

File No. 200834

Committee Item No. 5

Board Item No. 30

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Appropriations Committee Date August 13, 2020

Board of Supervisors Meeting Date September 15, 2020

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Public Correspondence |

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, Hetch Hetchy Revenue, Low Carbon Fuel
2 Standard, Cap and Trade Allowance - \$260,351,806; De- and Re-Appropriation - Capital
3 Projects - Hetch Hetchy Water/Power Capital Improvements - \$341,001 - FYs 2020-2022]

4 **Ordinance appropriating a total of \$260,351,806 of Hetch Hetchy revenue, Low Carbon**
5 **Fuel Standard, Cap and Trade Revenue and Power and Water Revenue Bonds for the**
6 **San Francisco Public Utilities Commission (SFPUC) Hetch Hetchy Capital Improvement**
7 **Program for FY2020-2021 at \$94,380,451 and for FY2021-2022 at \$165,971,355; and**
8 **placing \$142,970,073 of Power Bonds and \$108,626,733 of Water Bonds by project on**
9 **Controller's Reserve subject to the Controller's certification of funds availability,**
10 **including proceeds of indebtedness, and for construction related expenditures**
11 **(excluding program management, planning and design) for these projects, as**
12 **applicable, is also subject to the prior occurrence of the SFPUC's and the Board of**
13 **Supervisors' discretionary adoption of California Environmental Quality Act findings**
14 **for projects, following review and consideration of completed project related**
15 **environmental analysis, where required.**

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

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

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

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SOURCES Appropriation

Fund /	Project & Activity /	Account	Description	Amount
Department ID	Authority			
25337 Hetchy Power	10014121-0001	480111	Proceeds from Sale	\$56,937,158
2021 Bond Fund /	Hetchy Water-Power	Proceeds from Sale	of Bonds	
231621 HHP01	Bonds /	of Bonds- Face		
General	15366 UH Hetchy	Amount		
Administration	Water-Power Bonds			
26602 Hetchy Water	10014121-0001	480111	Proceeds from Sale	\$33,374,293
2021 Bond Fund /	Hetchy Water-Power	Proceeds from Sale	of Bonds	
231621 HHP01	Bonds /	of Bonds- Face		
General	15366 UH Hetchy	Amount		
Administration	Water-Power Bonds			
25455 HHP LCFS	10035824-0001	479987	Low Carbon Fuel	\$2,500,000
Credit Sale Fund /	Low Carbon Fuel	LCSF Credit	Standard (LCFS)	
298650 HHP0907	Standard /	Revenue		
Light Heat & Power	21284 Low Carbon			
	Fuel Standard			
	(LCFS)			

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	24990 HHWP	10014672-0001	495029	Hetch Hetchy	\$569,000
4	Revenue Continuing /	Hhp:Revenue	ITI Fr 5T-Hetch	Revenue	
5	231621 HHP01	Transfer-Sub Fund /	Hetchy W&P Fds		
6	General	15405 UH HHP			
7	Administration	Revenue Transfer			
8					
9	24990 Cap and	10014665-0001	479988	Cap and Trade	\$1,000,000
10	Trade Allowance /	Hetchy Cap And	Hetchy Cap & Trade	Revenue	
11	298648 HHP0903	Trade Allowance /	Revenue		
12	Energy Services	15404 UH Hetchy			
13		Cap and Trade			
14		Allowance			
15	Total SOURCES Appropriation				\$94,380,451

16
17 Section 2. The uses of funding outlined below are herein appropriated in Accounts
18 567000 (Buildings, Structures, and Improvements), 584030 (Capital Renewal Project), 581130
19 (CON-Internal Audits), 573110 (Bond Issuance Cost-Unamortized), and 567000 (Revenue
20 Bond Oversight Committee), reflecting projected uses of funding to support the Hetch Hetchy
21 Capital Improvement Program at the San Francisco Public Utilities Commission for Fiscal Year
22 2020-2021.
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1 **USES Appropriation**

2	Fund /	Project & Activity /	Account	Description	Amount
3	Department ID	Authority			
4	25455 HHP LCFS	10014230-0001	584030	Retail Customer	\$1,500,000
5	Credit Sale Fund /	Retail Customer	Capital Renewal	Program	
6	298648 HHP0903	Programs /	Projects		
7	Energy Services	15372 Distribution			
8		Services			
9					
10	24990 HHWP	10014230-0001	584030	Retail Customer	\$569,000
11	Revenue Continuing /	Retail Customer	Capital Renewal	Program	
12	298648 HHP0903	Programs /	Projects		
13	Energy Services	15372 Distribution			
14		Services			
15					
16	25337 Hetchy Power	10014226-0001	567000	Distribution	\$23,327,415
17	2021 Bond Fund /	Distribution Services	Blds; Structures &	Services Retail	
18	298648 HHP0903	Retail /	Improvements		
19	Energy Services	15372 Distribution			
20		Services			
21					
22	25337 Hetchy Power	10014227-0001	567000	Bay Corridor	\$10,353,000
23	2021 Bond Fund /	Bay Corridor Project /	Blds; Structures &	Project	
24	298648 HHP0903	15372 Distribution	Improvements		
25	Energy Services	Services			

