

File No. 200832

Committee Item No. 7

Board Item No. 28

COMMITTEE/BOARD OF SUPERVISORS

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Committee: Budget & Appropriations Committee Date August 13, 2020

Board of Supervisors Meeting Date September 15, 2020

Cmte Board

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- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
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OTHER (Use back side if additional space is needed)

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Completed by: Linda Wong Date August 7, 2020

Completed by: Linda Wong Date September 8, 2020

1 [Appropriation - Proceeds from Revenue Bonds, State Loans/Grants, Wastewater
2 Revenues/Capacity Fees - \$579,185,142; De-Appropriation and Re-Appropriation -
3 Wastewater Capital Improvements - SFPUC - \$391,415,748 - FY2020-2021 and FY2021-
2022]

4 **Ordinance appropriating a total of \$579,185,142 of proceeds from revenue bonds, State**
5 **of California Water Resources Control Board's revolving loan funds (State Loan Funds)**
6 **or grant funds (State Grant Funds), wastewater revenue and capacity fees for the San**
7 **Francisco Public Utilities Commission (SFPUC) Wastewater Enterprise's Capital**
8 **Improvement Program for FY2020-2021 at \$170,869,066 and for FY2021-2022 at**
9 **\$408,316,076, de-appropriating and re-appropriating \$391,415,748, and placing**
10 **\$349,919,252 in Revenue Bonds or State Loan or Grant Funds by project on**
11 **Controller's Reserve subject to the Controller's certification of funds availability,**
12 **including proceeds of indebtedness, and for construction related expenditures**
13 **(excluding program management, planning and design) for these projects, as**
14 **applicable, is also subject to the prior occurrence of the SFPUC's and the Board of**
15 **Supervisors' discretionary adoption of California Environmental Quality Act Findings**
16 **for projects, following review and consideration of completed project related**
17 **environmental analysis, where required.**

18
19 Note: **Unchanged Code text and uncodified text** are in plain Arial font.
20 **Additions to Codes** are in single-underline italics Times New Roman font.
21 **Deletions to Codes** are in ~~strikethrough italics Times New Roman font~~.
22 **Board amendment additions** are in double-underlined Arial font.
23 **Board amendment deletions** are in ~~strikethrough Arial font~~.
24 **Asterisks (* * *)** indicate the omission of unchanged Code
25 subsections or parts of tables.

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

1 Section 1. The sources of funding outlined below are herein appropriated to reflect the
 2 funding available for Fiscal Year 2020-2021.

3
 4 **SOURCES Appropriation**

| 5 Fund / | Project & Activity / | Account | Description | Amount |
|-----------------------|----------------------|--------------------|--------------------|---------------|
| 6 Department ID | Authority | | | |
| 7 20719 SSIP CPF | 10026508-0001 | 480111 | Proceeds from Sale | \$11,122,002 |
| 8 2021 Bond Fund / | Bond-Commercial | Proceeds from Sale | of Bonds | |
| 9 229267 WWE0101 | Paper Expense / | of Bonds- Face | | |
| 10 Administration | 17732 WW Bond- | Amount | | |
| 11 | commercial Paper | | | |
| 12 | Exp | | | |
| 13 | | | | |
| 14 20707 Wastewater | 10026508-0001 | 480111 | Proceeds from Sale | \$46,052,564 |
| 15 2021 Capital Bond | Bond-Commercial | Proceeds from Sale | of Bonds | |
| 16 Fund / | Paper Expense / | of Bonds- Face | | |
| 17 229267 WWE0101 | 17732 WW Bond- | Amount | | |
| 18 Administration | commercial Paper | | | |
| 19 | Exp | | | |
| 20 | | | | |
| 21 20550 WWE CPF | 10031235-0001 | 495022 | Wastewater | \$107,894,500 |
| 22 Repair & Replace / | R&R Collection | ITI Fr 5C- | Enterprise Revenue | |
| 23 229267 WWE0101 | System / | Cleanwater | | |
| 24 Administration | 15722 WWE R&R | ProgramFd | | |
| 25 | Collection System | | | |

| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|---|------------------------------------|----------------------|---------------|--------------|----------------------|
| 2 | Department ID | Authority | | | |
| 3 | | | | | |
| 4 | 20530 WWE CPF | 10031235-0001 | 479993 | Wastewater | \$5,800,000 |
| 5 | Capacity Fee Prog / | R&R Collection | Capacity Fees | Capacity Fee | |
| 6 | 229267 WWE0101 | System / | | | |
| 7 | Administration | 15722 WWE R&R | | | |
| 8 | | Collection System | | | |
| 9 | Total SOURCES Appropriation | | | | \$170,869,066 |

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Section 2. The uses of funding outlined below are herein appropriated in Accounts 567000 (Buildings, Structures, and Improvements), 584030 (Capital Renewal Projects), 581130 (CON-Internal Audits), 573110 (Bond Issuance Cost-Unamortized), and 567000 (Revenue Bond Oversight Committee), reflecting the projected uses of funding to support the Wastewater Capital Improvement Program at the San Francisco Public Utilities Commission for Fiscal Year 2020-2021.

1 **USES Appropriation**

| 2 | Fund / | Project & Activity / | Account | Description | Amount |
|----|------------------|----------------------|--------------------|--------------------|-------------|
| 3 | Department ID | Authority | | | |
| 4 | 20719 SSIP CPF | 10026823-0001 | 567000 | Treatment Plants - | \$4,356,803 |
| 5 | 2021 Bond Fund / | Treatment Plants - | Blds; Structures & | Southeast | |
| 6 | 229267 WWE0101 | Southeast / | Improvements | | |
| 7 | Administration | 15735 WW | | | |
| 8 | | Treatment Plant | | | |
| 9 | | Improvement | | | |
| 10 | | | | | |
| 11 | 20719 SSIP CPF | 10015813-0001 | 567000 | Treatment Plants – | \$885,007 |
| 12 | 2021 Bond Fund / | Treatment Plant | Blds; Structures & | North Point | |
| 13 | 229267 WWE0101 | Improvement / | Improvements | | |
| 14 | Administration | 15736 WW | | | |
| 15 | | Treatment Plant | | | |
| 16 | | Improvement | | | |
| 17 | | | | | |
| 18 | 20719 SSIP CPF | 10015813-0001 | 567000 | Treatment Plants – | \$1,650,000 |
| 19 | 2021 Bond Fund / | Treatment Plant | Blds; Structures & | Oceanside | |
| 20 | 229267 WWE0101 | Improvement / | Improvements | | |
| 21 | Administration | 15736 WW | | | |
| 22 | | Treatment Plant | | | |
| 23 | | Improvement | | | |
| 24 | | | | | |
| 25 | | | | | |

| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|------------------|----------------------|--------------------|-------------------|-------------|
| 2 | Department ID | Authority | | | |
| 3 | 20719 SSIP CPF | 10015791-0001 | 567000 | Collection System | \$423,216 |
| 4 | 2021 Bond Fund / | Collection System | Blds; Structures & | Improvements | |
| 5 | 229267 WWE0101 | Improvements / | Improvements | | |
| 6 | Administration | 15726 WW Collection | | | |
| 7 | | System Improvement | | | |
| 8 | | | | | |
| 9 | 20719 SSIP CPF | 10026827-0001 | 567000 | Pump Station/ | \$1,366,676 |
| 10 | 2021 Bond Fund / | Collection Pump | Blds; Structures & | Force Mains | |
| 11 | 229267 WWE0101 | Station / | Improvements | | |
| 12 | Administration | 15726 WW Collection | | | |
| 13 | | System Improvement | | | |
| 14 | | | | | |
| 15 | 20719 SSIP CPF | 10002780-0001 | 567000 | Green | \$772,000 |
| 16 | 2021 Bond Fund / | Drainage Basin- | Blds; Structures & | Infrastructure | |
| 17 | 229267 WWE0101 | Early Implement / | Improvements | Projects | |
| 18 | Administration | 15729 WW | | | |
| 19 | | Stormwater | | | |
| 20 | | Management | | | |
| 21 | | | | | |
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| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|---------------------|----------------------|--------------------|------------------|--------------|
| 2 | Department ID | Authority | | | |
| 3 | 20550 WWE CPF | 10031235-0001 | 584030 | R & R Collection | \$82,537,000 |
| 4 | Repair & Replace / | R&R Collection | Capital Renewal | System | |
| 5 | 229267 WWE0101 | System / | Projects | | |
| 6 | Administration | 15722 WWE R & R | | | |
| 7 | | Collection System | | | |
| 8 | | | | | |
| 9 | 20530 WWE CPF | 10031235-0001 | 584030 | R & R Collection | \$5,800,000 |
| 10 | Capacity Fee Prog / | R&R Collection | Capital Renewal | System | |
| 11 | 229267 WWE0101 | System / | Projects | | |
| 12 | Administration | 15722 WWE R & R | | | |
| 13 | | Collection System | | | |
| 14 | | | | | |
| 15 | 20707 Wastewater | 10031235-0001 | 567000 | R & R Collection | \$18,798,000 |
| 16 | 2021 Capital Bond | R&R Collection | Blds; Structures & | System | |
| 17 | Fund / | System / | Improvements | | |
| 18 | 229267 WWE0101 | 15722 WWE R & R | | | |
| 19 | Administration | Collection System | | | |
| 20 | | | | | |
| 21 | 20550 WWE CPF | 10031247-0001 | 584030 | R & R Treatment | \$25,357,500 |
| 22 | Repair & Replace / | R&R Treatment | Capital Renewal | Facilities | |
| 23 | 229267 WWE0101 | Facilities / | Projects | | |
| 24 | Administration | 15724 WWE R & R | | | |
| 25 | | Treatment Facilities | | | |

| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|-------------------|-----------------------|--------------------|---------------------|--------------|
| 2 | Department ID | Authority | | | |
| 3 | | | | | |
| 4 | 20707 Wastewater | 10015556-0001 | 567000 | Southeast | \$4,500,000 |
| 5 | 2021 Capital Bond | Southeast | Blds; Structures & | Community Center | |
| 6 | Fund / | Community Center / | Improvements | | |
| 7 | 229267 WWE0101 | 15716 WW | | | |
| 8 | Administration | Southeast | | | |
| 9 | | Community Center | | | |
| 10 | | | | | |
| 11 | 20707 Wastewater | 10015557-0001 | 567000 | Islais Creek Outlet | \$15,846,679 |
| 12 | 2021 Capital Bond | Islais Creek Outlet / | Blds; Structures & | | |
| 13 | Fund / | 15717 WW Islais | Improvements | | |
| 14 | 229267 WWE0101 | Creek Outfall | | | |
| 15 | Administration | | | | |
| 16 | | | | | |
| 17 | 20719 SSIP CPF | 10026508-0001 | 573110 | Financing Costs | \$1,662,739 |
| 18 | 2021 Bond Fund / | Bond-Commercial | Bond Issuance | | |
| 19 | 229267 WWE0101 | Paper Expense / | Cost- Unamortized | | |
| 20 | Administration | 17732 WW Bond- | | | |
| 21 | | commercial Paper | | | |
| 22 | | Exp | | | |
| 23 | | | | | |
| 24 | | | | | |
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| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|-------------------|----------------------|--------------------|--------------------|-------------|
| 2 | Department ID | Authority | | | |
| 3 | 20719 SSIP CPF | 10026508-0001 | 567000 | Revenue Bond | \$5,561 |
| 4 | 2021 Bond Fund / | Bond-Commercial | Blds; Structures & | Oversight | |
| 5 | 229267 WWE0101 | Paper Expense / | Improvements | Committee 0.05% | |
| 6 | Administration | 17732 WW Bond- | | | |
| 7 | | commercial Paper | | | |
| 8 | | Exp | | | |
| 9 | | | | | |
| 10 | 20707 Wastewater | 10026508-0001 | 573110 | Financing Costs | \$6,657,470 |
| 11 | 2021 Capital Bond | Bond-Commercial | Bond Issuance | | |
| 12 | Fund / | Paper Expense / | Cost- Unamortized | | |
| 13 | 229267 WWE0101 | 17732 WW Bond- | | | |
| 14 | Administration | commercial Paper | | | |
| 15 | | Exp | | | |
| 16 | | | | | |
| 17 | 20707 Wastewater | 10026508-0001 | 581130 | CSA 0.2% | \$227,389 |
| 18 | 2021 Capital Bond | Bond-Commercial | GF-CON-Internal | Controller's Audit | |
| 19 | Fund / | Paper Expense / | Audits | Fund | |
| 20 | 229267 WWE0101 | 17732 WW Bond- | | | |
| 21 | Administration | commercial Paper | | | |
| 22 | | Exp | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |

| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|---|---------------------------------|----------------------|--------------------|-----------------|----------------------|
| 2 | Department ID | Authority | | | |
| 3 | 20707 Wastewater | 10026508-0001 | 567000 | Revenue Bond | \$23,026 |
| 4 | 2021 Capital Bond | Bond-Commercial | Blds; Structures & | Oversight | |
| 5 | Fund / | Paper Expense / | Improvements | Committee 0.05% | |
| 6 | 229267 WWE0101 | 17732 WW Bond- | | | |
| 7 | Administration | commercial Paper | | | |
| 8 | | Exp | | | |
| 9 | Total USES Appropriation | | | | \$170,869,066 |

10

11 Section 3. Of the above appropriated amount, \$227,389, representing 0.2% of the
 12 expenditure budget net of bond financing and audit costs, shall be allocated to support the
 13 Controller's Audit Fund, pursuant to Charter Appendix F1.113; and \$28,587, representing
 14 0.05% of gross bond proceeds, shall be allocated to support the Public Utilities Commission
 15 Revenue Bond Oversight Committee, pursuant to Administrative Code Section 5A.31. These
 16 appropriations may be increased or decreased by the Controller based on changes to
 17 expenditure appropriations or actual gross bond proceeds to conform to the applicable
 18 Charter and Administrative Code formulas.

19

20 Section 4. \$57,174,566 of the total appropriation is hereby placed on Controller's
 21 Appropriation Reserve, as set forth below. Release of appropriation reserves by the
 22 Controller is subject to the Controller's certification of funds availability, including proceeds of
 23 indebtedness, and for construction related expenditures (excluding program management,
 24 planning and design) for these projects, as applicable, is also subject to the prior occurrence
 25 of the SFPUC's and the Board of Supervisors' discretionary adoption of California

1 Environmental Quality Act (CEQA) Findings for projects, following review and consideration of
2 completed project related environmental analysis, where required.

3

4 **Appropriation on Reserve**

| 5 | Fund / | Project & Activity / | Account | Description | Amount |
|----|------------------|----------------------|--------------------|--------------------|-------------|
| 6 | Department ID | Authority | | | |
| 7 | 20719 SSIP CPF | 10026823-0001 | 567000 | Treatment Plants - | \$4,356,803 |
| 8 | 2021 Bond Fund / | Treatment Plants - | Blds; Structures & | Southeast | |
| 9 | 229267 WWE0101 | Southeast / | Improvements | | |
| 10 | Administration | 15735 WW | | | |
| 11 | | Treatment Plant | | | |
| 12 | | Improvement | | | |
| 13 | | | | | |
| 14 | 20719 SSIP CPF | 10015813-0001 | 567000 | Treatment Plants – | \$885,007 |
| 15 | 2021 Bond Fund / | Treatment Plant | Blds; Structures & | North Point | |
| 16 | 229267 WWE0101 | Improvement / | Improvements | | |
| 17 | Administration | 15736 WW | | | |
| 18 | | Treatment Plant | | | |
| 19 | | Improvement | | | |
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| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|------------------|----------------------|--------------------|--------------------|-------------|
| 2 | Department ID | Authority | | | |
| 3 | 20719 SSIP CPF | 10015813-0001 | 567000 | Treatment Plants – | \$1,650,000 |
| 4 | 2021 Bond Fund / | Treatment Plant | Blds; Structures & | Oceanside | |
| 5 | 229267 WWE0101 | Improvement / | Improvements | | |
| 6 | Administration | 15736 WW | | | |
| 7 | | Treatment Plant | | | |
| 8 | | Improvement | | | |
| 9 | | | | | |
| 10 | 20719 SSIP CPF | 10015791-0001 | 567000 | Collection System | \$423,216 |
| 11 | 2021 Bond Fund / | Collection System | Blds; Structures & | Improvements | |
| 12 | 229267 WWE0101 | Improvements / | Improvements | | |
| 13 | Administration | 15726 WW Collection | | | |
| 14 | | System Improvement | | | |
| 15 | | | | | |
| 16 | 20719 SSIP CPF | 10026827-0001 | 567000 | Pump Station/ | \$1,366,676 |
| 17 | 2021 Bond Fund / | Collection-Pump | Blds; Structures & | Force Mains | |
| 18 | 229267 WWE0101 | Station / | Improvements | | |
| 19 | Administration | 15726 WW Collection | | | |
| 20 | | System Improvement | | | |
| 21 | | | | | |
| 22 | | | | | |
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| 24 | | | | | |
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| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|-------------------|----------------------|--------------------|------------------|--------------|
| 2 | Department ID | Authority | | | |
| 3 | 20719 SSIP CPF | 10002780-0001 | 567000 | Green | \$772,000 |
| 4 | 2021 Bond Fund / | Drainage Basin-Early | Blds; Structures & | Infrastructure | |
| 5 | 229267 WWE0101 | Implement / | Improvements | Projects | |
| 6 | Administration | 15729 WW | | | |
| 7 | | Stormwater | | | |
| 8 | | Management | | | |
| 9 | | | | | |
| 10 | 20707 Wastewater | 10031235-0001 | 567000 | R & R Collection | \$18,798,000 |
| 11 | 2021 Capital Bond | R&R Collection | Blds; Structures & | System | |
| 12 | Fund / | System / | Improvements | | |
| 13 | 229267 WWE0101 | 15722 WWE R & R | | | |
| 14 | Administration | Collection System | | | |
| 15 | | | | | |
| 16 | 20707 Wastewater | 10015556-0001 | 567000 | Southeast | \$4,500,000 |
| 17 | 2021 Capital Bond | Southeast | Blds; Structures & | Community Center | |
| 18 | Fund / | Community Center / | Improvements | | |
| 19 | 229267 WWE0101 | 15716 WW | | | |
| 20 | Administration | Southeast | | | |
| 21 | | Community Center | | | |
| 22 | | | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |

| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|-------------------|-----------------------|--------------------|---------------------|--------------|
| 2 | Department ID | Authority | | | |
| 3 | 20707 Wastewater | 10015557-0001 | 567000 | Islais Creek Outlet | \$15,846,679 |
| 4 | 2021 Capital Bond | Islais Creek Outlet / | Blds; Structures & | | |
| 5 | Fund / | 15717 WW Islais | Improvements | | |
| 6 | 229267 WWE0101 | Creek Outfall | | | |
| 7 | Administration | | | | |
| 8 | | | | | |
| 9 | 20719 SSIP CPF | 10026508-0001 | 573110 | Financing Costs | \$1,662,739 |
| 10 | 2021 Bond Fund / | Bond-Commercial | Bond Issuance | | |
| 11 | 229267 WWE0101 | Paper Expense / | Cost- Unamortized | | |
| 12 | Administration | 17732 WW Bond- | | | |
| 13 | | commercial Paper | | | |
| 14 | | Exp | | | |
| 15 | | | | | |
| 16 | 20719 SSIP CPF | 10026508-0001 | 567000 | Revenue Bond | \$5,561 |
| 17 | 2021 Bond Fund / | Bond-Commercial | Blds; Structures & | Oversight | |
| 18 | 229267 WWE0101 | Paper Expense / | Improvements | Committee 0.05% | |
| 19 | Administration | 17732 WW Bond- | | | |
| 20 | | commercial Paper | | | |
| 21 | | Exp | | | |
| 22 | | | | | |
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| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|---------------------------------------|----------------------|--------------------|--------------------|--------------------------|
| 2 | Department ID | Authority | | | |
| 3 | 20707 Wastewater | 10026508-0001 | 573110 | Financing Costs | \$6,657,470 |
| 4 | 2021 Capital Bond | Bond-Commercial | Bond Issuance | | |
| 5 | Fund / | Paper Expense / | Cost- Unamortized | | |
| 6 | 229267 WWE0101 | 17732 WW Bond- | | | |
| 7 | Administration | commercial Paper | | | |
| 8 | | Exp | | | |
| 9 | | | | | |
| 10 | 20707 Wastewater | 10026508-0001 | 581130 | CSA 0.2% | \$227,389 |
| 11 | 2021 Capital Bond | Bond-Commercial | GF-CON-Internal | Controller's Audit | |
| 12 | Fund / | Paper Expense / | Audits | Fund | |
| 13 | 229267 WWE0101 | 17732 WW Bond- | | | |
| 14 | Administration | commercial Paper | | | |
| 15 | | Exp | | | |
| 16 | | | | | |
| 17 | 20707 Wastewater | 10026508-0001 | 567000 | Revenue Bond | \$23,026 |
| 18 | 2021 Capital Bond | Bond-Commercial | Blds; Structures & | Oversight | |
| 19 | Fund / | Paper Expense / | Improvements | Committee 0.05% | |
| 20 | 229267 WWE0101 | 17732 WW Bond- | | | |
| 21 | Administration | commercial Paper | | | |
| 22 | | Exp | | | |
| 23 | Total Appropriation on Reserve | | | | \$170,869,066 |
| 24 | | | | | <u>57,174,566</u> |
| 25 | | | | | |

1 Section 5. Associated bond financing costs up to \$8,320,209 are also hereby
 2 appropriated, including but not limited to, issuance costs, debt service reserve, capitalized
 3 interest, rating agency, and disclosure costs, all on Controller's reserve pending receipt of
 4 bond proceeds. To the extent that net available bond proceeds after financing costs are more
 5 than budgeted, the SFPUC may use such surplus bond proceeds as a substitute for other
 6 sources budgeted in this ordinance.

