
18	5W AAA ACP – Water	WTRX5WAAAACP /	06R00 Capital	Local Water Supply –	\$986,000
19	Continuing Capital	CUW27800	Renewal	Other Recycled Water	
20	Project Fund		Projects	Projects	
21					
22	5W AAA ACP – Water	WTRX5WAAAACP /	06R00 Capital	College Hill Reservoir	\$650,000
23	Continuing Capital	CUW28301	Renewal	Outlet Structure	
24	Project Fund		Projects	Retrofit	
25					

	Fund	Index Code / Project Code	Subobject	Description	Amount
1					
2					
3	5W CPF 15A – Water	WTRX5WCPF15A /	06700	Calaveras Dam –	\$50,000,000
4	Enterprise- 2015A	CUW3740100	Buildings,	WSIP Augmentation	
5	Bond Fund		Structures, and		
6			Improvements		
7					
8	5W CPF 15A – Water	WTRX5WCPF15A /	06700	New Irvington Tunnel	\$10,000,000
9	Enterprise- 2015A	CUW3590100	Buildings,		
10	Bond Fund		Structures, and		
11			Improvements		
12					
13	5W CPF 15A – Water	WTRX5WCPF15A /	06700	Crystal Springs/San	\$5,000,000
14	Enterprise- 2015A	CUW3710100	Buildings,	Andreas Upgrade	
15	Bond Fund		Structures, and		
16			Improvements		
17					
18	5W CPF 15A – Water	WTRX5WCPF15A /	06700	Regional Groundwater	\$7,178,000
19	Enterprise- 2015A	CUW3010300	Buildings,	Storage & Recovery	
20	Bond Fund		Structures, and		
21			Improvements		
22					
23					
24					
25					

1	Fund	Index Code /	Subobject	Description	Amount
2		Project Code			
3	5W CPF 15A – Water	WTRX5WCPF15A /	06700	Financing Cost	\$14,407,661
4	Enterprise- 2015A	WTR3000100	Buildings,		
5	Bond Fund		Structures, and		
6			Improvements		
7					
8	5W CPF 15A – Water	WTRX5WCPF15A /	081C4 Internal	City Services Auditor	\$332,858
9	Enterprise- 2015A	WTR3000100	Audits		
10	Bond Fund				
11	5W CPF 15A – Water	WTRX5WCPF15A /	081XX	Revenue Bond	\$43,481
12	Enterprise- 2015A	WTR3000100		Oversight Committee	
13	Bond Fund				
14	Total USES Appropriation				<u>\$181,213,000</u>

16 Section 3. Of the above appropriated amount, \$332,858, representing 0.2% of the
17 expenditure budget net of bond financing and audit costs, is to be allocated and available to
18 support the Controller's Audit Fund, pursuant to Charter Appendix F1.113; and \$43,481,
19 representing 0.05% of gross bond proceeds is to be allocated and available to support the
20 Public Utilities Commission Revenue Bond Oversight Committee, pursuant to Administrative
21 Code Section 5A.31. These appropriations may be increased or decreased by the Controller
22 based on changes to expenditure appropriations or actual gross bond proceeds to conform to
23 the applicable Charter and Administrative Code formulas.

1 Section 4: \$86,962,000 of the appropriation is hereby placed on Controller's
2 Appropriation Reserve by project. Release of appropriation reserves by the Controller is
3 subject to the prior occurrence of: 1) the SFPUC's and the Board of Supervisors' discretionary
4 adoption of CEQA findings for projects, following review and consideration of completed
5 project-related environmental analysis, where required, pursuant to CEQA, the State CEQA
6 Guidelines, and Chapter 31 of the San Francisco Administrative Code, and 2) the Controller's
7 certification of funds availability, including proceeds of indebtedness including Commercial
8 Paper.

9
10 Section 5. Associated Bond financing costs up to \$14,407,661 is also hereby
11 appropriated, including but not limited to, issuance costs, debt service reserve, capitalized
12 interest, rating agency, and disclosure costs, all on Controller's reserve pending receipt of
13 bond proceeds. To the extent that net available bond proceeds after financing costs are more
14 than budgeted, the Controller may approve the use of such surplus bond proceeds as a
15 substitute for other sources budgeted in this appropriation.

16
17 Section 6: The Controller is authorized to record transfers between funds and adjust
18 the accounting treatment of sources and uses appropriated in this ordinance as necessary to
19 conform to Generally Accepted Accounting Principles.

20
21 Section 7. The sources of funding outlined below are herein appropriated to reflect the
22 funding available for FY2015-2016.

1 **SOURCES Appropriation**

2	Fund	Index Code /	Subobject	Description	Amount
3		Project Code			
4	5W CPF 16A – Water	*WTR5WCPF16A /	80111	Proceeds from Sale of	\$142,061,000
5	Enterprise- 2016A	WTR3000100		Bonds	
6	Bond Fund				
7					
8	5W CPF LOC – Water	UWUWZZZI505W -	9505W	Water Enterprise	\$11,691,400
9	Capital Project - Local	CUWZZZZZ		Revenue	
10	Fund				
11					
12	5W CPF WCF –	UWUWZZZG505W -	9505W	Water Enterprise	\$21,712,600
13	Wholesale Capital	CUWZZZZZ		Revenue	
14	Project Fund				
15					
16	5W CPF CAP –	*WTR5WCPFCAP –	99999B	Water Capacity Fees	\$3,000,000
17	Capacity Fees	CUW68301			
18					
19	5W AAA ACP –	UWAAAACP505W –	9505W	Water Enterprise	\$4,080,000
20	Water Continuing	CUWZZZZZ		Revenue – Water	
21	Capital Project Fund			Revenue Transfer	
22					
23	Total SOURCES Appropriation				\$182,545,000

Section 8. The uses of funding outlined below are herein appropriated in Subobject 06700 Buildings Structures and Improvements, 06R00 Capital Renewal Projects, 081C4 Internal Audits and 081XX Revenue Bond Oversight Committee, and reflects the projected uses of funding to support the Water Capital Improvement Program at the San Francisco Public Utilities Commission for FY2015-2016.