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3					
4	25455 HHP LCFS	10014646-0001	584030	Generation – Small	\$1,000,000
5	Credit Sale Fund /	Small Renewable /	Capital Renewal	Renewables	
6	298648 HHP0903	15400 UH	Projects		
7	Energy Services	Renewable-			
8		generation			
9					
10	24990 HHWP	10014665-0001	584030	General Fund	\$1,000,000
11	Revenue Continuing /	Hetchy Cap and	Capital Renewal	Energy Efficiency	
12	298648 HHP0903	Trade Allowance /	Projects		
13	Energy Services	15404 UH Hetchy			
14		Cap and Trade			
15		Allowance			
16					
17	25337 Hetchy Power	10014576-0001	567000	Treasure Island	\$4,582,543
18	2021 Bond Fund /	Treasure Island	Blds; Structures &	Capital	
19	298648 HHP0903	Capital	Improvements	Improvements	
20	Energy Services	Improvements /			
21		15391 UH Treasure			
22		Island Capital			
23		Improvements			
24					
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	26602 Hetchy Water	10014065-0001	567000	Hetchy Water –	\$20,077,000
4	2021 Bond Fund /	Hetchy Water - Water	Blds; Structures &	Water Infrastructure	
5	298646 HHP10	Only /	Improvements		
6	Hetchy Water	15363 UH Hetchy			
7		Water - Water Only			
8					
9	26602 Hetchy Water	10014093-0001	567000	Hetchy Joint	\$694,249
10	2021 Bond Fund /	Hetchy Water - Joint	Blds; Structures &	Projects – Water	
11	298646 HHP10	Projects /	Improvements		
12	Hetchy Water	15365 UH Hetchy			
13		Water - Joint Projects			
14					
15	25337 Hetchy Power	10014093-0001	567000	Hetchy Joint	\$848,526
16	2021 Bond Fund /	Hetchy Water - Joint	Blds; Structures &	Projects – Power	
17	298646 HHP10	Projects /	Improvements		
18	Hetchy Water	15365 UH Hetchy			
19		Water - Joint Projects			
20					
21	26602 Hetchy Water	10014113-0001	567000	Mountain Tunnel –	\$7,596,900
22	2021 Bond Fund /	Mountain Tunnel /	Blds; Structures &	Joint Water	
23	298646 HHP10	15365 UH Hetchy	Improvements		
24	Hetchy Water	Water - Joint Projects			
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	25337 Hetchy Power	10014113-0001	567000	Mountain Tunnel –	\$9,285,100
4	2021 Bond Fund /	Mountain Tunnel /	Blds; Structures &	Joint Power	
5	298646 HHP10	15365 UH Hetchy	Improvements		
6	Hetchy Water	Water - Joint Projects			
7					
8	26602 Hetchy Water	10014121-0001	573110	Hetchy Water	\$4,989,457
9	2021 Bond Fund /	Hetchy Water-Power	Bond Issuance	Financing Costs	
10	298646 HHP10	Bonds /	Cost- Unamortized		
11	Hetchy Water	15366 UH Hetchy			
12		Water-power Bonds			
13					
14	26602 Hetchy Water	10014121-0001	567000	Revenue Bond	\$16,687
15	2021 Bond Fund /	Hetchy Water-Power	Blds; Structures &	Oversight	
16	298646 HHP10	Bonds /	Improvements	Committee 0.05%	
17	Hetchy Water	15366 UH Hetchy			
18		Water-power Bonds			
19					
20	25337 Hetchy Power	10014121-0001	573110	Hetchy Power	\$8,503,967
21	2021 Bond Fund /	Hetchy Water-Power	Bond Issuance	Financing Costs	
22	298647 HHP0901	Bonds /	Cost- Unamortized		
23	Power Administration	15366 UH Hetchy			
24		Water-power Bonds			
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	25337 Hetchy Power	10014121-0001	581130	CSA 0.2%	\$8,138
4	2021 Bond Fund /	Hetchy Water-Power	GF-CON-Internal	Controller's Audit	
5	298647 HHP0901	Bonds /	Audits	Fund	
6	Power Administration	15366 UH Hetchy			
7		Water-power Bonds			
8					
9	25337 Hetchy Power	10014121-0001	567000	Revenue Bond	\$28,469
10	2021 Bond Fund /	Hetchy Water-Power	Blds; Structures &	Oversight	
11	298647 HHP0901	Bonds /	Improvements	Committee 0.05%	
12	Power Administration	15366 UH Hetchy			
13		Water-power Bonds			
14	Total USES Appropriation				<u>\$94,380,451</u>

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16 Section 3. Of the above appropriated amount, \$8,138, representing 0.2% of the

17 expenditure budget net of bond financing and audit costs, shall be allocated to support the

18 Controller's Audit Fund, pursuant to Charter Appendix F1.113; and \$45,156, representing

19 0.05% of gross bond proceeds, shall be allocated to support the Public Utilities Commission

20 Revenue Bond Oversight Committee, pursuant to Administrative Code Section 5A.31. These

21 appropriations may be increased or decreased by the Controller based on changes to

22 expenditure appropriations or actual gross bond proceeds to conform to the applicable Charter

23 and Administrative Code formulas.

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1 Section 4. \$90,311,451 of the total appropriation is hereby placed on Controller's
 2 Appropriation Reserve, as set forth below. Release of appropriation reserves by the Controller
 3 is subject to the Controller's certification of funds availability, including proceeds of
 4 indebtedness, and for construction related expenditures (excluding program management,
 5 planning and design) for these projects, as applicable, is also subject to the prior occurrence of
 6 the SFPUC's and the Board of Supervisors' discretionary adoption of California Environmental
 7 Quality Act (CEQA) Findings for projects, following review and consideration of completed
 8 project related environmental analysis, where required.

9
 10 **Appropriation on Reserve**

11	Fund /	Project & Activity /	Account	Description	Amount
12	Department ID	Authority			
13	25337 Hetchy Power	10014226-0001	567000	Distribution	\$23,327,415
14	2021 Bond Fund /	Distribution Services	Blds; Structures &	Services Retail	
15	298648 HHP0903	Retail /	Improvements		
16	Energy Services	15372 Distribution			
17		Services			
18					
19	25337 Hetchy Power	10014227-0001	567000	Bay Corridor	\$10,353,000
20	2021 Bond Fund /	Bay Corridor Project /	Blds; Structures &	Project	
21	298648 HHP0903	15372 Distribution	Improvements		
22	Energy Services	Services			