7
 8 Section 6. The Controller is authorized to record transfers between funds and adjust
 9 the accounting treatment of sources and uses appropriated in this ordinance as necessary to
 10 conform to Generally Accepted Accounting Principles and other laws.

11
 12 Section 7. The sources of funding outlined below are herein appropriated to reflect the
 13 funding available for Fiscal Year 2021-2022.

14
 15 **SOURCES Appropriation**

| 16 | Fund / | Project & Activity / | Account | Description | Amount |
|----|------------------|----------------------|--------------------|------------------|---------------|
| 17 | Department ID | Authority | | | |
| 18 | 20719 SSIP CPF | 10026508-0001 | 480111 | Proceeds Sale of | \$212,875,055 |
| 19 | 2021 Bond Fund / | Bond-Commercial | Proceeds from Sale | Bonds | |
| 20 | 229267 WWE0101 | Paper Expense / | of Bonds- Face | | |
| 21 | Administration | 17732 WW Bond- | Amount | | |
| 22 | | commercial Paper | | | |
| 23 | | Exp | | | |

| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|------------------------------------|----------------------|--------------------|--------------------|----------------------|
| 2 | Department ID | Authority | | | |
| 3 | 20707 Wastewater | 10026508-0001 | 480111 | Proceeds Sale of | \$79,869,631 |
| 4 | 2021 Capital Bond | Bond-Commercial | Proceeds from Sale | Bonds | |
| 5 | Fund / | Paper Expense / | of Bonds- Face | | |
| 6 | 229267 WWE0101 | 17732 WW Bond- | Amount | | |
| 7 | Administration | commercial Paper | | | |
| 8 | | Exp | | | |
| 9 | | | | | |
| 10 | 20550 WWE CPF | 10031235-0001 | 495022 | Wastewater | \$110,252,390 |
| 11 | Repair & Replace / | R&R Collection | ITI Fr 5C- | Enterprise Revenue | |
| 12 | 229267 WWE0101 | System / | Cleanwater | | |
| 13 | Administration | 15722 WWE R&R | ProgramFd | | |
| 14 | | Collection System | | | |
| 15 | | | | | |
| 16 | 20530 WWE CPF | 10031235-0001 | 479993 | Wastewater | \$5,319,000 |
| 17 | Capacity Fee Prog / | R&R Collection | Capacity Fees | Capacity Fee | |
| 18 | 229267 WWE0101 | System / | | | |
| 19 | Administration | 15722 WWE R&R | | | |
| 20 | | Collection System | | | |
| 21 | Total SOURCES Appropriation | | | | \$408,316,076 |

23 Section 8. The uses of funding outlined below are herein appropriated in Accounts
24 567000 (Buildings, Structures, and Improvements), 584030 (Capital Renewal Projects),
25 581130 (CON-Internal Audits), 573110 (Bond Issuance Cost-Unamortized), and 567000

1 (Revenue Bond Oversight Committee), reflecting the projected uses of funding to support the
 2 Wastewater Capital Improvement Program at the San Francisco Public Utilities Commission
 3 for Fiscal Year 2021-2022.

4

5 **USES Appropriation**

| 6 Fund / | Project & Activity / | Account | Description | Amount |
|---------------------|----------------------|--------------------|--------------------|--------------|
| 7 Department ID | Authority | | | |
| 8 20719 SSIP CPF | 10015795-0001 | 567000 | Biosolids/Digestor | \$81,744,663 |
| 9 2021 Bond Fund / | Biosolids/Digestor | Blds; Structures & | Project | |
| 10 229267 WWE0101 | Project / | Improvements | | |
| 11 Administration | 15728 | | | |
| 12 | Biosolids/Digestor | | | |
| 13 | Project | | | |
| 14 | | | | |
| 15 20719 SSIP CPF | 10026823-0001 | 567000 | Treatment Plants – | \$14,033,381 |
| 16 2021 Bond Fund / | Treatment Plants – | Blds; Structures & | Southeast | |
| 17 229267 WWE0101 | Southeast / | Improvements | | |
| 18 Administration | 15735 WW | | | |
| 19 | Treatment Plant | | | |
| 20 | Improvement | | | |

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| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|----------------------|---------------------------------|--------------------|--------------------|---------------|
| 2 | Department ID | Authority | | | |
| 3 | 20719 SSIP CPF | 10015813-0001 | 567000 | Treatment Plants – | \$10,209,884 |
| 4 | 2021 Bond Fund / | Treatment Plant | Blds; Structures & | North Point | |
| 5 | 229267 WWE0101 | Improvement / | Improvements | | |
| 6 | Administration | 15736 WW | | | |
| 7 | | Treatment Plant | | | |
| 8 | | Improvement | | | |
| 9 | | | | | |
| 10 | 20719 SSIP CPF | 10015813-0001 | 567000 | Treatment Plants – | \$13,363,824 |
| 11 | 2021 Bond Fund / | Treatment Plant | Blds; Structures & | Oceanside | |
| 12 | 229267 WWE0101 | Improvement / | Improvements | | |
| 13 | Administration | 15736 WW | | | |
| 14 | | Treatment Plant | | | |
| 15 | | Improvement | | | |
| 16 | | | | | |
| 17 | 20719 SSIP CPF | 10015791-0001 | 567000 | Collection System | \$12,710,141 |
| 18 | 2021 Bond Fund / | Collection System | Blds; Structures & | Improvements | |
| 19 | 229267 WWE0101 | Improvements / | Improvements | | |
| 20 | Administration | 15726 WW Collection | | | |
| 21 | | System Improvement | | | |
| 22 | | | | | |
| 23 | | | | | |
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| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|------------------|----------------------|--------------------|------------------|--------------|
| 2 | Department ID | Authority | | | |
| 3 | 20719 SSIP CPF | 10026827-0001 | 567000 | Pump Station/ | \$2,337,536 |
| 4 | 2021 Bond Fund / | Collection- Pump | Blds; Structures & | Force Mains | |
| 5 | 229267 WWE0101 | Station / | Improvements | | |
| 6 | Administration | 15726 WW Collection | | | |
| 7 | | System Improvement | | | |
| 8 | | | | | |
| 9 | 20719 SSIP CPF | 10015801-0001 | 567000 | Flood Resilience | \$45,000,000 |
| 10 | 2021 Bond Fund / | Flood Resilience- | Blds; Structures & | | |
| 11 | 229267 WWE0101 | hydraulic / | Improvements | | |
| 12 | Administration | 15730 WW Flood | | | |
| 13 | | Resilience-hydraulic | | | |
| 14 | | | | | |
| 15 | 20719 SSIP CPF | 10002780-0001 | 567000 | Green | \$1,544,368 |
| 16 | 2021 Bond Fund / | Drainage Basin/Early | Blds; Structures & | Infrastructure | |
| 17 | 229267 WWE0101 | Implement / | Improvements | Projects | |
| 18 | Administration | 15729 WW | | | |
| 19 | | Stormwater | | | |
| 20 | | Management | | | |
| 21 | | | | | |
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| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|----------------------|---------------------------------|--------------------|--------------------|---------------|
| 2 | Department ID | Authority | | | |
| 3 | 20550 WWE CPF | 10031235-0001 | 584030 | R & R Collection | \$83,627,015 |
| 4 | Repair & Replace / | R&R Collection | Capital Renewal | System | |
| 5 | 229267 WWE0101 | System / | Projects | | |
| 6 | Administration | 15722 WWE R & R | | | |
| 7 | | Collection System | | | |
| 8 | | | | | |
| 9 | 20530 WWE CPF | 10031235-0001 | 584030 | R & R Collection | \$5,319,000 |
| 10 | Capacity Fee Prog / | R&R Collection | Capital Renewal | System | |
| 11 | 229267 WWE0101 | System / | Projects | | |
| 12 | Administration | 15722 WWE R & R | | | |
| 13 | | Collection System | | | |
| 14 | | | | | |
| 15 | 20707 Wastewater | 10031235-0001 | 567000 | R & R Collection | \$26,756,985 |
| 16 | 2021 Capital Bond | R&R Collection | Blds; Structures & | System | |
| 17 | Fund / | System / | Improvements | | |
| 18 | 229267 WWE0101 | 15722 WWE R & R | | | |
| 19 | Administration | Collection System | | | |
| 20 | | | | | |
| 21 | 20550 WWE CPF | 10031247-0001 | 584030 | R & R Treatment | \$26,625,375 |
| 22 | Repair & Replace / | R&R Treatment | Capital Renewal | Facilities | |
| 23 | 229267 WWE0101 | Facilities / | Projects | | |
| 24 | Administration | 15724 WWE R & R | | | |
| 25 | | Treatment Facilities | | | |

| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|-------------------|-----------------------|--------------------|---------------------|--------------|
| 2 | Department ID | Authority | | | |
| 3 | | | | | |
| 4 | 20707 Wastewater | 10015546-0001 | 567000 | Treasure Island | \$35,000,000 |
| 5 | 2021 Capital Bond | Treasure Island | Blds; Structures & | Improvements | |
| 6 | Fund / | Improvements / | Improvements | | |
| 7 | 229267 WWE0101 | 15707 WW Treasure | | | |
| 8 | Administration | Island Capital Imp | | | |
| 9 | | | | | |
| 10 | 20707 Wastewater | 10015554-0001 | 567000 | Ocean Beach | \$2,416,702 |
| 11 | 2021 Capital Bond | Ocean Beach Project | Blds; Structures & | Project | |
| 12 | Fund / | / | Improvements | | |
| 13 | 229267 WWE0101 | 15714 WW Ocean | | | |
| 14 | Administration | Beach Project | | | |
| 15 | | | | | |
| 16 | 20707 Wastewater | 10015557-0001 | 567000 | Islais Creek Outlet | \$3,715,499 |
| 17 | 2021 Capital Bond | Islais Creek Outlet / | Blds; Structures & | | |
| 18 | Fund / | 15717 WW Islais | Improvements | | |
| 19 | 229267 WWE0101 | Creek Outfall | | | |
| 20 | Administration | | | | |
| 21 | | | | | |
| 22 | | | | | |
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| 25 | | | | | |

| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|-------------------|----------------------|--------------------|-----------------|--------------|
| 2 | Department ID | Authority | | | |
| 3 | 20719 SSIP CPF | 10026508-0001 | 573110 | Financing Costs | \$31,824,820 |
| 4 | 2021 Bond Fund / | Bond-Commercial | Bond Issuance | | |
| 5 | 229267 WWE0101 | Paper Expense / | Cost- Unamortized | | |
| 6 | Administration | 17732 WW Bond- | | | |
| 7 | | commercial Paper | | | |
| 8 | | Exp | | | |
| 9 | | | | | |
| 10 | 20719 SSIP CPF | 10026508-0001 | 567000 | Revenue Bond | \$106,438 |
| 11 | 2021 Bond Fund / | Bond-Commercial | Blds; Structures & | Oversight | |
| 12 | 229267 WWE0101 | Paper Expense / | Improvements | Committee 0.05% | |
| 13 | Administration | 17732 WW Bond- | | | |
| 14 | | commercial Paper | | | |
| 15 | | Exp | | | |
| 16 | | | | | |
| 17 | 20707 Wastewater | 10026508-0001 | 573110 | Financing Costs | \$11,709,367 |
| 18 | 2021 Capital Bond | Bond-Commercial | Bond Issuance | | |
| 19 | Fund / | Paper Expense / | Cost- Unamortized | | |
| 20 | 229267 WWE0101 | 17732 WW Bond- | | | |
| 21 | Administration | commercial Paper | | | |
| 22 | | Exp | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |

| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|---------------------------------|----------------------|--------------------|--------------------|----------------------|
| 2 | Department ID | Authority | | | |
| 3 | 20707 Wastewater | 10026508-0001 | 581130 | CSA 0.2% | \$231,143 |
| 4 | 2021 Capital Bond | Bond-Commercial | GF-CON-Internal | Controller's Audit | |
| 5 | Fund / | Paper Expense / | Audits | Fund | |
| 6 | 229267 WWE0101 | 17732 WW Bond- | | | |
| 7 | Administration | commercial Paper | | | |
| 8 | | Exp | | | |
| 9 | | | | | |
| 10 | 20707 Wastewater | 10026508-0001 | 567000 | Revenue Bond | \$39,935 |
| 11 | 2021 Capital Bond | Bond-Commercial | Blds; Structures & | Oversight | |
| 12 | Fund / | Paper Expense / | Improvements | Committee 0.05% | |
| 13 | 229267 WWE0101 | 17732 WW Bond- | | | |
| 14 | Administration | commercial Paper | | | |
| 15 | | Exp | | | |
| 16 | Total USES Appropriation | | | | \$408,316,076 |

18 Section 9. Of the above appropriated amount, \$231,143, representing 0.2% of the
19 expenditure budget net of bond financing and audit costs, shall be allocated to support the
20 Controller's Audit Fund, pursuant to Charter Appendix F1.113; and \$146,373, representing
21 0.05% of gross bond proceeds is to be allocated to support the Public Utilities Commission
22 Revenue Bond Oversight Committee, pursuant to Administrative Code Section 5A.31. These
23 appropriations may be increased or decreased by the Controller based on changes to
24 expenditure appropriations or actual gross bond proceeds to conform to the applicable
25 Charter and Administrative Code formulas.

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Section 10. \$292,744,686 of the total appropriation is hereby placed on Controller's Appropriation Reserve, as set forth below. Release of appropriation reserves by the Controller is subject to the Controller's certification of funds availability, including proceeds of indebtedness, and for construction related expenditures (excluding program management, planning and design) for these projects, as applicable, is also subject to the prior occurrence of the SFPUC's and the Board of Supervisors' discretionary adoption of California Environmental Quality Act (CEQA) Findings for projects, following review and consideration of completed project related environmental analysis, where required.

Appropriation on Reserve

| Fund / | Project & Activity / | Account | Description | Amount |
|----------------------|---------------------------------|--------------------|--------------------|---------------|
| Department ID | Authority | | | |
| 20719 SSIP CPF | 10015795-0001 | 567000 | Biosolids/Digestor | \$81,744,663 |
| 2021 Bond Fund / | Biosolids/Digestor | Blds; Structures & | Project | |
| 229267 WWE0101 | Project / | Improvements | | |
| Administration | 15728 | | | |
| | Biosolids/Digestor | | | |
| | Project | | | |

| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|------------------|----------------------|--------------------|--------------------|--------------|
| 2 | Department ID | Authority | | | |
| 3 | 20719 SSIP CPF | 10026823-0001 | 567000 | Treatment Plants – | \$14,033,381 |
| 4 | 2021 Bond Fund / | Treatment Plants – | Blds; Structures & | Southeast | |
| 5 | 229267 WWE0101 | Southeast / | Improvements | | |
| 6 | Administration | 15735 WW | | | |
| 7 | | Treatment Plant | | | |
| 8 | | Improvement | | | |
| 9 | | | | | |
| 10 | 20719 SSIP CPF | 10015813-0001 | 567000 | Treatment Plants – | \$10,209,884 |
| 11 | 2021 Bond Fund / | Treatment Plant | Blds; Structures & | North Point | |
| 12 | 229267 WWE0101 | Improvement / | Improvements | | |
| 13 | Administration | 15736 WW | | | |
| 14 | | Treatment Plant | | | |
| 15 | | Improvement | | | |
| 16 | | | | | |
| 17 | 20719 SSIP CPF | 10015813-0001 | 567000 | Treatment Plants – | \$13,363,824 |
| 18 | 2021 Bond Fund / | Treatment Plant | Blds; Structures & | Oceanside | |
| 19 | 229267 WWE0101 | Improvement / | Improvements | | |
| 20 | Administration | 15736 WW | | | |
| 21 | | Treatment Plant | | | |
| 22 | | Improvement | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |

| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|----------------------|---------------------------------|--------------------|--------------------|---------------|
| 2 | Department ID | Authority | | | |
| 3 | 20719 SSIP CPF | 10015791-0001 | 567000 | Collection System | \$12,710,141 |
| 4 | 2021 Bond Fund / | Collection System | Blds; Structures & | Improvements | |
| 5 | 229267 WWE0101 | Improvement / | Improvements | | |
| 6 | Administration | 15726 WW Collection | | | |
| 7 | | System Improvement | | | |
| 8 | | | | | |
| 9 | 20719 SSIP CPF | 10026827-0001 | 567000 | Pump Station/ | \$2,337,536 |
| 10 | 2021 Bond Fund / | Collection-Pump | Blds; Structures & | Force Mains | |
| 11 | 229267 WWE0101 | Station / | Improvements | | |
| 12 | Administration | 15726 WW Collection | | | |
| 13 | | System Improvement | | | |
| 14 | | | | | |
| 15 | 20719 SSIP CPF | 10015801-0001 | 567000 | Flood Resilience | \$45,000,000 |
| 16 | 2021 Bond Fund / | Flood Resilience- | Blds; Structures & | | |
| 17 | 229267 WWE0101 | hydraulic / | Improvements | | |
| 18 | Administration | 15730 WW Flood | | | |
| 19 | | Resilience-hydraulic | | | |
| 20 | | | | | |
| 21 | | | | | |
| 22 | | | | | |
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| 24 | | | | | |
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| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|-------------------|----------------------|--------------------|------------------|--------------|
| 2 | Department ID | Authority | | | |
| 3 | 20719 SSIP CPF | 10002780-0001 | 567000 | Green | \$1,544,368 |
| 4 | 2021 Bond Fund / | Drainage Basin- | Blds; Structures & | Infrastructure | |
| 5 | 229267 WWE0101 | Early Implement / | Improvements | Projects | |
| 6 | Administration | 15729 WW | | | |
| 7 | | Stormwater | | | |
| 8 | | Management | | | |
| 9 | | | | | |
| 10 | 20707 Wastewater | 10031235-0001 | 567000 | R & R Collection | \$26,756,985 |
| 11 | 2021 Capital Bond | R&R Collection | Blds; Structures & | System | |
| 12 | Fund / | System / | Improvements | | |
| 13 | 229267 WWE0101 | 15722 WWE R & R | | | |
| 14 | Administration | Collection System | | | |
| 15 | | | | | |
| 16 | 20707 Wastewater | 10015546-0001 | 567000 | Treasure Island | \$35,000,000 |
| 17 | 2021 Capital Bond | Treasure Island | Blds; Structures & | Improvements | |
| 18 | Fund / | Improvements / | Improvements | | |
| 19 | 229267 WWE0101 | 15707 WW Treasure | | | |
| 20 | Administration | Island Capital Imp | | | |
| 21 | | | | | |
| 22 | | | | | |
| 23 | | | | | |
| 24 | | | | | |
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| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|-------------------|-----------------------|--------------------|---------------------|--------------|
| 2 | Department ID | Authority | | | |
| 3 | 20707 Wastewater | 10015554-0001 | 567000 | Ocean Beach | \$2,416,702 |
| 4 | 2021 Capital Bond | Ocean Beach | Blds; Structures & | Project | |
| 5 | Fund / | Project/ | Improvements | | |
| 6 | 229267 WWE0101 | 15714 WW Ocean | | | |
| 7 | Administration | Beach Project | | | |
| 8 | | | | | |
| 9 | 20707 Wastewater | 10015557-0001 | 567000 | Islais Creek Outlet | \$3,715,499 |
| 10 | 2021 Capital Bond | Islais Creek Outlet / | Blds; Structures & | | |
| 11 | Fund / | 15717 WW Islais | Improvements | | |
| 12 | 229267 WWE0101 | Creek Outfall | | | |
| 13 | Administration | | | | |
| 14 | | | | | |
| 15 | 20719 SSIP CPF | 10026508-0001 | 573110 | Financing Costs | \$31,824,820 |
| 16 | 2021 Bond Fund / | Bond-commercial | Bond Issuance | | |
| 17 | 229267 WWE0101 | Paper Expense / | Cost- Unamortized | | |
| 18 | Administration | 17732 WW Bond- | | | |
| 19 | | commercial Paper | | | |
| 20 | | Exp | | | |
| 21 | | | | | |
| 22 | | | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |

| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|-------------------|----------------------|--------------------|--------------------|--------------|
| 2 | Department ID | Authority | | | |
| 3 | 20719 SSIP CPF | 10026508-0001 | 567000 | Revenue Bond | \$106,438 |
| 4 | 2021 Bond Fund / | Bond-commercial | Blds; Structures & | Oversight | |
| 5 | 229267 WWE0101 | Paper Expense / | Improvements | Committee 0.05% | |
| 6 | Administration | 17732 WW Bond- | | | |
| 7 | | commercial Paper | | | |
| 8 | | Exp | | | |
| 9 | | | | | |
| 10 | 20707 Wastewater | 10026508-0001 | 573110 | Financing Costs | \$11,709,367 |
| 11 | 2021 Capital Bond | Bond-commercial | Bond Issuance | | |
| 12 | Fund / | Paper Expense / | Cost- Unamortized | | |
| 13 | 229267 WWE0101 | 17732 WW Bond- | | | |
| 14 | Administration | commercial Paper | | | |
| 15 | | Exp | | | |
| 16 | | | | | |
| 17 | 20707 Wastewater | 10026508-0001 | 581130 | CSA 0.2% | \$231,143 |
| 18 | 2021 Capital Bond | Bond-commercial | GF-CON-Internal | Controller's Audit | |
| 19 | Fund / | Paper Expense / | Audits | Fund | |
| 20 | 229267 WWE0101 | 17732 WW Bond- | | | |
| 21 | Administration | commercial Paper | | | |
| 22 | | Exp | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |

| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|---|---------------------------------------|---------------------------------|--------------------|--------------------|----------------------|
| 2 | Department ID | Authority | | | |
| 3 | 20707 Wastewater | 10026508-0001 | 567000 | Revenue Bond | \$39,935 |
| 4 | 2021 Capital Bond | Bond-commercial | Blds; Structures & | Oversight | |
| 5 | Fund / | Paper Expense / | Improvements | Committee 0.05% | |
| 6 | 229267 WWE0101 | 17732 WW Bond- | | | |
| 7 | Administration | commercial Paper | | | |
| 8 | | Exp | | | |
| 9 | Total Appropriation on Reserve | | | | \$292,744,686 |

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11 Section 11. Associated bond financing costs up to \$43,534,187 are also hereby
12 appropriated, including but not limited to, issuance costs, debt service reserve, capitalized
13 interest, rating agency, and disclosure costs, all on Controller's reserve pending receipt of
14 bond proceeds. To the extent that net available bond proceeds after financing costs are more
15 than budgeted, the SFPUC may use such surplus bond proceeds as a substitute for other
16 sources budgeted in this ordinance.