USES Appropriation

Fund	Index Code / Project Code	Subobject	Description	Amount
5W CPF LOC – Capital Projects – Local Fund	WTRX5WCPFLOC / CUW27200	06R00 Capital Renewal Projects	Regional Water Treatment Program	\$1,276,450
5W CPF WCF – Wholesale Customer Fund	WTRX5WCFWCF CUW27200	06R00 Capital Renewal Projects	Regional Water Treatment Program	\$2,370,550
5W CPF LOC – Capital Projects – Local Fund	WTRX5WCPFLOC CUW27300	06R00 Capital Renewal Projects	Water Transmission Program	\$4,070,850
5W CPF WCF - Wholesale Customer Fund	WTRX5WCFWCF CUW27300	06R00 Capital Renewal Projects	Water Transmission Program	\$7,560,150

1	Fund	Index Code /	Subobject	Description	Amount
2		Project Code			
3	5W CPF LOC –	WTRX5WCPFLOC /	06R00 Capital	Water Supply &	\$417,900
4	Capital Projects –	CUW27400	Renewal	Storage	
5	Local Fund		Projects		
6					
7	5W CPF WCF -	WTRX5WCPFWCF /	06R00 Capital	Water Supply &	\$776,100
8	Wholesale Customer	CUW27400	Renewal	Storage	
9	Fund		Projects		
10					
11	5W CPF LOC –	WTRX5WCPFLOC /	06R00 Capital	Watershed & Land	\$981,400
12	Capital Projects –	CUW27500	Renewal	Management	
13	Local Fund		Projects		
14					
15	5W CPF WCF -	WTRX5WCPFWCF /	06R00 Capital	Watershed & Land	\$1,822,600
16	Wholesale Customer	CUW27500	Renewal	Management	
17	Fund		Projects		
18					
19	5W CPF LOC –	WTRX5WCPFLOC /	06R00 Capital	Communication &	\$700,000
20	Capital Projects –	CUW27600	Renewal	Monitoring Program	
21	Local Fund		Projects		
22					
23					
24					
25					

1	Fund	Index Code /	Subobject	Description	Amount
2		Project Code			
3	5W CPF WCF -	WTRX5WCPFWCF /	06R00 Capital	Communication &	\$1,300,000
4	Wholesale Customer	CUW27600	Renewal	Monitoring Program	
5	Fund		Projects		
6					
7	5W CPF LOC -	WTRX5WCPFLOC /	06R00 Capital	Buildings & Grounds	\$4,244,800
8	Capital Projects -	CUW27700	Renewal	Regional	
9	Local Fund		Projects		
10	5W CPF WCF -	WTRX5WCPFWCF /	06R00 Capital	Buildings & Grounds	\$7,883,200
11	Wholesale Customer	CUW27700	Renewal	Regional	
12	Fund		Projects		
13					
14	5W CPF 16A - Water	WTRX5WCPF16A /	06700	Buildings & Grounds	\$15,237,000
15	Enterprise- 2016A	CUW27700	Buildings,	Regional	
16	Bond Fund)		Structures, and		
17			Improvements		
18					
19	5W CPF CAP - Water	WTRX5WCPFCAP /	06R00 Capital	Local Water	\$3,000,000
20	Continuing Capital	CUW28000	Renewal	Conveyance/	
21	Project Fund		Projects	Distribution	
22					
23					
24					
25					

	Fund	Index Code / Project Code	Subobject	Description	Amount
1					
2					
3	5W CPF 16A – Water	WTRX5WCPF16A /	06700	Local Water	\$50,700,000
4	Enterprise- 2016A	CUW28000	Buildings,	Conveyance/	
5	Bond Fund		Structures, and	Distribution	
6			Improvements		
7					
8	5W CPF 16A – Water	WTRX5WCPF16A /	06700	Building & Grounds	\$1,525,000
9	Enterprise- 2016A	CUW68800	Buildings,	Improvements	
10	Bond Fund		Structures, and		
11			Improvements		
12					
13	5W AAA ACP – Water	WTRX5WAAAACP /	06R00 Capital	Pacific Rod & Gun	\$155,000
14	Continuing Capital	CUW28100	Renewal	Club Remediation	
15	Project Fund		Projects		
16					
17	5W CPF 16A – Water	WTRX5WCPF16A /	06700	Systems Monitoring &	\$5,900,000
18	Enterprise- 2016A	CUW28201	Buildings,	Control	
19	Bond Fund		Structures, and		
20			Improvements		
21					
22	5W AAA ACP – Water	WTRX5WAAAACP /	06R00 Capital	Local Water Supply –	\$3,925,000
23	Continuing Capital	CUW27800	Renewal	Other Recycled Water	
24	Project Fund		Projects	Projects	
25					

