



San Francisco Public Utilities Commission

FY 2019-20 Capital Budget Amendments

FY 2019-20 Bond Authorization Amendments

June 14th, 2019

6/14/19

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Action Items

- FY 2019-20 Capital Budget Amendments
 - \$26.1M - Water Supplemental Appropriation
 - \$27.9M - Hetchy Supplemental Appropriation

- FY 2019-20 Bond Authorization Amendments
 - \$35.1M - Increase Water Revenue Bonds
 - \$45.0M - Increase Power Revenue Bonds



FY 2019-20 Capital Planning Background

- 10-Year Capital Plan, 2-Year Capital Budget approved February 2018
- San Francisco Charter Section 8B.123 requires annual public hearings to review, update and adopt Long-Term Capital Plan
- FY20 Capital Plan update identified critically needed revisions to SFPUC's approved capital budget
- FY20 Capital Plan, revisions to FY20 capital budget and associated financing approved by Commission March 12, 2019
- Capital Planning Committee approval on April 8, 2019 and May 6, 2019



FY 2019-20 Capital Budget Amendment Summary

Enterprise (Millions)	FY 2019-20 Approved	FY 2019-20 Proposed	Change *	Percent Change
Water	\$ 187.7	\$ 211.2	\$ 23.5	13%
Wastewater	461.9	461.9	0.0	0.0%
Hetch Hetchy	177.3	206.3	29.0	16%
SFPUC Total	\$ 826.9	\$ 879.4	\$ 52.5	6.3%

* \$10.0 million of the increase appropriated by the Board of Supervisors on February 26, 2019; doesn't include financing costs.



FY2019-20 Water Enterprise Capital Budget Amendment

Amending Ordinance 140-18, Increase of \$26.1M

Uses:\$26.1M

- \$19.0M - New Water Supply Diversification Projects
- \$4.5M - Daly City Recycled Water shifted to FY2019-20 from FY2021-22
- \$2.6M Financing Costs

Sources:\$26.1M

- \$20.6M - Water Revenue Bonds
- \$ 5.5M - Water Revenue
- \$34.0M – Project De-Appropriation/Re-Appropriation associated with WSIP program completion



Water Enterprise Projects

\$19.0M increase - Water Supply Diversification Project

- Develop alternative water supplies to address existing and possible new instream flow obligations; additional Retail and Wholesale Customer demand increases
- Projects include exploring water transfers, desalination, recycled water, reservoir expansion

\$4.5M increase - Daly City Recycled Water Project schedule moved forward to FY 2019-20



FY 2019-20 Hetchy Water/Power Capital Budget Amendment

Amending Ordinance 139-18 Increase of \$27.9M

Uses: \$27.9M

- \$19.0M - Bay Corridor Project
- \$ 6.7M - Hetchy Power Financing Costs
- \$ 2.2M - Hetchy Water Financing Cost

Sources: \$27.9M

- \$25.7M - Power Revenue Bonds
- \$ 2.2M - Water Revenue Bonds
- \$75.9M - Project De-Appropriation/Re-Appropriation associated with Prop A approval (June 2018); shifting project funding to power revenue bonds
- \$15.0M – Close out project funds to cover revenue shortfall



Power Enterprise Project

\$19.0M Increase – Bay Corridor Project

- Project building power distribution infrastructure along eastern waterfront
- New funding is for a transmission substation near the Southeast Treatment Plant
- Substation will support customer connections to the Bay Corridor Transmission Distribution backbone
- First project funded via new Power Bond Prop A authority, approved by voters June 2018



FY 2019-20 Bond Financing Authorization Amendments

\$35.1M Water Bond Authorization

- \$20.6M increase to approved bond authorization financing Ordinance 143-18 for project funds and financing costs
- \$14.5M* Hetchy Water increase to approved bond authorization financing Ordinance 143-18 for project funds and financing costs

\$45.0M Power Bond Authorization

- Increase to approved bond authorization financing ordinance 142-18 for project funds and financing costs

*Hetchy Water project financing is via Water Enterprise debt authorization

Questions?

Thank you!