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	25337 Hetchy Power	10014576-0001	567000	Treasure Island	\$4,582,543
4	2021 Bond Fund /	Treasure Island	Blds; Structures &	Capital	
5	298648 HHP0903	Capital	Improvements	Improvements	
6	Energy Services	Improvements /			
7		15391 UH Treasure			
8		Island Capital			
9		Improvements			
10					
11	26602 Hetchy Water	10014065-0001	567000	Hetchy Water –	\$20,077,000
12	2021 Bond Fund /	Hetchy Water - Water	Blds; Structures &	Water Infrastructure	
13	298646 HHP10	Only /	Improvements		
14	Hetchy Water	15363 UH Hetchy			
15		Water - Water Only			
16					
17	26602 Hetchy Water	10014093-0001	567000	Hetchy Joint	\$694,249
18	2021 Bond Fund /	Hetchy Water - Joint	Blds; Structures &	Projects – Water	
19	298646 HHP10	Projects /	Improvements		
20	Hetchy Water	15365 UH Hetchy			
21		Water - Joint Projects			
22					
23					
24					
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1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	25337 Hetchy Power	10014093-0001	567000	Hetchy Joint	\$848,526
4	2021 Bond Fund /	Hetchy Water - Joint	Blds; Structures &	Projects – Power	
5	298646 HHP10	Projects /	Improvements		
6	Hetchy Water	15365 UH Hetchy			
7		Water - Joint Projects			
8					
9	26602 Hetchy Water	10014113-0001	567000	Mountain Tunnel –	\$7,596,900
10	2021 Bond Fund /	Mountain Tunnel /	Blds; Structures &	Joint Water	
11	298646 HHP10	15365 UH Hetchy	Improvements		
12	Hetchy Water	Water - Joint Projects			
13					
14	25337 Hetchy Power	10014113-0001	567000	Mountain Tunnel –	\$9,285,100
15	2021 Bond Fund /	Mountain Tunnel /	Blds; Structures &	Joint Power	
16	298646 HHP10	15365 UH Hetchy	Improvements		
17	Hetchy Water	Water - Joint Projects			
18					
19	26602 Hetchy Water	10014121-0001	573110	Hetchy Water	\$4,989,457
20	2021 Bond Fund /	Hetchy Water-Power	Bond Issuance	Financing Costs	
21	298646 HHP10	Bonds /	Cost- Unamortized		
22	Hetchy Water	15366 UH Hetchy			
23		Water-power Bonds			
24					
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	26602 Hetchy Water	10014121-0001	567000	Revenue Bond	\$16,687
4	2021 Bond Fund /	Hetchy Water-Power	Blds; Structures &	Oversight	
5	298646 HHP10	Bonds /	Improvements	Committee 0.05%	
6	Hetchy Water	15366 UH Hetchy			
7		Water-power Bonds			
8					
9	25337 Hetchy Power	10014121-0001	573110	Hetchy Power	\$8,503,967
10	2021 Bond Fund /	Hetchy Water-Power	Bond Issuance	Financing Costs	
11	298647 HHP0901	Bonds /	Cost- Unamortized		
12	Power Administration	15366 UH Hetchy			
13		Water-power Bonds			
14					
15	25337 Hetchy Power	10014121-0001	581130	CSA 0.2%	\$8,138
16	2021 Bond Fund /	Hetchy Water-Power	GF-CON-Internal	Controller's Audit	
17	298647 HHP0901	Bonds /	Audits	Fund	
18	Power Administration	15366 UH Hetchy			
19		Water-power Bonds			
20					
21					
22					
23					
24					
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	25337 Hetchy Power	10014121-0001	567000	Revenue Bond	\$28,469
4	2021 Bond Fund /	Hetchy Water-Power	Blds; Structures &	Oversight	
5	298647 HHP0901	Bonds /	Improvements	Committee 0.05%	
6	Power Administration	15366 UH Hetchy			
7		Water-power Bonds			
8	Total Appropriation on Reserve				\$90,311,451

9

10 Section 5. Associated bond financing costs up to \$13,546,718 are 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 bond
 13 proceeds. To the extent that net available bond proceeds after financing costs are more than
 14 budgeted, the SFPUC may use such surplus bond proceeds as a substitute for other sources
 15 budgeted in this ordinance.

16

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

20

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

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1 **SOURCES Appropriation**

2	Fund /	Project & Activity /	Account	Description	Amount
3	Department ID	Authority			
4	25337 Hetchy Power	10014121-0001	480111	Proceeds from Sale	\$86,032,915
5	2021 Bond Fund /	Hetchy Water-Power	Proceeds from Sale	of Bonds	
6	231621 HHP01	Bonds /	of Bonds- Face		
7	General	15366 UH Hetchy	Amount		
8	Administration	Water-Power Bonds			
9					
10	26602 Hetchy Water	10014121-0001	480111	Proceeds from Sale	\$75,252,440
11	2021 Bond Fund /	Hetchy Water-Power	Proceeds from Sale	of Bonds	
12	231621 HHP01	Bonds /	of Bonds- Face		
13	General	15366 UH Hetchy	Amount		
14	Administration	Water-Power Bonds			
15					
16	25455 HHP LCFS	10035824-0001	479987	Low Carbon Fuel	\$2,000,000
17	Credit Sale Fund /	Low Carbon Fuel	LCSF Credit	Standard (LCFS)	
18	298650 HHP0907	Standard /	Revenue		
19	Light Heat & Power	21284 Low Carbon			
20		Fuel Standard			
21		(LCFS)			
22					
23					
24					
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	24990 HHWP	10014672-0001	495029	Hetch Hetchy	\$1,686,000
4	Revenue Continuing /	Hhp:Revenue	ITI Fr 5T-Hetch	Revenue	
5	231621 HHP01	Transfer-Sub Fund /	Hetchy W&P Fds		
6	General	15405 UH HHP			
7	Administration	Revenue Transfer			
8					
9	24990 Cap and	10014665-0001	479988	Cap and Trade	\$1,000,000
10	Trade Allowance /	Cap and Trade	Hetchy Cap & Trade	Revenue	
11	298648 HHP0903	Allowance /	Revenue		
12	Energy Services	15404 UH Hetchy			
13		Cap and Trade			
14		Allowance			
15	Total SOURCES Appropriation				<u>\$165,971,355</u>

16
17 Section 8. The uses of funding outlined below are herein appropriated in Accounts
18 567000 (Buildings Structures and Improvements), 584030 (Capital Renewal Project), 581130
19 (Internal Audits), 567000 (Revenue Bond Oversight Committee), and 573110 (Financing Costs)
20 reflects the projected uses of funding to support the Hetch Hetchy Capital Improvement
21 Program at the San Francisco Public Utilities Commission for Fiscal Year 2021-2022.