17

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

21

22 Section 13. De-Appropriating and Re-appropriating of \$391,415,748 in the Wastewater
23 Enterprise Capital Improvement Program for FY 2020-2021 and placing \$391,415,748 in
24 Controller's reserve by project. The uses of funding outlines below are herein de-appropriated
25 and re-appropriated in account 567000 (Buildings, Structures, and Improvements) and reflect

1 the projected uses to fund the Wastewater Enterprise Capital Budget for Fiscal Year 2020-
2 2021.

3

4 **USES De-Appropriation**

| 5 | Fund / | Project & Activity / | Account | Description | Amount |
|----|-------------------|----------------------|--------------------|-----------------|--------------|
| 6 | Department ID | Authority | | | |
| 7 | 20510 WWE CPF | 10015793-0001 | 567000 | Central Bayside | \$24,800,000 |
| 8 | 2016A Bond Fund / | Central Bayside | Blds; Structures & | System | |
| 9 | 229267 WWE0101 | System Improvement | Improvements | Improvement | |
| 10 | Administration | / 15727 Central | | | |
| 11 | | Bayside System | | | |
| 12 | | Improvement | | | |
| 13 | | | | | |
| 14 | 20715 WWE CPF | 10015793-0001 | 567000 | Central Bayside | \$27,745,788 |
| 15 | 2017A Rev Bond / | Central Bayside | Blds; Structures & | System | |
| 16 | 229267 WWE0101 | System | Improvements | Improvement | |
| 17 | Administration | Improvement / 15727 | | | |
| 18 | | Central Bayside | | | |
| 19 | | System Improvement | | | |

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| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|----------------------|---------------------------------|--------------------|--------------------|---------------|
| 2 | Department ID | Authority | | | |
| 3 | 20706 Wastewater | 10015793-0001 | 567000 | Central Bayside | \$20,350,000 |
| 4 | Capital Fund / | Central Bayside | Blds; Structures & | System | |
| 5 | 229267 WWE0101 | System | Improvements | Improvement | |
| 6 | Administration | Improvement / | | | |
| 7 | | 15727 Central | | | |
| 8 | | Bayside System | | | |
| 9 | | Improvement | | | |
| 10 | | | | | |
| 11 | 20715 WWE CPF | 10015795-0001 | 567000 | Biosolid Digester | \$38,600,803 |
| 12 | 2017A Rev Bond / | Biosolid Digester / | Blds; Structures & | Project | |
| 13 | 229267 WWE0101 | 15728 Biosolid | Improvements | | |
| 14 | Administration | Digester Project | | | |
| 15 | | | | | |
| 16 | 20706 Wastewater | 10015795-0001 | 567000 | Biosolid Digester | 181,201,650 |
| 17 | Capital Fund / | Biosolid Digester / | Blds; Structures & | Project | |
| 18 | 229267 WWE0101 | 15728 Biosolid | Improvements | | |
| 19 | Administration | Digester Project | | | |
| 20 | | | | | |
| 21 | | | | | |
| 22 | | | | | |
| 23 | | | | | |
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| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|------------------------------------|----------------------|--------------------|-----------------|----------------------|
| 2 | Department ID | Authority | | | |
| 3 | 20706 Wastewater | 10002780-0001 | 567000 | Drainage | \$34,011,490 |
| 4 | Capital Fund / | Drainage Basin-Early | Blds; Structures & | Basin/Early | |
| 5 | 229267 WWE0101 | Implement / | Improvements | Implement | |
| 6 | Administration | 15729 Drainage | | | |
| 7 | | Basin/Early | | | |
| 8 | | Implement | | | |
| 9 | | | | | |
| 10 | 20706 Wastewater | 10015813-0001 | 567000 | Treatment Plant | \$64,706,017 |
| 11 | Capital Fund / | Treatment Plant | Blds; Structures & | Improvements - | |
| 12 | 229267 WWE0101 | Improvements / | Improvements | North Point | |
| 13 | Administration | 15736 Treatment | | | |
| 14 | | Plant Improvements | | | |
| 15 | Total USES De-Appropriation | | | | \$391,415,748 |

USES Re-Appropriation

| 17 | Fund / | Project & Activity / | Account | Description | Amount |
|----|------------------|----------------------|--------------------|-------------------|--------------|
| 18 | Department ID | Authority | | | |
| 19 | 20715 WWE CPF | 10015791-0001 | 567000 | Collection System | \$55,580,148 |
| 20 | 2017A Rev Bond / | Collection System | Blds; Structures & | Improvements | |
| 21 | 229267 WWE0101 | Improvements / | Improvements | | |
| 22 | Administration | 15726 Collection | | | |
| 23 | | System | | | |
| 24 | | Improvements | | | |
| 25 | | | | | |

| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|------------------|----------------------|--------------------|---------------------|--------------|
| 2 | Department ID | Authority | | | |
| 3 | | | | | |
| 4 | 20715 WWE CPF | 10015801-0001 | 567000 | Flood | \$10,766,443 |
| 5 | 2017A Rev Bond / | Flood | Blds; Structures & | Resilience/Hydrauli | |
| 6 | 229267 WWE0101 | Resilience/Hydraulic | Improvements | c Improvements | |
| 7 | Administration | Improvements / | | | |
| 8 | | 15730 Flood | | | |
| 9 | | Resilience/Hydraulic | | | |
| 10 | | Improvements | | | |
| 11 | | | | | |
| 12 | 20706 Wastewater | 10015801-0001 | 567000 | Flood | 67,758,942 |
| 13 | Capital Fund / | Flood | Blds; Structures & | Resilience/Hydrauli | |
| 14 | 229267 WWE0101 | Resilience/Hydraulic | Improvements | c Improvements | |
| 15 | Administration | Improvements / | | | |
| 16 | | 15730 Flood | | | |
| 17 | | Resilience/Hydraulic | | | |
| 18 | | Improvements | | | |
| 19 | | | | | |
| 20 | 20706 Wastewater | 10029731-0002 | 567000 | Ssip Program-wide | \$7,893,744 |
| 21 | Capital Fund / | Ssip Program-wide | Blds; Structures & | Management | |
| 22 | 229267 WWE0101 | Management / | Improvements | | |
| 23 | Administration | 15733 WW Ssip | | | |
| 24 | | Program-wide | | | |
| 25 | | Management | | | |

| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|------------------------------------|----------------------|--------------------|-----------------|----------------------|
| 2 | Department ID | Authority | | | |
| 3 | | | | | |
| 4 | 20706 Wastewater | 10026823-0001 | 567000 | Treatment Plant | \$224,616,471 |
| 5 | Capital Fund / | Treatment Plant | Blds; Structures & | Improvements- | |
| 6 | 229267 WWE0101 | Improvements- | Improvements | Southeast | |
| 7 | Administration | Southeast / | | | |
| 8 | | 15735 Treatment | | | |
| 9 | | Plant Improvements | | | |
| 10 | | | | | |
| 11 | 20510 WWE CPF | 10026823-0001 | 567000 | Treatment Plant | \$24,800,000 |
| 12 | 2016A Bond Fund / | Treatment Plant | Blds; Structures & | Improvements- | |
| 13 | 229267 WWE0101 | Improvements- | Improvements | Southeast | |
| 14 | Administration | Southeast / | | | |
| 15 | | 15735 Treatment | | | |
| 16 | | Plant Improvements | | | |
| 17 | Total USES Re-Appropriation | | | | \$391,415,748 |

19 Section 14. This Board, by Ordinance No. 89-15, authorized the SFPUC to enter into
20 one or more State of California State Water Resources Control Board Installment Sale
21 Agreements under the Clean Water State Revolving Fund (State Loan Funds); by Ordinance
22 No. 144-18, authorized the SFPUC to enter into one or more federal Water Infrastructure
23 Financing Innovation Act loans (Federal Loan Funds); and amended and supplemented
24 Ordinance No. 107-14 to authorize, in addition to the issuance of Wastewater revenue bonds,
25 the execution and delivery of State Loan Funds to finance projects, provided that any such

1 indebtedness shall not exceed in an aggregate principal amount \$819,035,941. The Board is
2 concurrently considering with this Ordinance a SFPUC Wastewater Revenue Bond issuance,
3 including authorization to obtain one or more State Revolving Fund (SRF) and Water
4 Infrastructure Finance and Innovation Act (WIFIA) loans, not to exceed \$987,414,494. The
5 Sources of Funds herein appropriated in Section 1 and Section 7 of this Ordinance, or
6 previously appropriated by Ordinance 105-14, may include State Loan Funds, State Grant
7 Funds, Federal Grant Funds, or Federal Loan Funds when available, subject to compliance
8 with the terms of the authorizing legislation for such Funds. The Controller is authorized to
9 record substitution of the source of funds appropriated with State Loan Funds, State Grant
10 Funds, Federal Grant Funds, or Federal Loan Funds as necessary to conform to Generally
11 Accepted Accounting Principles and other laws.