1	Fund	Index Code /	Subobject	Description	Amount
2		Project Code			
3	5W CPF 16A – Water	WTRX5WCPF16A /	06700	College Hill Reservoir	\$2,820,000
4	Enterprise– 2016A	CUW28301	Buildings,	Outlet Structure	
5	Bond Fund		Structures, and	Retrofit	
6			Improvements		
7					
8	5W CPF 16A – Water	WTRX5WCPF16A /	06700	McLaren Park Pump	\$358,000
9	Enterprise– 2016A	CUW28401	Buildings,	Station	
10	Bond Fund		Structures, and		
11			Improvements		
12					
13	5W CPF 16A – Water	WTRX5WCPF16A /	06700	Merced Manor	\$270,000
14	Enterprise– 2016A	CUW28501	Buildings,	Reservoir Facilities	
15	Bond Fund		Structures, and	Repairs	
16			Improvements		
17					
18	5W CPF 16A – Water	WTRX5WCPF16A /	06700	Calaveras Dam –	\$40,000,000
19	Enterprise– 2016A	CUW3740100	Buildings,	WSIP Augmentation	
20	Bond Fund		Structures, and		
21			Improvements		
22					
23					
24					
25					

1	Fund	Index Code /	Subsubject	Description	Amount
2		Project Code			
3	5W CPF 16A – Water	WTRX5WCPF16A /	06700	Regional Groundwater	\$1,074,000
4	Enterprise- 2016A	CUW3010300	Buildings,	Storage & Recovery	
5	Bond Fund		Structures, and		
6			Improvements		
7					
8	5W CPF 16A – Water	WTRX5WCPF16A /	06700	Financing Cost	\$23,789,234
9	Enterprise- 2016A	WTR3000100	Buildings,		
10	Bond Fund		Structures, and		
11			Improvements		
12					
13	5W CPF 16A – Water	WTRX5WCPF16A /	081C4 Internal	City Service Auditor	\$316,736
14	Enterprise- 2016A	WTR3000100	Audits		
15	Bond Fund				
16	5W CPF 16A – Water	WTRX5WCPF16A /	081XX	Revenue Bond	\$71,030
17	Enterprise- 2016A	WTR3000100		Oversight Committee	
18	Bond Fund				
19					
20	Total USES Appropriation				<u>\$182,545,000</u>

22 Section 9: Of the above appropriated amount, \$316,736, representing 0.2% of the
23 expenditure budget net of bond financing and audit costs, is to be allocated and available to
24 support the Controller's Audit Fund, pursuant to Charter Appendix F1.113; and \$71,030,
25 representing 0.05% of gross bond proceeds is to be allocated and available to support the

1 Public Utilities Commission Revenue Bond Oversight Committee, pursuant to Administrative
2 Code Section 5A.31. These appropriations may be increased or decreased by the Controller
3 based on changes to expenditure appropriations or actual gross bond proceeds to conform to
4 the applicable Charter and Administrative Code formulas.

5
6 Section 10: \$142,061,000 of the appropriation is hereby placed on Controller's
7 Appropriation Reserve by project. Release of appropriation reserves by the Controller is
8 subject to the prior occurrence of: 1) the SFPUC's and the Board of Supervisors' adoption of
9 CEQA findings for projects, following review and consideration of completed project-related
10 environmental analysis, where required, pursuant to CEQA, the State CEQA Guidelines, and
11 Chapter 31 of the San Francisco Administrative Code, and 2) the Controller's certification of
12 funds availability, including proceeds of indebtedness including Commercial Paper.

13
14 Section 11: Associated Bond financing costs up to \$23,789,234 is also hereby
15 appropriated, including but not limited to, issuance costs, debt service reserve, capitalized
16 interest, rating agency, and disclosure costs, all on Controller's reserve pending receipt of
17 bond proceeds. To the extent that net available bond proceeds after financing costs are more
18 than budgeted, the Controller may approve the use of such surplus bond proceeds as a
19 substitute for other sources budgeted in this appropriation.

20
21 Section 12: The Controller is authorized to record transfers between funds and adjust
22 the accounting treatment of sources and uses appropriated in this ordinance as necessary to
23 conform to Generally Accepted Accounting Principles.

FILE NO. _____

OR VOUCHER NO. _____

RO#15001
SA#40-01

1 APPROVED AS TO FORM:
2 DENNIS J. HERRERA, City Attorney

FUNDS AVAILABLE
BEN ROSENFELD, Controller

3 By: 
4 THOMAS OWEN
5 Deputy City Attorney

By: 
MONIQUE ZMUDA
Deputy Controller

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Attachment A

Funding Source

Project	Index Code	SUB FUND	SUB-OBJ	Description of Appropriation or Fund	FY 2014-15	FY 2015-16	Amount
WTR3000100	*WTR5WCPF15A	5WCPF15A	80111	Proceeds from Sale of Bonds	86,962,000	0	86,962,000
WTR3000100	*WTR5WCPF16A	5WCPF16A	80111	Proceeds from Sale of Bonds		142,061,000	142,061,000
CUWZZZZZ	UWUWZZZ1505W	5WCPFLOC	9505W	ITI from Water Enterprise Funds	0	11,691,400	11,691,400
CUWZZZZZ	UWUWZZZG505W	5WCPFWCF	9505W	ITI from Water Enterprise Funds	15,275,000	21,712,600	36,987,600
CUW68301	*WTR5WCPFCAP	5WCPFCAP	99999B	Water Capacity Fee	2,500,000	3,000,000	5,500,000
CUWZZZZZ	UWAAAACP505W	5WAAAACP	9505W	ITI from Water Enterprise Funds	13,944,000	4,080,000	18,024,000
CUWZZZZZ	UWUWZZZ1505W	5WCPFLOC	9505W	ITI from Water Enterprise - BAWSCA Pre-Payment	8,225,000	0	8,225,000
CUWZZZZZ	UWAAAACP505W	5WAAAACP	9505W	ITI from Water Enterprise - BAWSCA Pre-Payment	54,307,000	0	54,307,000
TOTAL					181,213,000	182,545,000	363,758,000