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1 **USES Appropriation**

2	Fund /	Project & Activity /	Account	Description	Amount
3	Department ID	Authority			
4	25455 HHP LCFS	10014230-0001	584030	Retail Customer	\$1,000,000
5	Credit Sale Fund /	Retail Customer	Capital Renewal	Program	
6	298648 HHP0903	Program /	Projects		
7	Energy Services	15372 Distribution			
8		Services			
9					
10	24990 HHWP	10014230-0001	584030	Retail Customer	\$1,686,000
11	Revenue Continuing /	Retail Customer	Capital Renewal	Program	
12	298648 HHP0903	Program /	Projects		
13	Energy Services	15372 Distribution			
14		Services			
15					
16	25337 Hetchy Power	10014226-0001	567000	Distribution	\$21,285,526
17	2021 Bond Fund /	Distribution Services	Blds; Structures &	Services Retail	
18	298648 HHP0903	Retail /	Improvements		
19	Energy Services	15372 Distribution			
20		Services			
21					
22					
23					
24					
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	25455 HHP LCFS	10014646-0001	584030	Generation – Small	\$1,000,000
4	Credit Sale Fund /	Small Renewables /	Capital Renewal	Renewables	
5	298648 HHP0903	15400 UH	Projects		
6	Energy Services	Renewable-			
7		generation			
8					
9	24990 HHWP	10014665-0001	584030	General Fund	\$1,000,000
10	Revenue Continuing /	Hetchy Cap and	Capital Renewal	Energy Efficiency	
11	298648 HHP0903	Trade Allowance /	Projects		
12	Energy Services	15404 UH Hetchy			
13		Cap and Trade			
14		Allowance			
15					
16	25337 Hetchy Power	10014576-0001	567000	Treasure Island	\$4,332,543
17	2021 Bond Fund /	Treasure Island	Blds; Structures &	Capital	
18	298648 HHP0903	Capital	Improvements	Improvements	
19	Energy Services	Improvements/			
20		15391 UH Treasure			
21		Island Capital			
22		Improvements			
23					
24					
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	26602 Hetchy Water	10014065-0001	567000	Hetchy Water –	\$33,733,000
4	2021 Bond Fund /	Hetchy Water - Water	Blds; Structures &	Water Infrastructure	
5	298646 HHP10	Only /	Improvements		
6	Hetchy Water	15363 UH Hetchy			
7		Water - Water Only			
8					
9	25337 Hetchy Power	10014073-0001	567000	Hetchy Water –	\$10,560,207
10	2021 Bond Fund /	Hetchy Water -	Blds; Structures &	Power	
11	298646 HHP10	Power /	Improvements	Infrastructure	
12	Hetchy Water	15364 UH Hetchy			
13		Water - Power			
14		Infrastructure			
15					
16	26602 Hetchy Water	10014093-0001	567000	Hetchy Joint	\$21,756,724
17	2021 Bond Fund /	Hetchy Water - Joint	Blds; Structures &	Projects – Water	
18	298646 HHP10	Projects /	Improvements		
19	Hetchy Water	15365 UH Hetchy			
20		Water - Joint Projects			
21					
22					
23					
24					
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	25337 Hetchy Power	10014093-0001	567000	Hetchy Joint	\$26,591,552
4	2021 Bond Fund /	Hetchy Water - Joint	Blds; Structures &	Projects – Power	
5	298646 HHP10	Projects /	Improvements		
6	Hetchy Water	15365 UH Hetchy			
7		Water - Joint Projects			
8					
9	26602 Hetchy Water	10014113-0001	567000	Mountain Tunnel –	\$8,474,850
10	2021 Bond Fund /	Mountain Tunnel /	Blds; Structures &	Joint Water	
11	298646 HHP10	15365 UH Hetchy	Improvements		
12	Hetchy Water	Water - Joint Projects			
13					
14	25337 Hetchy Power	10014113-0001	567000	Mountain Tunnel –	\$10,358,150
15	2021 Bond Fund /	Mountain Tunnel /	Blds; Structures &	Joint Power	
16	298646 HHP10	15365 UH Hetchy	Improvements		
17	Hetchy Water	Water - Joint Projects			
18					
19	26602 Hetchy Water	10014121-0001	573110	Hetchy Water	\$11,250,240
20	2021 Bond Fund /	Hetchy Water-Power	Bond Issuance	Financing Costs	
21	298646 HHP10	Bonds /	Cost- Unamortized		
22	Hetchy Water	15366 UH Hetchy			
23		Water-power Bonds			
24					
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	26602 Hetchy Water	10014121-0001	567000	Revenue Bond	\$37,626
4	2021 Bond Fund /	Hetchy Water-Power	Blds; Structures &	Oversight	
5	298646 HHP10	Bonds /	Improvements	Committee 0.05%	
6	Hetchy Water	15366 UH Hetchy			
7		Water-power Bonds			
8					
9	25337 Hetchy Power	10014121-0001	573110	Hetchy Power	\$12,852,549
10	2021 Bond Fund /	Hetchy Water-Power	Bond Issuance	Financing Costs	
11	298647 HHP0901	Bonds /	Cost- Unamortized		
12	Power Administration	15366 UH Hetchy			
13		Water-power Bonds			
14					
15	25337 Hetchy Power	10014121-0001	581130	CSA 0.2%	\$9,372
16	2021 Bond Fund /	Hetchy Water-Power	GF-CON-Internal	Controller's Audit	
17	298647 HHP0901	Bonds /	Audits	Fund	
18	Power Administration	15366 UH Hetchy			
19		Water-power Bonds			
20					
21					
22					
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1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	25337 Hetchy Power	10014121-0001	567000	Revenue Bond	\$43,016
4	2021 Bond Fund /	Hetchy Water-Power	Blds; Structures &	Oversight	
5	298647 HHP0901	Bonds /	Improvements	Committee 0.05%	
6	Power Administration	15366 UH Hetchy			
7		Water-power Bonds			
8	Total USES Appropriation				<u>\$165,971,355</u>

9

10 Section 9. Of the above appropriated amount, \$9,372, representing 0.2% of the
 11 expenditure budget net of bond financing and audit costs, shall be allocated to support the
 12 Controller's Audit Fund, pursuant to Charter Appendix F1.113; and \$80,642, representing
 13 0.05% of gross bond proceeds, shall be allocated to support the Public Utilities Commission
 14 Revenue Bond Oversight Committee, pursuant to Administrative Code Section 5A.31. These
 15 appropriations may be increased or decreased by the Controller based on changes to
 16 expenditure appropriations or actual gross bond proceeds to conform to the applicable Charter
 17 and Administrative Code formulas.