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

FUNDS AVAILABLE
BEN ROSENFELD, Controller

By: /s/
JON GIVNER
Deputy City Attorney

By: /s/
BEN ROSENFELD
Controller

| | |
|---|---|
| Items 5 and 8 Files 20-0832 and 20-0837 | Department: San Francisco Public Utilities Commission (SFPUC) |
| EXECUTIVE SUMMARY | |
| <p>Legislative Objectives</p> <ul style="list-style-type: none"> • <u>File 20-0832</u> is an ordinance appropriating \$579,185,142 of proceeds from Wastewater Revenue Bonds, State of California Water Resources Control Board’s revolving loan funds (State Loan Funds) or grant funds (State Grant Funds), and Wastewater revenue and capacity fees. • <u>File 20-0837</u> is an ordinance authorizing the issuance of \$349,919,252 in taxable or tax-exempt Wastewater Revenue Bonds to finance the proposed capital projects <p>Key Points</p> <ul style="list-style-type: none"> • The San Francisco Public Utilities Commission (SFPUC) Wastewater Enterprise has three main capital and repair and replacement programs: the Sewer System Improvement Program (SSIP), the Facilities and Infrastructure Program, and the Renewal and Replacement Program. The appropriation of \$579.2 million would fund SSIP projects, Facilities and Infrastructure projects, Renewal and Replacement projects, and bond related expenditures over the two-year period from FY 2020-21 to FY 2021-22. • Projects would be funded by Wastewater Revenue Bonds, Capacity Fees, and Wastewater Revenues. <p>Fiscal Impact</p> <ul style="list-style-type: none"> • The Board of Supervisors has previously authorized \$3.5 billion in Wastewater Revenue Bonds. The issuance of an additional \$349.9 million increases the total bond authorization to \$3.8 billion. Issuance of the bonds conforms to the SFPUC’s debt management policies. SFPUC anticipates issuing \$349.9 million in one or two series beginning in FY2021-22. According to the SFPUC’s 10 Year Financial Plan from FY 2020-21 to FY 2029-30, estimated Wastewater Enterprise annual debt service in FY 2020-21 would be \$84.3 million, increasing to \$339.2 million in FY 2029-30. • In order to meet operating, capital, and debt expenses, the SFPUC estimates annual sewer rate increases of 7.5 percent. The adopted annual rate increase in FY 2020-21 and in FY 2021-22 is 8 percent. Therefore, the SFPUC estimates that the average monthly residential sewer bill will increase by \$5 in FY 2020-21, from \$67in FY 2019-20 to \$72; and by \$6 in FY 2021-22 to \$78. <p>Recommendation</p> <ul style="list-style-type: none"> • Approve the proposed ordinances. | |

MANDATE STATEMENT

Charter Section 8B.124 states that the Public Utilities Commission is authorized to issue revenue bonds and other forms of indebtedness, when authorized by two-thirds vote of the Board of Supervisors, for Water Enterprise and Wastewater Enterprise capital projects.

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 Section 9.105 states that the Board of Supervisors shall approve by ordinance all amendments to the Annual Appropriation Ordinance after the Controller certifies the availability of funds.

BACKGROUND

Capital Programs

The San Francisco Public Utilities Commission (SFPUC) Wastewater Enterprise has three main capital and repair and replacement programs:

- The Sewer System Improvement Program (SSIP) includes multiple projects to improve the existing sewer collection and wastewater treatment facilities. SSIP provides for improvements to the (a) Southeast Treatment Plant Biosolids Digester and Headworks facilities; (b) the three treatment plants – Southeast, Oceanside, and Northpoint; (c) pump stations, force main, transport/storage/collection, odor control, and other components of the sewer transport, collection, storage, and treatment system; (d) stormwater mater management and flood resilience; and (e) land reuse. Phase I of the SSIP is \$3.4 billion and is anticipated to be completed in 2025. The overall SSIP is \$7.0 billion, funded by Wastewater Enterprise Revenue Bonds.
- The Wastewater Facilities and Infrastructure Program encompasses those capital improvements that fall outside of the Sewer System Improvement and Renewal and Replacement Programs. The Wastewater Facilities and Infrastructure Program addresses the following issues: maintaining SFPUC Wastewater Enterprise Levels of Service (LOS); maintaining the structural integrity of critical City infrastructure; streamlining core operational functions and processes; and employing energy efficiency components, stormwater management enhancements, seismic upgrades, spatial improvements, safety and security improvements, and other essential improvements to modernize existing facilities to current standards. The Wastewater Facilities and Infrastructure Program has seven projects totaling \$660 million, funded by Wastewater Enterprise Revenue Bonds.

- The Renewal and Replacement Program is an ongoing program, funded by revenues, capacity fees and revenue bonds. The program provides for periodic repair and replacement of the collection and treatment systems.

DETAILS OF PROPOSED LEGISLATION

File 20-0832 is an ordinance appropriating \$579,185,142 of proceeds from Wastewater Revenue Bonds, State of California Water Resources Control Board's revolving loan funds (State Loan Funds) or grant funds (State Grant Funds), and Wastewater revenue and capacity fees, as shown in Exhibit 1 below and detailed in Attachments I and II.

Exhibit 1: Appropriation Uses

| | FY 2020-21 | FY 2021-22 | Two Year Total |
|--|----------------------|----------------------|----------------------|
| Biosolid Digester | | \$81,744,663 | \$81,744,663 |
| Southeast Treatment Plant | 4,356,803 | 14,033,381 | 18,390,184 |
| North Point Treatment Plant | 885,007 | 10,209,884 | 11,094,891 |
| Oceanside Treatment Plant | 1,650,000 | 13,363,824 | 15,013,824 |
| Collection System | 423,216 | 12,710,141 | 13,133,357 |
| Pump Stations | 1,366,676 | 2,337,536 | 3,704,212 |
| Flood Resilience | | 45,000,000 | 45,000,000 |
| Green Infrastructure Projects | 772,000 | 1,544,368 | 2,316,368 |
| Sewer System Improvement Program Subtotal | \$9,453,702 | \$180,943,797 | \$190,397,499 |
| Collection System | 107,135,000 | 115,703,000 | 222,838,000 |
| Treatment Facilities | 25,357,500 | 26,625,375 | 51,982,875 |
| Repair and Replacement Subtotal | \$132,492,500 | \$142,328,375 | \$274,820,875 |
| Treasure Island | | 35,000,000 | 35,000,000 |
| Ocean Beach | | 2,416,702 | 2,416,702 |
| Southeast Community Center | 4,500,000 | 0 | 4,500,000 |
| Islais Creek Outlet | 15,846,679 | 3,715,499 | 19,562,178 |
| Other Projects | \$20,346,679 | \$3,715,499 | \$24,062,178 |
| Financing, Oversight, Audits | \$8,576,185 | \$43,911,703 | \$52,487,888 |
| Total Uses | \$170,869,066 | \$408,316,076 | \$579,185,142 |

Source: File 20-0832

The proposed ordinance also de-appropriates and re-appropriates \$391,415,748 in previously appropriated funds, as shown in Exhibit 2 below.

Exhibit 2: De-appropriation and Re-appropriation of Funds

| | Total |
|---|----------------------|
| De-Appropriation | |
| Central Bayside System Improvement | \$72,895,788 |
| Biosolid Digester Project | 219,802,453 |
| Drainage Basin/ Early Implement | 34,011,490 |
| North Point Treatment Plant | 64,706,017 |
| Total De-Appropriation | \$391,415,748 |
| Re-Appropriation | |
| Collection System | \$55,580,148 |
| Flood Resilience/ Hydraulic Improvements | 78,525,385 |
| Sewer System Improvement Program - Program Management | 7,893,744 |
| Southeast Treatment Plan | 249,416,471 |
| Total Re-Appropriation | \$391,415,748 |

Source: File 20-0832

The following funds would be place on Controller's Reserve pending receipt of revenues:

- \$57,174,566 of the \$170,869,066 in new sources in FY 2020-21
- \$292,744,686 of the \$408,316,076 in new sources in FY 2021-22
- \$349,919,522 of \$391,415,748 of re-appropriated sources

Use of the appropriated funds is also subject to the Board of Supervisors' discretionary adoption of California Environmental Quality Act (CEQA) Findings for projects, following review and consideration of completed project related environmental analysis.

File 20-0837 is an ordinance authorizing the issuance of \$349,919,252 in taxable or tax-exempt Wastewater Revenue Bonds to finance the proposed capital projects.

Exhibit 3: Bond Financing

| | FY 2020-21 | FY 2021-22 | Two Year Total |
|---|---------------------|----------------------|---------------------------|
| Sewer System Improvement Program | \$9,453,702 | \$180,943,797 | \$190,397,499 |
| Repair and Replacement | 18,798,000 | 26,756,985 | 45,554,985 |
| Other Projects | 20,346,679 | 41,132,201 | 61,478,880 |
| Subtotal Projects | \$48,598,381 | \$248,832,983 | \$297,431,364 |
| Financing Costs | 8,320,209 | 43,534,187 | 51,854,396 |
| Revenue Bond Oversight Committee, City Services | | | |
| Auditor | 255,976 | 377,516 | 633,492 |
| Subtotal Financing, Oversight, Audit | \$8,576,185 | \$43,911,703 | \$52,487,888 |
| Total | \$57,174,566 | \$292,744,686 | \$349,919,252 |

Source: File 20-0832

FISCAL IMPACT**Total Wastewater Revenue Bond Authorization**

The total SSIP is approximately \$7.0 billion in three phases, funded by Wastewater Revenue Bonds, and the current approved budget for Phase I and other projects is \$3.4 billion.¹ The Board of Supervisors has previously authorized \$3.5 billion in Wastewater Revenue Bonds, of which SFPUC has issued \$3.2 billion and \$272 million is authorized but not yet issued. The SFPUC's policy is to request authorization for bonds and other forms of debt to fund new capital appropriations, even if it has unused bond authority.

File 20-0837 would authorize issuance of \$349.9 million in new Wastewater Revenue Bonds, for total authorized Wastewater Revenue Bond debt of \$3.8 billion. The proposed ordinance also authorizes the issuance of refunding bonds to refinance outstanding Wastewater Revenue Bond commercial paper debt.

SFPUC Debt Management Policy

SFPUC's Debt Policy provides for issuance of short term debt, such as commercial paper, and refunding bonds.

Commercial Paper

The Board of Supervisors previously authorized the SFPUC Wastewater Enterprise to issue up to \$750 million in short term commercial paper (File 17-1740). The SFPUC currently has \$208 million in outstanding commercial paper which could be retired by the issuance of new Wastewater Revenue Bonds under the proposed ordinance.

Refunding Bonds

The proposed ordinance does not specify the amount of Wastewater Refunding Bonds that could be issued to refinance outstanding Wastewater Revenue Bond debt. SFPUC anticipates issuing refunding bonds if market conditions result in savings exceeding the minimum 3 percent debt service savings threshold and would not extend the maturity date of the bonds. This provision would end on June 30, 2025 unless extended by resolution of the Board of Supervisors. If the SFPUC issues refunding bonds, a Refunding Savings Report and copy of the final Official Statement would be submitted to the Board of Supervisors.

The proposed ordinance also provides for the SFPUC to issue refunding bonds for non-economic reasons, but issuance of refunding bonds for non-economic reasons would need to be approved by the Board of Supervisors by resolution. According to the SFPUC, the Commission has never issued refunding bonds for non-economic reasons

Bond Issuance and Debt Service

SFPUC anticipates issuing \$349.9 million in one or two series beginning in FY2021-22. According to the SFPUC's 10 Year Financial Plan from FY 2020-21 to FY 2029-30, estimated Wastewater

¹ 3rd Quarter Report, page 3.

Enterprise annual debt service in FY 2020-21 would be \$84.3 million, increasing to \$339.2 million in FY 2029-30. According to Charter Section 8B.124, SFPUC must obtain certification by a qualified third party that the debt service coverage ratio will be 1.35x (i.e., earnings before interest, taxes, and amortization – EBITA – are 1.35 times the annual principal and interest payments on the debt). According to the SFPUC's 10 Year Financial Plan, estimated Wastewater Enterprise annual debt service coverage ratio in FY 2020-21 would be 2.31x, decreasing to 1.38x in FY 2029-30.