Use of Funds

Project	Index Code	SUB FUND	SUB-OBJ	Description of Appropriation or Fund	FY 2014-15	FY 2015-16	Amount
CUW27200	WTRX5WCPFLOC	5WCPFLOC	06R00	Regional Water Treatment Program	3,094,350	1,276,450	4,370,800
CUW27200	WTRX5WCPFWCF	5WCPFWCF	06R00	Regional Water Treatment Program	5,746,650	2,370,550	8,117,200
CUW26308	WTRX5WAAAACP	5WAAAACP	06R00	Town of Sunol-Fire Suppression System	2,000,000	0	2,000,000
CUW27300	WTRX5WCPFLOC	5WCPFLOC	06R00	Water Transmission Program	2,518,600	4,070,850	6,589,450
CUW27300	WTRX5WCPFWCF	5WCPFWCF	06R00	Water Transmission Program	4,677,400	7,560,150	12,237,550
CUW27400	WTRX5WCPFLOC	5WCPFLOC	06R00	Water Supply & Storage	719,250	417,900	1,137,150
CUW27400	WTRX5WCPFWCF	5WCPFWCF	06R00	Water Supply & Storage	1,335,750	776,100	2,111,850
CUW27500	WTRX5WCPFLOC	5WCPFLOC	06R00	Watershed & Land Management	492,800	981,400	1,474,200
CUW27500	WTRX5WCPFWCF	5WCPFWCF	06R00	Watershed & Land Management	915,200	1,822,600	2,737,800
CUW27600	WTRX5WCPFLOC	5WCPFLOC	06R00	Communication & Monitoring Program	1,225,000	700,000	1,925,000
CUW27600	WTRX5WCPFWCF	5WCPFWCF	06R00	Communication & Monitoring Program	2,275,000	1,300,000	3,575,000
CUW27700	WTRX5WCPFLOC	5WCPFLOC	06R00	Buildings & Ground Regional	175,000	4,244,800	4,419,800
CUW27700	WTRX5WCPFWCF	5WCPFWCF	06R00	Buildings & Ground Regional	325,000	7,883,200	8,208,200
CUW27700	WTRX5WCPF16A	5WCPF16A	06700	Buildings & Ground Regional	0	15,237,000	15,237,000
CUW28000	WTRX5WAAAACP	5WAAAACP	06R00	Local Water Conveyance/Distribution	51,200,000	0	51,200,000
CUW28000	WTRX5WCPFCAP	5WCPFCAP	06R00	Local Water Conveyance/Distribution	2,500,000	3,000,000	5,500,000
CUW28000	WTRX5WCPF16A	5WCPF16A	06700	Local Water Conveyance/Distribution	0	50,700,000	50,700,000
CUW68800	WTRX5WAAAACP	5WAAAACP	06R00	Buildings & Ground Improvements	800,000	0	800,000
CUW68800	WTRX5WCPF16A	5WCPF16A	06700	Buildings & Ground Improvements	0	1,525,000	1,525,000
CUW28100	WTRX5WAAAACP	5WAAAACP	06R00	Pacific Rod & Gun Club Remediation	11,105,000	155,000	11,260,000
CUW28201	WTRX5WAAAACP	5WAAAACP	06R00	Systems Monitoring & Control	1,510,000		1,510,000
CUW28201	WTRX5WCPF16A	5WCPF16A	06700	Systems Monitoring & Control	0	5,900,000	5,900,000
CUW27800	WTRX5WAAAACP	5WAAAACP	06R00	Local Water Supply-Other Recycled Water Projects	986,000	3,925,000	4,911,000
CUW28301	WTRX5WAAAACP	5WAAAACP	06R00	College Hill Reservoir Outlet Structure Retrofit	650,000	0	650,000
CUW28301	WTRX5WCPF16A	5WCPF16A	06700	College Hill Reservoir Outlet Structure Retrofit	0	2,820,000	2,820,000
CUW28401	WTRX5WCPF16A	5WCPF16A	06700	McLaren Park Pump Station Upgrades	0	358,000	358,000
CUW28501	WTRX5WCPF16A	5WCPF16A	06700	Merced Manor Reservoir Facilities Repairs	0	270,000	270,000
CUW3740100	WTRX5WCPF15A	5WCPF15A	06700	Calaveras Dam - WSIP Augmentation	50,000,000		50,000,000
CUW3740100	WTRX5WCPF16A	5WCPF16A	06700	Calaveras Dam - WSIP Augmentation	0	40,000,000	40,000,000
CUW3590100	WTRX5WCPF15A	5WCPF15A	06700	New Irvington Tunnel	10,000,000	0	10,000,000
CUW3710100	WTRX5WCPF15A	5WCPF15A	06700	Crystal Springs/San Andreas Upgrade	5,000,000	0	5,000,000
CUW3010300	WTRX5WCPF15A	5WCPF15A	06700	Regional Groundwater Storage & Recovery	7,178,000	0	7,178,000
CUW3010300	WTRX5WCPF16A	5WCPF16A	06700	Regional Groundwater Storage & Recovery	0	1,074,000	1,074,000
TOTAL - Project Costs					166,429,000	158,368,000	324,797,000