18

19 Section 10. \$161,285,355 of the total appropriation is hereby placed on Controller's
 20 Appropriation Reserve, as set forth below. Release of appropriation reserves by the Controller
 21 is subject to the Controller's certification of funds availability, including proceeds of
 22 indebtedness, and for construction related expenditures (excluding program management,
 23 planning and design) for these projects, as applicable, is also subject to the prior occurrence of
 24 the SFPUC's and the Board of Supervisors' discretionary adoption of California Environmental
 25

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

3

4 **Appropriation on Reserve**

5	Fund /	Project & Activity /	Account	Description	Amount
6	Department ID	Authority			
7	25337 Hetchy Power	10014226-0001	567000	Distribution	\$21,285,526
8	2021 Bond Fund /	Distribution Services	Blds; Structures &	Services Retail	
9	298648 HHP0903	Retail /	Improvements		
10	Energy Services	15372 Distribution			
11		Services			
12					
13	25337 Hetchy Power	10014576-0001	567000	Treasure Island	\$4,332,543
14	2021 Bond Fund /	Treasure Island	Blds; Structures &	Capital	
15	298648 HHP0903	Capital	Improvements	Improvements	
16	Energy Services	Improvements /			
17		15391 UH Treasure			
18		Island Capital			
19		Improvements			
20					
21	26602 Hetchy Water	10014065-0001	567000	Hetchy Water –	\$33,733,000
22	2021 Bond Fund /	Hetchy Water - Water	Blds; Structures &	Water Infrastructure	
23	298646 HHP10	Only /	Improvements		
24	Hetchy Water	15363 UH Hetchy			
25		Water - Water Only			

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3					
4	25337 Hetchy Power	10014073-0001	567000	Hetchy Water –	\$10,560,207
5	2021 Bond Fund /	Hetchy Water -	Blds; Structures &	Power	
6	298646 HHP10	Power /	Improvements	Infrastructure	
7	Hetchy Water	15364 UH Hetchy			
8		Water - Power			
9		Infrastructure			
10					
11	26602 Hetchy Water	10014093-0001	567000	Hetchy Joint	\$21,756,724
12	2021 Bond Fund /	Hetchy Water - Joint	Blds; Structures &	Projects – Water	
13	298646 HHP10	Projects /	Improvements		
14	Hetchy Water	15365 UH Hetchy			
15		Water - Joint Projects			
16					
17	25337 Hetchy Power	10014093-0001	567000	Hetchy Joint	\$26,591,552
18	2021 Bond Fund /	Hetchy Water - Joint	Blds; Structures &	Projects – Power	
19	298646 HHP10	Projects /	Improvements		
20	Hetchy Water	15365 UH Hetchy			
21		Water - Joint Projects			
22					
23					
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1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	26602 Hetchy Water	10014113-0001	567000	Mountain Tunnel –	\$8,474,850
4	2021 Bond Fund /	Mountain Tunnel /	Blds; Structures &	Joint Water	
5	298646 HHP10	15365 UH Hetchy	Improvements		
6	Hetchy Water	Water - Joint Projects			
7					
8	25337 Hetchy Power	10014113-0001	567000	Mountain Tunnel –	\$10,358,150
9	2021 Bond Fund /	Mountain Tunnel /	Blds; Structures &	Joint Power	
10	298646 HHP10	15365 UH Hetchy	Improvements		
11	Hetchy Water	Water - Joint Projects			
12					
13	26602 Hetchy Water	10014121-0001	573110	Hetchy Water	\$11,250,240
14	2021 Bond Fund /	Hetchy Water-Power	Bond Issuance	Financing Costs	
15	298646 HHP10	Bonds /	Cost- Unamortized		
16	Hetchy Water	15366 UH Hetchy			
17		Water-power Bonds			
18					
19	26602 Hetchy Water	10014121-0001	567000	Revenue Bond	\$37,626
20	2021 Bond Fund /	Hetchy Water-Power	Blds; Structures &	Oversight	
21	298646 HHP10	Bonds /	Improvements	Committee 0.05%	
22	Hetchy Water	15366 UH Hetchy			
23		Water-power Bonds			
24					
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	25337 Hetchy Power	10014121-0001	573110	Hetchy Power	\$12,852,549
4	2021 Bond Fund /	Hetchy Water-Power	Bond Issuance	Financing Costs	
5	298647 HHP0901	Bonds /	Cost- Unamortized		
6	Power Administration	15366 UH Hetchy			
7		Water-power Bonds			
8					
9	25337 Hetchy Power	10014121-0001	581130	CSA 0.2%	\$9,372
10	2021 Bond Fund /	Hetchy Water-Power	GF-CON-Internal	Controller's Audit	
11	298647 HHP0901	Bonds /	Audits	Fund	
12	Power Administration	15366 UH Hetchy			
13		Water-power Bonds			
14					
15	25337 Hetchy Power	10014121-0001	567000	Revenue Bond	\$43,016
16	2021 Bond Fund /	Hetchy Water-Power	Blds; Structures &	Oversight	
17	298647 HHP0901	Bonds /	Improvements	Committee 0.05%	
18	Power Administration	15366 UH Hetchy			
19		Water-power Bonds			
20	Total Appropriation on Reserve				\$161,285,355

21

22 Section 11. Associated bond financing costs up to \$24,192,803 are also hereby

23 appropriated, including but not limited to, issuance costs, debt service reserve, capitalized

24 interest, rating agency, and disclosure costs, all on Controller's reserve pending receipt of bond

25 proceeds. To the extent that net available bond proceeds after financing costs are more than

1 budgeted, the SFPUC may use such surplus bond proceeds as a substitute for other sources
2 budgeted in this ordinance.

3
4 Section 12. De-appropriating and Re-appropriating \$341,001 Hetchy Revenue funds in the
5 Hetchy Enterprise Capital Improvement Program in FY2020-2021.