Sewer Rate Increases

In order to meet operating, capital, and debt expenses, the SFPUC estimates annual sewer rate increases of 7.5 percent. The adopted annual rate increase in FY 2020-21 and in FY 2021-22 is 8 percent. Therefore, the SFPUC estimates that the average monthly residential sewer bill will increase by \$5 in FY 2020-21, from \$67 in FY 2019-20 to \$72; and by \$6 in FY 2021-22 to \$78.

POLICY CONSIDERATION

Reporting on Bond Issuance to Board of Supervisors

According to Ordinance 111-16, which previously authorized issuance of \$1.1 billion in Wastewater Revenue Bonds, the SFPUC would file with the Clerk of the Board within 30 days of the issuance of the bonds, a report summarizing principal and interest costs, bond maturity, facilities to be funded, and remaining unissued balance. The SFPUC submitted such reports on July 14, 2020. File 20-0837 provides for the continued submission of such reports to the Clerk of the Board.

Wastewater Enterprise Capital Plan and Reserves

SFPUC's fund balance reserve policy requires a fund balance of 90 days or 25 percent of operating expenses. According to the 10 Year Financial Plan, the Wastewater Enterprise fund balance exceeds this level because the Wastewater Enterprise had lower capital expenditures than projected in recent years due to delays in SSIP projects. The 10 Year Financial Plan shows negative net operating revenues in seven of the next ten years (i.e., operating revenues are less than expenses) which will draw down on the fund balance. However, despite the draw down on fund balance each year, the Wastewater Enterprise fund balance will continue to increase through FY 2026-27, in large part due to the estimated 8 percent per year increase in sewer rates.

RECOMMENDATION

- Approve the proposed ordinances

| | FY 2020-21 | | | | FY 2021-22 | | | |
|-------------------------------|--------------------------|-------------------------------|------------------------------------|----------------------|--------------------------|-------------------------------|------------------------------------|----------------------|
| | Wastewater Revenue Bonds | Wastewater Enterprise Revenue | Wastewater Enterprise Capacity Fee | Total | Wastewater Revenue Bonds | Wastewater Enterprise Revenue | Wastewater Enterprise Capacity Fee | Total |
| Biosolid Digester | | | | | 81,744,633 | | | 81,744,663 |
| Southeast Treatment Plant | 4,356,803 | | | 4,356,803 | 14,033,381 | | | 14,033,381 |
| North Point Treatment Plant | 885,007 | | | 885,007 | 10,209,884 | | | 10,209,884 |
| Oceanside Treatment Plant | 1,650,000 | | | 1,650,000 | 13,363,824 | | | 13,363,824 |
| Collection System | 423,216 | | | 423,216 | 12,710,141 | | | 12,710,141 |
| Pump Stations | 1,366,676 | | | 1,366,676 | 2,337,536 | | | 2,337,536 |
| Flood Resilience | | | | | 45,000,000 | | | 45,000,000 |
| Green Infrastructure Projects | 772,000 | | | 772,000 | 1,544,368 | | | 1,544,368 |
| SSIP * | \$9,453,702 | 0 | 0 | \$9,453,702 | \$180,943,767 | 0 | 0 | \$180,943,797 |
| Collection System | 18,798,000 | 82,537,000 | 5,800,000 | 107,135,000 | 26,756,985 | 83,627,015 | 5,319,000 | 115,703,000 |
| Treatment Facilities | | 25,357,500 | | 25,357,500 | | 26,625,375 | | 26,625,375 |
| Repair and Replacement | \$18,798,000 | \$107,894,500 | \$5,800,000 | \$132,492,500 | \$26,756,985 | \$110,252,390 | \$5,319,000 | \$142,328,375 |
| Treasure Island | | | | | 35,000,000 | | | 35,000,000 |
| Ocean Beach | | | | | 2,416,702 | | | 2,416,702 |
| Southeast Community Center | 4,500,000 | | | 4,500,000 | | | | 0 |
| Islais Creek Outlet | 15,846,679 | | | 15,846,679 | 3,715,499 | | | 3,715,499 |
| Other Projects | \$20,346,679 | 0 | 0 | \$20,346,679 | \$41,132,201 | 0 | 0 | \$41,132,201 |
| Financing Costs | 8,320,209 | | | 8,320,209 | 43,534,187 | | | 43,534,187 |
| RBOC, CSA ** | 255,976 | 0 | 0 | 255,976 | 377,516 | 0 | 0 | 377,516 |
| Financing, Oversight, Audits | \$8,576,185 | 0 | 0 | \$8,576,185 | \$43,911,703 | 0 | 0 | \$43,911,703 |
| Total Uses | \$57,174,566 | \$107,894,500 | \$5,800,000 | \$170,869,066 | \$292,744,656 | \$110,252,390 | \$5,319,000 | \$408,316,076 |

* Sewer System Improvement Program

** Revenue Bond Oversight Committee, City Services Auditor

| | Wastewater Revenue Bonds | Wastewater Enterprise Revenue | Total |
|--|-----------------------------|----------------------------------|----------------------|
| De-Appropriation | | | |
| Central Bayside System Improvement | \$72,895,788 | | \$72,895,788 |
| Biosolid Digester Project | 219,802,453 | | 219,802,453 |
| Drainage Basin/ Early Implement | 34,011,490 | | 34,011,490 |
| North Point Treatment Plant | 64,706,017 | | 64,706,017 |
| Subtotal De-Appropriation | \$391,415,748 | 0 | \$391,415,748 |
| Re-Appropriation | | | |
| Collection System | \$55,580,148 | | \$55,580,148 |
| Flood Resilience/ Hydraulic Improvements | 78,525,385 | | 78,525,385 |
| SSIP Program Management | 7,893,744 | | 7,893,744 |
| Southeast Treatment Plan | 249,416,471 | | 249,416,471 |
| Subtotal Re-Appropriation | \$391,415,748 | 0 | \$391,415,748 |

Project Funding

| | Proposed New Funding | Proposed De- Appropriation | Proposed Re- Appropriation | Total |
|--|---------------------------------|---------------------------------------|---------------------------------------|--------------------|
| Biosolid Digester | 81,744,663 | (219,802,453) | | (138,057,790) |
| Treatment Facilities | 96,481,774 | (64,706,017) | 249,416,471 | 281,192,228 |
| Pump Stations - Force Main | 3,704,212 | | | 3,704,212 |
| Collection System | 235,971,357 | | 55,580,148 | 291,551,505 |
| Flood Resilience | 45,000,000 | | 78,525,385 | 123,525,385 |
| Central Bayside and Early Implementation | 0 | (72,895,788) | | (72,895,788) |
| Green Infrastructure Projects | 2,316,368 | (34,011,490) | | (31,695,122) |
| Program Management | 0 | | 7,893,744 | 7,893,744 |
| Treasure Island | 35,000,000 | | | 35,000,000 |
| Ocean Beach | 2,416,702 | | | 2,416,702 |
| Southeast Community Center | 4,500,000 | | | 4,500,000 |
| Islais Creek Outlet | 19,562,178 | | | 19,562,178 |
| Total Uses | 526,697,254 | (391,415,748) | 391,415,748 | 526,697,254 |

Biosolid Digester (net reduction of \$138.0 million)

The proposed ordinance de-appropriates 2016 and 2017 Wastewater Revenue Bond appropriations to the Biosolid Digester Facilities Project and appropriates new Wastewater Revenue Bond proceeds in FY 2021-22, for a net reduction in project revenues of \$138.0 million.

The Biosolid Digester Facilities Project demolishes the existing facility at the Southeast Treatment Plant, and reconstructs these facilities at an adjacent site. The initial demolition and relocation is underway. According to the Wastewater Enterprise 3rd Quarter Report for FY 2019-20 (published on June 2, 2020), construction cost estimates and timelines for reconstruction of the Biosolid Digester Facilities Project were much higher than anticipated. The SFPUC made project changes to reduce some costs. The current approved project budget is \$1.3 billion and the forecasted budget is \$1.7 billion, an increase of \$400 million.

Treatment Plant Project (net increase of \$281.2 million)

The proposed ordinance appropriates new Wastewater Revenue Bonds to Southeast, Oceanside, and Northpoint Treatment Plants, and re-appropriates prior Wastewater Revenue Bond appropriations to the Southeast Treatment Plant, offset by the de-appropriation of prior Wastewater Enterprise revenue bond appropriation to the North Point Treatment Plant. The net increase of \$281.2 million is for Sewer System Improvement Program (SSIP) and Capital Improvement Program (CIP) Treatment Plant projects.

The Southeast Treatment Plant projects include disinfection, odor control, distributed control system, seismic reliability, and power improvements. These budgets do not include the Biosolid Digester, noted above, or the Headworks Facility. The Northpoint Treatment Plant projects include improvements to the North Shore Pump Station wet weather facility. The Oceanside Treatment Plant improvements include pump station reliability, digester gas utilization, and general assessment repairs.

According to the 3rd Quarter Report, the Oceanside Treatment Plant project is over budget due to increases in project timelines and costs largely due to rescoping and redesign of the Westside Pump Station Reliability project and construction cost increases for the digester gas utilization project. The current approved SSIP budget for the Southeast, Oceanside, and North Point Treatment Plants \$556.4 million and the forecasted budget is \$570.9 million, an increase of \$14.5 million.

Pump Station and Collection System

Force Main (new funds of \$3.7 million)

The Sewer System Improvement Program has three force main projects¹ - Embarcadero and Jackson Streets, Mariposa Pump Station, and Griffith Pump Station. According to the 3rd Quarter Report, extended contract bidding timelines and higher than expected construction bids for the Mariposa Pump Station project contributed to increases in the project budget. The current budget for pump station and force main projects is \$77.6 million and the forecasted budget is \$81.0 million, an increase of \$3.4 million.

Collection System (new and re-appropriated funds of \$291.6 million)

The Collection System is the City's network of sewers that collect and transport sanitary flow and stormwater runoff. The proposed ordinance appropriates new Wastewater Revenue Bond and Wastewater Enterprise revenues, and re-appropriates prior Wastewater Revenue Bond appropriations to SSIP and Repair & Replacement projects. SSIP projects include the interdepartmental collection system projects which provide for improvements to the sewer systems along Geary Avenue, Van Ness Avenue, Better Market Street, Mission Bay, and Taraval. According to the 3rd Quarter Report, the Van Ness Avenue project is expected to be over budget due to delays and differing site conditions; and the Better Market Street project is expected to be over budget due to cost sharing variances among participating departments and project delays. The current SSIP budget for interdepartmental collection system projects is \$87.7 million and the forecasted budget is \$96.6 million, an increase of \$8.9 million.

Repair and Replacement projects include annual repair and replacement of 15 miles of sewer lines. According to the 3rd Quarter Report, the current approved and forecasted budget for Collection System repair and replacement is \$686.54 million.