WTR3000100	WTRX5WCPF15A	5WCPF15A	06700	Financing Costs	14,407,661	0	14,407,661
WTR3000100	WTRX5WCPF16A	5WCPF16A	06700	Financing Costs	0	23,789,234	23,789,234
WTR3000100	WTRX5WCPF15A	5WCPF15A	081C4	City Services Auditor	332,858	0	332,858
WTR3000100	WTRX5WCPF16A	5WCPF16A	081C4	City Services Auditor	0	316,736	316,736
WTR3000100	WTRX5WCPF15A	5WCPF15A	081XX	Revenue Bond Oversight Committee	43,481	0	43,481
WTR3000100	WTRX5WCPF16A	5WCPF16A	081XX	Revenue Bond Oversight Committee	0	71,030	71,030
TOTAL - Financing/Other Cost					14,784,000	24,177,000	38,961,000

TOTAL*	181,213,000	182,545,000	363,758,000
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*Excludes AWSS

Items 5 and 10
Files 14-0479 and 14-0484

Department:
 Public Utilities Commission (PUC)

EXECUTIVE SUMMARY

Legislative Objectives

File 14-0479: The proposed ordinance: (1) appropriates \$363,758,000 from water revenue bond proceeds and other Water Enterprise revenues; and (2) places \$229,023,000 by project on Controller's reserve pending PUC and Board of Supervisors approval of California Environmental Quality Act (CEQA) findings and Controller's certification of available funds.

File 14-0484: The proposed ordinance authorizes PUC to issue water revenue bonds in the aggregate principal not-to-exceed amount of \$290,431,536 to finance water capital projects.

Key Points

- In November 2002, the voters approved Proposition A, authorizing PUC to issue \$1,628,000,000 in water revenue bonds to fund the Water System Improvement Program (WSIP); and Proposition E, allowing the Board of Supervisors to authorize PUC to issue additional water revenue bonds to fund the WSIP and other water capital projects with a two-thirds vote. The Board of Supervisors has authorized \$3,260,531,157 in water revenue bonds under Proposition E.
- Under File 14-0484, the Board of Supervisors would authorize PUC to issue \$290,431,536 in new water revenue bonds to fund WSIP and other Water Enterprise and Hetch Hetchy Enterprise water projects. Of the \$290,431,536, \$61,408,536 of the bond proceeds would be allocated to the Hetch Hetchy Enterprise, and the balance of \$229,023,000 would be allocated to the Water Enterprise.
- Under File 14-0479, the Board of Supervisors would appropriate (1) \$229,023,000 in water revenue bonds, placing these funds on Controller's reserve, (2) \$134,735,000 in other Water Enterprise revenues to fund \$363,758,000 in Water Enterprise capital projects in the PUC's FY 2014-15 to FY 2023-24 Capital Plan, and the associated financing costs.

Fiscal Impact

- The anticipated interest rate for the proposed water revenue bonds is 5 percent. Total estimated debt service over the 30-year term of the bonds is \$533,090,970, consisting of \$290,431,536 in principal and \$242,659,434 in interest. The estimated average annual debt service payment is \$19,834,110
- As a result of receiving unanticipated lump-sum payments from wholesale customers, the PUC was able to use cash for certain projects rather than bond proceeds. As a result, the PUC currently has \$81,259,970 in surplus revenue bond authority.

Recommendations

- Amend the proposed ordinance (File 14-0484) to reduce the aggregate principal revenue bond amount by \$81,259,970 from \$290,431,536 to \$209,171,566.
- Approve the proposed ordinance as amended, authorizing the issuance and sale of revenue bonds (File 14-0484).
- Approve the appropriation ordinance (File 14-0479)

MANDATE STATEMENT / BACKGROUND**Mandate Statement**

Charter Section 8B.124 (Proposition E, November 2002) authorizes the San Francisco Public Utilities Commission (PUC) to issue revenue bonds, notes payable, commercial paper, and other forms of indebtedness for the purpose of reconstructing, replacing, expanding, repairing or improving water facilities or clean water facilities, subject to approval by two-thirds of the Board of Supervisors.

According to Charter Section 8B.124, authorization of revenue bonds is subject to certification (1) from an independent engineer that the projects to be financed by such debt meet utility standards; (2) that estimated net revenue will be sufficient to meet operating, maintenance, debt service coverage and other indenture or resolution requirements; and (3) by the Planning Department that facilities under the PUC's jurisdiction that are to be funded by such debt will comply with the California Environmental Quality Act (CEQA).

Charter Section 5A.31(d) states that one-twentieth of one percent from the proceeds of each issuance or sale of public utility revenue bonds must be set aside for use by the Public Utilities Commission Revenue Bond Oversight Committee to cover the costs of Committee activities.

Charter Appendix F1.113 states that 0.2 percent of the bond expenditures net of bond financing and auditing costs be allocated to the support the Controller's Audit Fund.

Charter Section 9.105 states that all amendments to the Annual Appropriation Ordinance are subject to approval by the Board of Supervisors after the Controller certifies the availability of funds.