6

7 **USES De-Appropriation**

8	Fund /	Project & Activity /	Account	Description	Amount
9	Department ID	Authority			
10	24990 HHWP	10014241-0001	584030	Transmission	\$9,999
11	Revenue Continuing /	Transmission	Capital Renewal	Distribution System	
12	298648 HHP0903	Distribution System /	Projects		
13	Energy Services	15373 Transmission			
14		Distribution System			
15					
16	24990 HHWP	10014357-0001	584030	Underground	331,002
17	Revenue Continuing /	Underground	Capital Renewal	Assessment Fund	
18	298648 HHP0903	Assessment Fund /	Projects		
19	Energy Services	15379 Underground			
20		Assessment Fund			
21	Total USES De-Appropriation				\$341,001

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1 **USES Re-Appropriation**

2	Fund /	Project & Activity /	Account	Description	Amount
3	Department ID	Authority			
4	24990 HHWP	10014379-0001	584030	Electric Distribution	\$21,246
5	Revenue Continuing /	Electric Distribution	Capital Renewal	System	
6	298648 HHP0903	System /	Projects		
7	Energy Services	15380 Electric			
8		Distribution System			
9					
10	24990 HHWP	10014501-0001	584030	Distribution System	\$319,755
11	Revenue Continuing /	Distribution System	Capital Renewal	Assessment	
12	298648 HHP0903	Assessment /	Projects		
13	Energy Services	15385 Distribution			
14		System Assessment			
15	Total USES Re-Appropriation				\$341,001

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1 Section 13. The Controller is authorized to record transfers between funds and adjust the
2 accounting treatment of sources and uses appropriated in this ordinance as necessary to
3 conform to Generally 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 3 & 7 Files 20-0834 & 20-0836	Department: Public Utilities Commission
EXECUTIVE SUMMARY	
<p style="text-align: center;">Legislative Objectives</p> <ul style="list-style-type: none"> • <u>File 20-0834</u> would appropriate \$260,351,806 Hetch Hetchy revenue, Low Carbon Fuel Standard, Cap and Trade Revenue and Power and Water Revenue Bonds for the SFPUC's Hetch Hetchy Capital Improvement Program for FY 2020-21 and FY 2021-22. Bond proceeds would be placed on Controller's Reserve pending receipt of revenues and the Board of Supervisors' discretionary adoption of California Environmental Quality Act (CEQA) Findings for projects • <u>File 20-0836</u> would authorize the issuance of \$142,970,073 in taxable or tax-exempt Power Revenue Bonds and other forms of indebtedness authorized by the SFPUC. <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> • The Hetch Hetchy enterprise includes Hetchy Water, which is responsible for the water system in and around the Hetch Hetchy reservoir, Hetchy Power, which is responsible for power generation, and CleanPowerSF. A description of the projects proposed to be funded by File 20-0834 is included in Attachment I of this report. <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> • The SFPUC anticipates issuing the proposed \$143 million in Power Bonds in 1 or 2 series beginning in FY 2020-21 and FY 2021-22. The expected annual debt service on the proposed new debt would be \$9.6 million. <p style="text-align: center;">Policy Consideration</p> <ul style="list-style-type: none"> • As of July 2020, the Board of Supervisors previously authorized the issuance and sale of \$280.4 million in Power Revenue Bonds and other debt, of which \$103.1 million of Power Revenue Bonds and commercial paper have been sold with \$177.2 million in authorized and unsold bonds. The proposed ordinance (File 20-0836) authorizes an additional \$143 million in Power Revenue Bonds and other forms of debt. 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. <p style="text-align: center;">Recommendation</p> <ul style="list-style-type: none"> • Approve the proposed ordinances 	

MANDATE STATEMENT

Charter Section 9.107(6, 8) states that the Board of Supervisors is authorized to provide for the issuance of revenue bonds for the purpose of the reconstruction or replacement of existing water facilities or electric power facilities or combinations of water and electric power facilities under the jurisdiction of the Public Utilities Commission, when authorized by resolution adopted by a three-fourths affirmative vote of all members of the Board of Supervisors; and issued to finance or refinance the acquisition, construction, installation, equipping, improvement or rehabilitation of equipment or facilities for renewable energy and energy conservation.

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 F1.113 states that 0.2 percent of the City's budget, excluding bond debt, must be set-aside for the Controller's audit fund.

Charter Section 5A.31(d) states that one-twentieth of one percent (0.05%) 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

The SFPUC maintains three utility enterprises: Water, Wastewater, and Hetch Hetchy. The Hetch Hetchy enterprise includes Hetchy Water, which is responsible for the water system in and around the Hetch Hetchy reservoir, Hetchy Power, which is responsible for power generation, and CleanPowerSF. Because power is generated hydroelectrically, certain capital projects benefit both the Hetchy Water and Hetchy Power operations. Hetchy Power primarily provides electricity to City agencies and other government entities.

Hetch Hetchy Capital Improvement Program

According to the San Francisco Public Utilities Commission's (SFPUC) 10-Year Financial Plan, the Hetch Hetchy Enterprise Capital Improvement Program for FY 2020-21 through FY 2029-30 is \$1.56 billion, of which \$1.02 billion is for the Hetchy Water Capital Program and \$542.45 million is for the Power Enterprise. Major funding sources include power revenues, power revenue bonds, and water revenue bonds.

DETAILS OF PROPOSED LEGISLATION

File 20-0834 is a proposed ordinance that would appropriate \$260,351,806 Hetch Hetchy revenue, Low Carbon Fuel Standard, Cap and Trade Revenue and Power and Water Revenue Bonds for the SFPUC's Hetch Hetchy Capital Improvement Program for FY 2020-21 and FY 2021-22. The detailed sources and uses of these funds are shown below in Table 1.