Flood Resilience (new and re-appropriated funds of \$123.5 million)

The proposed ordinance appropriates new Wastewater Revenue Bonds to flood resilience projects to decrease flooding and property damage during rainstorms. Projects include 17th and Folsom Streets, Cayuga Avenue, Lower Alemany other neighborhoods' hydraulic and drainage improvements. According to the 3rd Quarter Report, the approved and forecasted budget is \$286.5 million.

¹ Force mains are pipelines that convey wastewater under pressure from the discharge side of a pump or pneumatic ejector to a discharge point. Pumps or compressors located in a lift station provide the energy for wastewater conveyance in force mains.

Central Bayside and Early Implementation (de-appropriation of \$72.8 million)

The proposed ordinance de-appropriates prior Wastewater Revenue Bond appropriations from the Central Bayside System Improvement Project, which provides collection system improvements to the Channel and Islais Creek watersheds. According to the 3rd Quarter Report, the first phase of the Central Bayside System Improvement Project is expected to be completed in December 2020 and to come in under budget.

The proposed ordinance de-appropriates prior Wastewater Enterprise Revenue Bond appropriations from Early Implementation projects, which consist of green infrastructure to manage stormwater runoff. Early Implementation projects include Islais Creek, North Shore, Lake Merced, Channel, and Sunnydale, Sunset, Richmond, and Yosemite. SFPUC is recommending re-appropriating previously appropriated Wastewater Enterprise Bond funds from Early Implementation projects because the project are being funded through a re-allocation of existing current year project appropriations that funds the projects through completion.

Program Management (re-appropriation of \$7.9 million)

The proposed ordinance re-appropriates \$7.9 million to the existing agreement between SFPUC and AECOM for management of the Sewer System Improvement Program. The Board of Supervisors approved the original AECOM program management agreement in 2011, for a term of 15 years through September 2025 and an amount not-to-exceed \$150 million. According to the 3rd Quarter Report, program management expenditures to date are \$113.2 million, and total forecasted expenditures are \$175 million, or \$25 million more than then approved agreement amount.

Treasure Island (new fund of \$35 million)

The proposed ordinance includes new Wastewater Revenue Bonds for the construction of a new wastewater treatment plant on Treasure Island to replace the facility built by the Navy that is past its useful life. The conceptual engineering report was completed in January 2020; SFPUC is currently preparing the Request for Qualifications to select a design-build contractor. The schedule is one year longer than previously estimated (completion in January 2025 rather than September 2023) and costs based on the conceptual engineering design are higher than previously estimated. According to the 3rd Quarter Report, the approved budget is \$67.4 million and the forecasted budget is \$202.2 million, an increase of \$134.8 million.

Ocean Beach (new funds of \$2.4 million)

The proposed ordinance includes new Wastewater Revenue Bonds for the Ocean Beach project for shoreline management to protect from bluff erosion and sea level rise due to climate change. The project is scheduled for completion in 2026. According to the 3rd Quarter Report, the current approved budget is \$126.8 million and the forecasted budget is \$169.9 million, an increase of \$43.1 million.

Southeast Community Center (new funds of \$4.5 million)

The proposed ordinance includes new Wastewater Revenue Bonds for the Southeast Community Center at 1550 Evans Street, which will include a community center, childcare cent, café, multi-purpose space, and other facilities to serve the surrounding neighborhood and mitigate the impact of the Southeast Treatment Plant. The project is scheduled for completion in 2023. According to the 3rd Quarter Report, the approved budget is \$108.5 million and the forecasted budget is \$109.5 million, an increase of \$1 million.

Islais Creek Outlet (new funds of \$19.6 million)

The proposed ordinance includes new Wastewater Revenue Bonds for replacing pipelines crossing under Islais Creek, and other pipeline improvements to ensure reliable outflow from the Southeast Treatment Plant. The project is behind schedule and over budget due to design changes, additional scope and incorporation of emergency bypass project components, seismic design additions, and Muni overhead control system relocation work on 3rd Street. According to the 3rd Quarter Report, the approved budget is \$35 million and the forecasted budget is \$67.6 million, an increase of \$32.6 million.



TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Sophia Kittler
RE: Appropriation - Proceeds from Revenue Bonds, State loans or grants,
Wastewater Revenues, and Capacity Fees of \$579,185,142 – De-
Appropriation and Re-Appropriation of \$391,415,748 for Wastewater
Capital Improvements at the Public Utilities Commission for FY 2020-2021
and FY 2021-2022
DATE: July 31, 2020

Ordinance appropriating a total of \$579,185,142 of proceeds from revenue bonds, State of California Water Resources Control Board's revolving loan funds (State Loan Funds) or grant funds (State Grant Funds), wastewater revenue and capacity fees for the San Francisco Public Utilities Commission (SFPUC) Wastewater Enterprise's Capital Improvement Program for Fiscal Year 2020-2021 at \$170,869,066 and for Fiscal Year 2021-2022 at \$408,316,076, and placing \$349,919,252 in Revenue Bonds or State Loan or Grant Funds by project on Controller's reserve subject to the Controller's certification of funds availability, including proceeds of indebtedness, and for construction related expenditures (excluding program management, planning and design) for these projects, as applicable, is also subject to the prior occurrence of the SFPUC's and the Board of Supervisors' discretionary adoption of California Environmental Quality Act (CEQA) Findings for projects, following review and consideration of completed project related environmental analysis, where required.

Should you have any questions, please contact Sophia Kittler at 415-554-6153.



To: Angela Calvillo, Clerk of the Board of Supervisors
From: Ashley Groffenberger, Acting Mayor's Budget Director
Date: July 31, 2020
Re: Mayor's FY 2020-21 and FY 2021-22 Budget Submission

Madam Clerk,

In accordance with the Seventh Supplement to the Mayoral Proclamation Declaring the Existence of a Local Emergency dated February 25, 2020, the Mayor's Office hereby submits the Mayor's proposed budget by August 1, corresponding legislation, and related materials for Fiscal Year 2020-21 and Fiscal Year 2021-22.

In addition to the Mayor's Proposed FY 2020-21 and FY 2021-22 Budget Book, the following items are included in the Mayor's submission:

- The Annual Appropriation Ordinance and Annual Salary Ordinance, along with Administrative Provisions, physical copies of which will be delivered by the Controller's Office
- The proposed budget for the Office of Community Investment and Infrastructure for FY 2020-21
- 21 separate pieces of trailing legislation (see list attached)
- A Transfer of Function letter detailing the transfer of positions from one City department to another
- A letter addressing funding levels for nonprofit corporations or public entities for the coming two fiscal years

Please note the following:

- There are no Interim Exceptions proposed.
- Technical adjustments to the budget are being prepared, but are not submitted with this set of materials.

If you have any questions, please contact my office.

Sincerely,

Ashley Groffenberger
Acting Mayor's Budget Director

cc: Members of the Board of Supervisors
Budget and Legislative Analyst
Controller

| Department | Item | Relevance to Budget | Type |
|-------------------|---|--|-------------|
| HOM | Homelessness and Supportive Housing Fund Expenditure Plan for 2020-21 and 2021-22 | Expenditure plan included in budget. | Resolution |
| CON | Neighborhood Beautification Fund | Neighborhood Beautification Fund contribution levels assumed in budget. | Ordinance |
| CON | Access Line Tax CPI increase | Sets Access Line Tax. Revenues assumed in budget. | Resolution |
| CON | Prop J Certification - previously approved | Costs related to Prop J services assumed in budget. | Resolution |
| CON | Prop J Certification - new | Costs related to Prop J services assumed in budget. | Resolution |
| PUC | Hetch Hetchy Capital Budget | Appropriates funds to support PUC Hetch Hetchy capital budget expenditures. | Ordinance |
| PUC | CleanPowerSF Capital Budget | Appropriates funds to support PUC CleanPowerSF capital budget expenditures. | Ordinance |
| PUC | Wastewater Capital Budget | Appropriates funds to support PUC Wastewater Enterprise capital budget expenditures. | Ordinance |
| PUC | Water Capital Budget | Appropriates funds to support PUC Water Enterprise capital budget expenditures. | Ordinance |
| PUC | Power Debt Authorization | Authorizes debt issuance for Hetch Hetchy and CleanPowerSF capital projects. | Ordinance |
| PUC | Wastewater Debt Authorization | Authorizes debt issuance for Wastewater Enterprise capital projects. | Ordinance |
| PUC | Water Debt Authorization | Authorizes debt issuance for Water Enterprise capital projects. | Ordinance |
| LIB | In-Kind Grant of Friends of San Francisco Public Library | Grant assumed in budget. | Resolution |
| ADM | Medical Examiner Fees | Fee revenue assumed in budget. | Ordinance |
| ADM | Permit Center Fees | Fee revenue assumed in budget. | Ordinance |
| ADM | COP Refunding Authorization | Debt savings assumed in budget. | Ordinance |
| ADM | COP Refunding Appropriation | Appropriates and de-appropriates COP savings. | Ordinance |
| ADM | County Clerk Fee | Fee revenue assumed in budget. | Resolution |
| DPH | DPH Patient Rates | Fee revenue assumed in budget. | Ordinance |
| MOHCD | ESG Cares 2 | Grant assumed in budget. | Resolution |
| CON | BSIF Reserve Use | Use of reserve assumed in budget. | Resolution |

From: [Rosenfield, Ben \(CON\)](#)
To: [GIVNER, JON \(CAT\)](#); [Leo, Nicholas \(CON\)](#)
Cc: [Sandler, Risa \(CON\)](#)
Subject: RE: FY21 PUC Capital Supplementals
Date: Wednesday, July 29, 2020 4:55:36 PM

Likewise.

From: Givner, Jon (CAT) <Jon.Givner@sfcityatty.org>
Sent: Wednesday, July 29, 2020 4:32 PM
To: Leo, Nicholas (CON) <nicholas.leo@sfgov.org>; Rosenfield, Ben (CON) <ben.rosenfield@sfgov.org>
Cc: Sandler, Risa (CON) <risa.sandler@sfgov.org>
Subject: RE: FY21 PUC Capital Supplementals

I approve.

Jon Givner
Deputy City Attorney
Office of City Attorney Dennis Herrera
1 Dr. Carlton B. Goodlett Place, Suite 234
San Francisco, CA 94102
phone: (415) 554-4694
www.sfcityattorney.org

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From: Leo, Nicholas (CON) <nicholas.leo@sfgov.org>
Sent: Wednesday, July 29, 2020 4:26 PM
To: Givner, Jon (CAT) <Jon.Givner@sfcityatty.org>; Rosenfield, Ben (CON) <ben.rosenfield@sfgov.org>
Cc: Sandler, Risa (CON) <risa.sandler@sfgov.org>
Subject: FY21 PUC Capital Supplementals

Good afternoon Jon and Ben,

Please find attached the four FY21 PUC Capital Supplementals for your approval in Word and PDF format.

- Hetchy
- Power
- Wastewater

Water

If there are any corrections that need to be made, please let me know. Otherwise, if the supplementals are okay, please reply with your email approval.

Thanks!

Nicholas Leo
Controller's Office
Budget and Analysis Division
nicholas.leo@sfgov.org
415-554-7575