Background

The Public Utilities Commission (PUC) owns and operates a municipal water supply, storage, and distribution system that provides drinking water to (1) retail customers in the City, (2) certain retail customers that are located outside of the City, and (3) wholesale customers in Alameda County, Contra Costa County, and Santa Clara County.

The PUC water system is divided into two geographic groups including (1) the regional water conveyance system and the (2) in-city distribution system. The regional water conveyance system includes: (a) the Hetch Hetchy System, comprised of the Hetch Hetchy Reservoir and associated pipelines; (b) the Alameda System, comprised of the San Antonio and Calaveras Reservoirs and associated pipelines including the Irvington Tunnel; and (c) the Peninsula System, comprised of the San Andreas and Crystal Springs Reservoirs and associated pipelines that connect the regional water conveyance system to the in-city distribution system. The in-city distribution system is a series of pipelines that distributes water from the regional water conveyance system to residences and retail businesses in the City.

Table 1 below summarizes the assets of the PUC's regional water conveyance system and the in-city distribution system.

Table 1: Regional Water Conveyance System and In-City Distribution System Assets

Asset	Regional Water Conveyance System	In-City Distribution System
Pipelines	280 Miles	1,250 Miles
Tunnels	60 Miles	0
Pump Stations	5	12
Reservoirs / Water Tanks	11	21
Treatment Plants	2	0

Water Enterprise Capital Improvement Plan

The PUC annually updates its ten-year capital improvement plan to renew and replace the water enterprise's infrastructure. The FY 2014-15 through FY 2023-24 Ten-Year Capital Plan was approved by the Public Utilities Commission on January 28, 2014 and includes \$1,093,229,000 in various water capital projects.

The PUC began the Water System Improvement Program (WSIP) in 2002 to administer 83 projects designed to improve the water system. The San Francisco voters approved Proposition A in November 2002, authorizing the PUC to issue revenue bonds in the amount of \$1,628,000,000 to fund the WSIP. The voters also approved Proposition E in November 2002, authorizing the PUC to issue future water revenue bonds subject to approval by ordinance of two-thirds of the Board of Supervisors. The Board of Supervisors has authorized the PUC to issue an additional \$3,260,531,157 in water revenue bonds, as shown in Table 2 below.

Table 2: Water Enterprise Bond Authority and Revenue Bond Issuances

	Water System Improvement Program	Non - Water System Improvement Program	Total
Proposition A Bond Authority	\$1,611,480,000	\$16,520,000	\$1,628,000,000
<i>Prop A Bonds Issued</i>			
2006 Series A	(507,815,000)	-	(507,815,000)
2009 Series A	(412,000,000)	-	(412,000,000)
2009 Series B	(412,000,000)	-	(412,000,000)
2012 Series B	-	(16,520,000)	(16,520,000)
Subtotal Proposition A	(1,331,815,000)	(16,520,000)	(1,348,335,000)
Remaining Proposition A Bond Authority	\$279,665,000	\$0	\$279,665,000
Proposition E Bond Authority	2,957,556,317	302,974,840	3,260,531,157
<i>Prop E Bonds Issued</i>			
2010 Series A	-	(56,945,000)	(56,945,000)
2010 Series B	(417,720,000)	-	(417,720,000)
2010 Series D	(71,360,000)	-	(71,360,000)
2010 Series E	(344,200,000)	-	(344,200,000)
2010 Series FG	(532,430,000)	-	(532,430,000)
2011 Series A	(602,715,000)	-	(602,715,000)
2011 Series B	-	(28,975,000)	(28,975,000)
2011 Series C	-	(33,595,000)	(33,595,000)
2012 Series A	(591,610,000)	-	(591,610,000)
Subtotal Proposition E	(\$2,560,035,000)	(119,515,000)	(2,679,550,000)
Remaining Proposition E Authority	\$397,521,317	\$183,459,840	\$580,981,157
Total Remaining Debt Authority	\$677,186,317	\$183,459,840	\$860,646,157

As shown in Table 2 above, the PUC currently has \$860,646,157 in authorized but unissued revenue bonds, of which \$677,186,317 is allocated to future WSIP projects (see Table 3 below). Therefore, there is a balance of \$183,459,840 in authorized and unissued revenue bonds.

Table 3: WSIP Projects to be Funded by Authorized and Unissued Revenue Bonds

<i>Regional Water System</i>	Authorized and Unissued
San Joaquin Water System	\$7,143,025
Sunol Valley Water System	119,190,207
Bay Division Water System	25,710,869
Peninsula Water System	65,240,834
San Francisco Regional Water System	77,388,543
Regional System-wide Projects	66,891,795
Subtotal Regional Water System	\$361,565,273
<i>In-City Distribution</i>	
San Francisco Local Reservoirs	6,592,475
San Francisco Local Pump Station / Tanks	1,719,699
Miscellaneous	325,502
Lake Merced Water Level Restoration	25,333,964
San Francisco Groundwater Supply	49,751,999
Recycled Water Project in San Francisco	139,724,120
Harding Park Recycled Water	1,466,153
San Francisco Eastside Recycled Water	19,412,012
San Francisco Bay Area Desalinization Plant	23,402
Subtotal In-City Distribution System	244,349,326
Costs of Issuance	71,271,718
Total Water System Improvement Program	\$677,186,317

According to Mr. Mike Brown, PUC Capital Finance, of the remaining \$183,459,840 in authorized and unissued bonds, \$102,223,574 is allocated to other Water Enterprise projects and financing costs and \$81,236,266 remains unallocated, as shown in Table 4 below.