Table 1: Sources of Uses for Hetch Hetchy Capital Improvement Program

	FY 2020-21	FY 2021-22	Total
Sources			
Hetch Hetchy Power Bond Proceeds (see File 20-0836)	56,937,158	86,032,915	142,970,073
Water Bond Proceeds (see File 20-0838)	33,374,293	75,252,440	108,626,733
Low Carbon Fuel Standard Funds	2,500,000	2,000,000	4,500,000
Hetch Hetchy Revenue	569,000	1,686,000	2,255,000
Cap & Trade Auction Revenue	1,000,000	1,000,000	2,000,000
Total Sources	94,380,451	165,971,355	260,351,806
Uses			
Retail Customer Program - Power	2,069,000	2,686,000	4,755,000
Retail Distribution Services	23,327,415	21,285,526	44,612,941
Bay Corridor Project	10,353,000		10,353,000
Small Renewable Generation	1,000,000	1,000,000	2,000,000
Energy Efficiency	1,000,000	1,000,000	2,000,000
Treasure Island Capital Improvements	4,582,543	4,332,543	8,915,086
Hetch Hetchy Water Infrastructure	20,077,000	33,733,000	53,810,000
Hetch Hetchy Power Infrastructure	0	10,560,207	10,560,207
Joint Water Projects	694,249	21,756,724	22,450,973
Joint Power Projects	848,526	26,591,552	27,440,078
Mountain Tunnel Project - Water	7,596,900	8,474,850	16,071,750
Mountain Tunnel Project - Power	9,285,100	10,358,150	19,643,250
Subtotal, Project Uses	80,833,733	141,778,552	222,612,285
Water Financing Costs	4,989,457	11,250,240	16,239,697
Power Financing Costs	8,503,967	12,852,549	21,356,516
Revenue Bond Oversight Committee (0.05%)	45,156	80,642	125,798
Controller's Audit Fund (0.2%)	8,138	9,372	17,510
Subtotal, Other Uses	13,546,718	24,192,803	37,739,521
Total Uses	94,380,451	165,971,355	260,351,806

Source: File 20-0834

A description of these projects is included in Attachment I.

The proposed ordinance would also transfer \$341,001 of surplus funds among existing capital projects in FY 2020-21, as shown in Table 2 below.

Table 2: Transfer of Previously Appropriated Funds

	FY 2020-21
Sources	
Transmission Distribution Systems	9,999
Underground Assessment Fund	331,002
Total Sources	341,001
Uses	
Electric Distribution System	21,246
Distribution System Assessment	319,755
Total Uses	341,001

Source: File 20-0834

The following funds would be placed on Controller’s Reserve pending receipt of bond revenues:

- \$90,311,451 of the \$94,380,451 in new sources in FY 2020-21
- \$161,285,355 of the \$165,971,355 in new sources in FY 2021-22

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 20-0836 is a proposed ordinance authorizing the issuance of \$142,970,073 in taxable or tax-exempt Power Revenue Bonds and other forms of indebtedness authorized by the SFPUC, including New Clean Renewable Energy Bonds and Qualified Energy Conservation Bonds, commercial paper, revolving credit notes, and bond anticipation notes to finance the Hetch Hetchy Capital Improvement Program.

The ordinance would authorize the Controller, Treasurer, and City Attorney to take necessary actions to facilitate the issuance of the debt. Finally, the SFPUC would be required to provide a report to the Board of Supervisors that includes the amount of Power Revenue Bonds issued under the proposed and prior authorizations, total amount sold, the remaining authorized but unissued amount, and the bond authorization no longer necessary due to changes in projects and project financing.

FISCAL IMPACT

Bond Authorization

File 20-0836 would authorize the issuance of \$142,970,073 of Power Revenue Bonds and other forms of indebtedness authorized by the SFPUC. That ordinance would also authorize issuance of Refunding Bonds to refinance outstanding debt held by the Hetch Hetchy Enterprise.

Commercial Paper

The SFPUC currently has \$63,585,000 in outstanding commercial paper which could be retired by the issuance of new Power Revenue Bonds under the proposed ordinance.

Refunding Bonds

The proposed ordinance does not specify the amount of Refunding Bonds that could be issued to refinance outstanding Hetch Hetchy Enterprise Bond debt. According to the SFPUC, the Power Enterprise anticipates issuing refunding bonds if market conditions result in savings exceeding the minimum 3 percent debt service savings threshold and not extend the maturity date of the bonds that would be refinanced. 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.

SFPUC Debt Management Policy

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

The SFPUC's financial policies requires that each Enterprise generate net revenues of at least 1.35 times of annual debt service to remain compliant with the Department's Bond Indenture Agreement and that annual revenues are at least 1.10 times of annual debt service.

The SFPUC is expected to remain complaint with these debt service coverage ratios. According to the SFPUC's 10 Year Financial Plan, estimated Hetch Hetchy Enterprise annual debt service coverage ratio in FY 2020-21 would be 4.15 times annual revenues and 5.14 times annual revenues in FY 2021-22. Net revenues are expected to be 23.85 times debt service in FY 2020-21- and 29.94-times debt service in FY 2021-22.

Bond Issuance and Debt Service

The SFPUC anticipates issuing the proposed \$143 million in Power Bonds in 1 or 2 series in FY 2020-21 and FY 2021-22.

The debt service for the proposed \$143 Power bonds is expected to be \$9.6 million annually. According to the SFPUC's 10 Year Financial Plan from FY 2020-21 to FY 2029-30, total estimated Hetch Hetchy Enterprise annual debt service in FY 2020-21 would be \$4.1 million, increasing to \$49.4 million in FY 2029-30.

Power Rate Increases

In order to meet operating, capital, and debt expenses, the SFPUC adopted annual rate increases of 1 cent per year for Municipal customers¹ and 3 percent annually for other customers in FY 2020-21 and in FY 2021-2.

¹ The proposed electricity rates for Municipal customers are \$8.88 c/kWh in FY 2020-21 and \$9.88 c/kWh in FY 2021-22.

POLICY CONSIDERATION**Status of Authorized and Issued Power Enterprise Debt**

The Board of Supervisors previously authorized the issuance and sale of \$280.4 million in Power Revenue Bonds and other debt, of which \$103.1 million of Power Revenue Bonds and commercial paper have been sold with \$177.2 million in authorized and unsold bonds. The proposed ordinance (File 20-0836) authorizes an additional \$143 million in Power Revenue Bonds and other forms of debt. 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.

RECOMMENDATION

Approve the proposed ordinances.

Retail Customer Program – Hetchy Power (increase of \$4.7 million)

The proposed ordinance appropriates \$4.7 million over two years to fund Hetch Hetchy Power customer programs. These programs include retrofit electrification programs, electric vehicle charging and storage infrastructure, and support for residential energy efficiency and renewable projects in the retrofit of existing and construction of new affordable residential housing developments, as well as market rate existing buildings.

The total expected cost through FY 2029-30 is \$32.8 million.

Retail Distribution Services (increase of \$44.6 million)

This project funds enhancements to the electric distribution system for various major development projects in San Francisco, including Port projects and Redevelopment projects. The SFPUC, as the electric utility provider, will install the conductors in the conduits, transformers, switches, and metering equipment required for the electric distribution system.

