

LEGISLATIVE DIGEST

[Appropriating \$304,120,801 of Water System Improvement Program Project Funds - Finance Committee Reserve of \$215,338,107 - Public Utilities Commission - FY2011-2012]

Ordinance de-appropriating \$304,120,801 in existing Water System Improvement Program (WSIP) project budgets and re-appropriating the funds to the revised WSIP program budgets adopted by the San Francisco Public Utilities Commission, and placing \$215,338,107, as well as future project savings, on Finance Committee reserve.

Existing Law

Past ordinances have established appropriations for projects of the Water System Improvement Project and have placed those appropriations on both Controller and Finance Committee Reserves pending sale of bonds, the Board of Supervisor's Approval of California Environmental Quality Act (CEQA) findings, and Finance Committee approval of projects over \$100,000,000 dollars.

Amendments to Current Law

The current ordinance adjusts the previously approved appropriation levels on various projects to reflect the revised WSIP program budgets adopted by the San Francisco Public Utilities Commission. The ordinance moves savings from projects with unneeded appropriations to projects needing additional appropriation authority, and to a reserve account. Any Finance Committee or Controller reserves remaining on the old projects will move with the appropriations to new projects.

The ordinance also creates a new WSIP program reserve account to hold savings realized by WSIP projects and moves current savings of \$144,459,649 into that account. It also allows the PUC to move future savings into that account without Board approval. However, all appropriations in that reserve account will be placed on Finance Committee reserve and will require Finance Committee approval to be released. Balances in the reserve account will be reviewed as part of the quarterly WSIP update to the Finance Committee.