**Table 4: Water Enterprise Projects Authorized but Unissued Debt –
Non-Water System Improvement Program**

Currently Existing Bond Issuance Authority	\$183,459,840
Proposed Uses	
Pipeline Renewal and Replacement	\$24,621,000
Hetch Hetchy Water Projects	18,600,000
Buildings and Ground Improvements	13,054,000
Hetch Hetchy Joint Projects	12,040,200
Regional Water Treatment Program	2,073,000
Town of Sunol-Fire Suppression System	930,000
Subtotal , Projects	\$71,318,200
Reserve Pending Sale	\$20,060,490
Financing Costs	10,406,765
City Auditor's Fund	373,345
Revenue Bond Oversight Committee	41,070
Subtotal, Financing and Oversight	\$30,881,670
Subtotal Proposed Uses	\$102,199,870
Surplus Authority	\$81,259,970

In May 2013, the Board of Supervisors approved an ordinance (File 13-0365) that de-appropriated the use of bond proceeds for various capital projects. According to Mr. Brown, as a result of receiving unanticipated lump-sum payments from wholesale customers, the PUC was able to use cash for certain projects rather than bond proceeds. As a result, the PUC currently has a remaining balance of \$81,259,970 in authorized and unissued bonds that are not allocated to projects.

The Budget and Legislative Analyst's Office recommends reducing PUC's authorization to issue new bonds by \$81,259,970, from the requested \$290,431,536 to \$209,171,566. The PUC would still be able to issue \$81,259,970 in revenue bonds previously authorized by the Board of Supervisors.

DETAILS OF PROPOSED LEGISLATION

File 14-0484: The proposed ordinance authorizes PUC to issue and sell water revenue bonds in the aggregate principal not-to-exceed amount of \$290,431,536 to finance various projects in the Water Enterprise and Hetch Hetchy Enterprise capital improvement plans.

File 14-0479: The proposed ordinance: (1) appropriates \$363,758,000 from revenue bond proceeds, Bay Area Water Supply and Conservation Agency pre-payment funds, water revenues, and water capacity fees for various projects in the Water Enterprise capital plan in FY 2014-15 and FY 2015-16; and (2) places \$229,023,000 by project on Controller's reserve pending PUC and Board of Supervisors approval of California Environmental Quality Act (CEQA) findings and Controller's certification of available funds.

FISCAL IMPACT**File 14-0484 :**

The proposed ordinance authorizes the PUC to issue and sell water revenue bonds in the aggregate principal not-to-exceed amount of \$290,431,536 to fund various capital projects in the Water Enterprise and Hetch Hetchy Enterprise capital plans.

The anticipated interest rate for the bond payments is 5 percent. Total estimated debt service over the 30-year term of the bonds is \$533,090,970, consisting of \$290,431,536 in principal and \$242,659,434 in interest. The estimated average annual debt service payment is \$19,834,110.

On May 13, 2014, the PUC approved its schedule of water rates that are charged to retail and wholesale customers and which project the debt service coverage ratios for the next ten years. According to Mr. Brown, PUC rates are increasing in part because the PUC assumes in its projections that the PUC will issue all previously authorized and requested bond amounts.

Public Utilities Commission Debt Policy

The PUC annually approves a set of debt policies and procedures that govern the PUC debt program. PUC has established a debt limit in which annual net operating income must be at least 1.25 times annual debt service (debt service coverage ratio). The PUC anticipates that debt service coverage ratios in the Water Enterprise will range from 2.17 in FY 2014-15 to 1.46 in FY 2023-24, exceeding the minimum ration established by PUC's debt service ratio of 1.25.

File 14-0479 – Supplemental Appropriation of Revenues Including Bond Proceeds

The proposed ordinance appropriates \$363,758,000 in various revenues for various capital projects, as shown in Table 5 below.