The total expected cost through FY 2029-30 is \$224.9 million.

Bay Corridor Project (increase of \$10.4 million)

This project funds distribution infrastructure from the Potrero substation and a new substation facility at proposed to be located at Quinn Street. The scope of work includes underground ductbank work, cable pulls, transformer substation and transmission connections to PG&E Potrero and related customer interface equipment and cables. Work will extend initially from Southeast Plant to the Mission Rock.

The total expected cost through FY 2029-30 is \$10.4 million.

Small Renewable Generation (increase of \$2 million)

This project funds planning and procurement costs for municipal renewable energy projects. Costs include site identification, site development, RFQ qualification process, RFP preparation, bidding process, contract negotiation, award of contracts, and management of construction and commissioning.

The total expected cost through FY 2029-30 is \$10 million.

Energy Efficiency (increase of \$2 million)

Funded by California Cap and Trade auction revenue, this project funds planning, design and construction for energy efficiency projects for City Departments, including Police, Fire, SFUSD, Real Estate, Recreation & Parks, Public Health, Fine Arts Departments, and others.

The total expected cost through FY 2029-30 is \$10 million.

Treasure Island Capital Improvements (increase of \$8.9 million)

This project funds the installation of the wires in conduits, transformers, switches, and metering equipment and connecting the existing electrical distribution system with the new system being developed on Treasure Island.

The total expected cost through FY 2029-30 is \$13.7 million.

Hetch Hetchy Water Infrastructure (increase of 53.8 million)

This program funds improvements to Hetchy Water infrastructure and assets that are 100% funded by the Water Enterprise. Projects includes continued rehabilitation to the San Joaquin Pipeline, including evaluation and assessment of structural integrity, structural upgrade of the pipeline and other projects

including pipeline cathodic protection, coating, valve replacement projects and the portion of improvements to Mountain Tunnel that are funded 100% by the Water Enterprise.

The total expected cost though FY 2029-30 is \$277.9M.

Hetch Hetchy Power Infrastructure (increase of \$10.6 million)

This program funds improvements to Hetchy Power infrastructure and assets that are 100% funded by the Power Enterprise. Many Power Infrastructure facilities and equipment have reached their life expectancy and power generation will become less reliable if upgrades are not performed. Projects include improvements to the Moccasin Powerhouse and transmission line upgrades, clearance and mitigation. All the \$10.6M funding is in FY 2021-22.

The total expected cost over though FY 2029-30 is \$152.3M.

Joint Power Hetchy Water and Hetchy Power Projects (increase of \$49.9 million)

This program funds improvements to Hetchy Joint Water/Power infrastructure and assets that are funded 55% by the Water Enterprise and 45% by the Power Enterprise. Project include improvements to Hetchy up-country facilities, condition assessments and rehabilitation of various dam in the Hetchy watershed, improvements to roads and bridges and security and communication projects.

The total expected cost though FY 2029-30 is \$523.2M.

Mountain Tunnel Project – Hetchy Water & Hetchy Power (increase of \$35.7 million)

This project funds repairs to the Mountain Tunnel, which conveys SFPUC water from Kirkwood Powerhouse to Priest Reservoir.

The total expected cost though FY 2029-30 is \$71 million.



TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Sophia Kittler
RE: Appropriation - Proceeds from Revenue Bonds, Hetch Hetchy Revenue, Low Carbon Fuel Standard, Cap and Trade Allowance of \$260,351,806 in FY2020-2021 and FY2021-2022 – De-Appropriation and Re-Appropriation Capital Projects - \$341,001.11 for Hetch Hetchy Water and Power Capital Improvements in FY2020-2021
DATE: July 31, 2020

Ordinance appropriating a total of \$260,351,806 of Hetch Hetchy revenue, Low Carbon Fuel Standard, Cap and Trade Revenue and Power and Water Revenue Bonds for the San Francisco Public Utilities Commission (SFPUC) Hetch Hetchy Capital Improvement Program for Fiscal Year 2020-2021 at \$94,380,451 and for Fiscal Year 2021-2022 at \$165,971,355; and placing \$142,970,073 of Power Bonds, \$108,626,733 of Water Bonds 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: [Wong, Linda \(BOS\)](#)
To: [Jalipa, Brent \(BOS\)](#)
Subject: FW: OPPOSE UNLESS AMENDED 8/13/20 BOS Budget and Appropriations Committee Items #1, #5, #8 and #11
Date: Tuesday, August 11, 2020 11:31:06 AM

Brent,

Please attach to Legistar.

Thanks,
Linda

From: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Sent: Tuesday, August 11, 2020 11:27 AM
To: BOS-Supervisors <bos-supervisors@sfgov.org>
Cc: Wong, Linda (BOS) <linda.wong@sfgov.org>
Subject: FW: OPPOSE UNLESS AMENDED 8/13/20 BOS Budget and Appropriations Committee Items #1, #5, #8 and #11

From: aeboken <aeboken@gmail.com>
Sent: Tuesday, August 11, 2020 12:48 AM
To: BOS-Supervisors <bos-supervisors@sfgov.org>; BOS-Legislative Aides <bos-legislative_aides@sfgov.org>
Subject: OPPOSE UNLESS AMENDED 8/13/20 BOS Budget and Appropriations Committee Items #1, #5, #8 and #11

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TO: Board of Supervisors members

RE: BOS 8/13/20 Budget and Appropriations Committee Agenda Items

Agenda Item #1 File #200567 Budget and Appropriations for SFPUC etc

Agenda Item #5 File #200834 Capital Projects SFPUC

Agenda Item #8 File #200833 Capital Projects SFPUC

Agenda Item #11 File #200838 Capital Projects SFPUC

I am strongly opposing these items unless they are amended to include:

- Dedicated AWSS from Taraval and Sunset Boulevard to Ulloa and Forestside as part of the water and sewer replacement on the L-Taraval Muni Forward project Phase 2 aka Phase B.

- Seismic retrofit of the South Basin of Sunset Reservoir.

Eileen Boken

Coalition for San Francisco Neighborhoods*

* For identification purposes only.

Sent from my Verizon, Samsung Galaxy smartphone