Table 5: Sources and Uses of Proposed Supplemental Appropriation

Sources	FY 2014-15	FY 2015-16	Total
Water Bonds (Files 14-0479 and 14-0484)	\$125,166,088	\$165,265,448	\$290,431,536
Hetch Hetchy Enterprise (Files 14-0480 and 14-0482)	(38,204,088)	(23,204,448)	(61,408,536)
Net Bond Proceeds to Water Enterprise	86,962,000	142,061,000	229,023,000*
Water Enterprise Operating Funds	29,219,000	37,484,000	66,703,000
Water Capacity Fee Fund Balance	2,500,000	3,000,000	5,500,000
Wholesale Customer Revenues	62,532,000	0	62,532,000
Subtotal Sources	\$181,213,000	\$182,545,000	\$363,758,000
Uses	FY 2014-15	FY 2015-16	Total
Pipeline Renewal and Replacement	\$53,700,000	\$53,700,000	\$107,400,000
Calaveras Dam	50,000,000	40,000,000	90,000,000
Sunol Yard Upgrade	500,000	25,875,000	26,375,000
Pacific Rod and Gun Club Remediation Project	11,105,000	155,000	11,260,000
New Irvington Tunnel	10,000,000	-	10,000,000
Regional Groundwater Storage and Recovery	7,178,000	1,074,000	8,252,000
Systems Monitoring and Control	1,510,000	5,900,000	7,410,000
South Valley Water Treatment Plant	5,900,000	700,000	6,600,000
Crystal Springs / San Andreas Reservoir Upgrades	5,000,000	-	5,000,000
Other Recycled Water Projects	986,000	3,925,000	4,911,000
HT Water Treatment Plant	2,341,000	2,347,000	4,688,000
Calaveras Micro Turbine	1,500,000	2,860,000	4,360,000
Watershed Road and ROW Management	1,408,000	2,804,000	4,212,000
Pipeline Improvement Program	730,000	3,450,000	4,180,000
Microwave Backbone Upgrade	2,500,000	1,500,000	4,000,000
Corrosion Protection Capital Upgrades	1,850,000	1,850,000	3,700,000
College Hill Reservoir Outlets Structure Retrofit	650,000	2,820,000	3,470,000
Dam Structural Upgrades	1,855,000	994,000	2,849,000
Buildings and Ground Improvements	800,000	1,525,000	2,325,000
Pipeline Inspection and Repair Project	1,010,000	1,010,000	2,020,000
Town of Sunol Fire Suppression System	2,000,000	0	2,000,000
Pump Station Upgrades	910,000	910,000	1,820,000
Valve Replacement	508,000	1,013,000	1,521,000
Security System	1,000,000	500,000	1,500,000
Millbrae Yard Upgrade	-	1,490,000	1,490,000
Tesla UV Facility	600,000	600,000	1,200,000
Vault Upgrades	338,000	338,000	676,000
Metering Upgrades	350,000	200,000	550,000
Desalination	200,000	200,000	400,000
McLaren Park Pump Station Upgrades	-	358,000	358,000
Merced Manor Reservoir Facilities Repairs	-	270,000	270,000
Subtotal, Projects	\$166,429,000	\$158,368,000	\$324,797,000
Bond Financing	14,407,661	23,789,234	38,196,895
Controller's Audit Fund	332,858	316,736	649,594
Revenue Bond Oversight Committee	43,481	71,030	114,511
Subtotal, Financing and Oversight	\$14,784,000	\$24,177,000	\$38,961,000
Total	\$181,213,000	\$182,545,000	\$363,758,000

*Placed on Controller's reserve.

The proposed ordinance places a Controller's Reserve on \$229,023,000 of the water revenue bond proceeds allocated to the Water Enterprise, as shown in Table 5 above, pending certification by the Controller of receipt of bond proceeds and other revenues and approval of environmental findings by the Board of Supervisors for specific projects under the California Environmental Quality Act (CEQA).

Four of the largest projects to be funded by the proposed ordinance are:

- **The Water Pipeline Renewal and Replacement Program:** The PUC is requesting \$107,400,000 as part of an annual, ongoing appropriation to replace and renew portions of the 1,230 miles of distribution system pipelines that supply drinking water to residences and customers in the City.

The PUC is proposing to increase the rate of pipeline replacement from the 6 miles per year that was included in previous budgets to 12 miles in FY 2014-15 and 15 miles in FY 2015-16. According to PUC staff, the useful life of the pipes used to distribute water throughout the City is 100 years. Currently, 16 percent of the system is older than 100 years, increasing to more than 50 percent by 2040. The PUC is proposing to increase the rate of replacement to avoid broken water mains and lost service. Additionally, the PUC anticipates that more significant investments in this program will be required beginning in 2035 to maintain service.

- **Calaveras Dam:** The PUC is requesting an additional \$90,000,000 for delays and increased project costs related to site excavation and slope mitigation for seismic reasons at the Calaveras Dam. The PUC anticipates an up to 30-month delay in this project.
- **New Irvington Tunnel:** The PUC is requesting an additional \$10,000,000 for project costs related to groundwater flows for the New Irvington Tunnel. The ground conditions around the underground tunnel were more unstable than initially thought. As a result, the tunnel requires additional mining and support work. The PUC does not anticipate a delay in the project completion.
- **Crystal Spring / San Andreas Reservoirs:** The PUC is requesting an additional \$5,000,000 for slower than anticipated underwater construction work at Crystal Spring and San Andreas Reservoirs resulting in a one-year delay of project completion.

RECOMMENDATIONS

1. Amend the proposed ordinance (File 14-0484) to reduce the aggregate principal revenue bond amount by \$81,259,970 from \$290,431,536 to \$209,171,566.
2. Approve the proposed ordinance as amended, authorizing the issuance and sale of the revenue bonds (File 14-0484).
3. Approve the appropriation ordinance (File 14-0479).

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EDWIN M. LEE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *EL* Mayor Edwin M. Lee *EL*
RE: Appropriation - Proceeds from Revenue Bonds, BAWSCA Pre-payment Bonds, Water Revenues and Water Capacity Fees of \$363,758,000 for Water Capital Improvements - FY2014-2015 and FY2015-2016
DATE: May 1, 2014

Attached for introduction to the Board of Supervisors is the ordinance Appropriating \$363,758,000 of Proceeds from Revenue Bonds, BAWSCA Pre-payment Bonds, Water Revenues and Water Capacity Fees for the San Francisco Public Utilities Commission (SFPUC) Water Enterprise's Capital Improvement Program for Fiscal Year 2014-2015 at \$181,213,000 and Fiscal Year 2015-16 at \$182,545,000; and placing \$229,023,000 by project on Controller's reserve subject to SFPUC's and Board of Supervisors' approval following completion of project-related analysis pursuant to the California Environmental Quality Act (CEQA), where required, and receipt of proceeds of indebtedness.

I request that this item be calendared in Budget and Finance Committee.

Should you have any questions, please contact Jason Elliott (415) 554-5105.