

File No. 220501

Committee Item No. 12

Board Item No. 37

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Budget and Appropriations Committee Date May 25, 2022

Board of Supervisors Meeting Date June 7, 2022

#### Cmte Board

<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 checked="" 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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Department/Agency Cover Letter and/or Report
<input type="checkbox"/>	<input 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 type="checkbox"/>	Public Correspondence

#### OTHER (Use back side if additional space is needed)

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>SFPUC Request for Supplemental Appropriation 4/4/2022</u>
<input type="checkbox"/>	<input type="checkbox"/>	<u> </u>
<input type="checkbox"/>	<input type="checkbox"/>	<u> </u>
<input type="checkbox"/>	<input type="checkbox"/>	<u> </u>
<input type="checkbox"/>	<input type="checkbox"/>	<u> </u>
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<input type="checkbox"/>	<input type="checkbox"/>	<u> </u>

Completed by: Brent Jalipa Date May 20, 2022

Completed by: Brent Jalipa Date May 31, 2022

1 [Appropriation - Proceeds from Revenue Bonds, State Loans or Grant Funds, Wastewater  
2 Revenues, and Wastewater Capacity Fees - Wastewater Capital Improvements -  
3 \$793,003,901 - FY2022-2023]

4 **Ordinance appropriating a total of \$793,003,901 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 Fiscal Year (FY) 2022-2023, and placing \$704,198,901 in**  
9 **Revenue Bonds or State Loan or Grant Funds by project on Controller's Reserve**  
10 **subject to the Controller's certification of funds availability, including proceeds of**  
11 **indebtedness, and for construction related expenditures (excluding program**  
12 **management, planning and design) for these projects, as applicable, is also subject to**  
13 **the prior occurrence of the SFPUC's and the Board of Supervisors' discretionary**  
14 **adoption of California Environmental Quality Act Findings for projects, following**  
15 **review and consideration of completed project related environmental analysis, where**  
16 **required.**

17  
18 Note: **Unchanged Code text and uncodified text** are in plain Arial font.  
19 **Additions to Codes** are in single-underline italics Times New Roman font.  
20 **Deletions to Codes** are in ~~strikethrough italics Times New Roman font~~.  
21 **Board amendment additions** are in double-underlined Arial font.  
22 **Board amendment deletions** are in ~~strikethrough Arial font~~.  
23 **Asterisks ( \* \* \* )** indicate the omission of unchanged Code  
24 subsections or parts of tables.  
25

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

Section 1. The sources of funding outlined below are herein appropriated to reflect the funding available for Fiscal Year 2022-2023.

**SOURCES Appropriation**

Fund /	Project & Activity /	Account	Description	Amount
Department ID	Authority			
20720	10026508-0001	480111	Proceeds from Sale	\$686,028,786
WWE SSIP 2023	Bond-Commercial	Proceeds from Sale	of Bonds	
Bond Fund/	Paper Expense,	of Bonds- Face		
229267 WWE0101	Budget Control /	Amount		
Administration	17732 WW Bond-			
	commercial Paper			
	Exp			
20707 Wastewater	10026508-0001	480111	Proceeds from Sale	\$18,170,115
2021 Capital Bond	Bond-Commercial	Proceeds from Sale	of Bonds	
Fund /	Paper Expense,	of Bonds- Face		
229267 WWE0101	Budget Control /	Amount		
Administration	17732 WW Bond-			
	commercial Paper			
	Exp			

	Fund /	Project & Activity /	Account	Description	Amount
	Department ID	Authority			
3	20550 WWE CPF	10031235-0001	495022	Wastewater	\$82,628,000
4	Repair & Replace /	WW Wwe Rnr	ITI Fr 5C-	Enterprise Revenue	
5	229267 WWE0101	Collection System/	Cleanwater		
6	Administration	15722 WW Wwe Rnr	ProgramFd		
7		Collection System			
8					
9	20530 WWE CPF	10031235-0001	479993	Wastewater	\$6,177,000
10	Capacity Fee Prog /	WW Wwe Rnr	Capacity Fees	Capacity Fee	
11	229267 WWE0101	Collection System/			
12	Administration	15722 WW Wwe Rnr			
13		Collection System			
14	<b>Total SOURCES Appropriation</b>				<b>\$793,003,901</b>

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 2022-2023.

## USES Appropriation

1	<b>Fund /</b>	<b>Project &amp; Activity /</b>	<b>Account</b>	<b>Description</b>	<b>Amount</b>
2	<b>Department ID</b>	<b>Authority</b>			
3	20720	10029731-0002	567000	SSIP Program-	14,000,000
4	WWE SSIP 2023	Planning	Blds; Structures &	Wide Management	
5	Bond Fund/	Budget/15733	Improvements		
6	229267 WWE0101	WW SSIP Program-			
7	Administration	Wide Management			
8	20720	10015795-0001	567000	Biosolids Digester	375,532,448
9	WWE SSIP 2023	Biosolids Digester	Blds; Structures &	Project	
10	Bond Fund/	Project/15728	Improvements		
11	229267 WWE0101	WW SSIP Biosolids			
12	Administration	Digester Project			
13					
14	20720	10026823-0001	567000	Treatment Plants -	\$31,555,408
15	WWE SSIP 2023	Treatment Plant	Blds; Structures &	Southeast	
16	Bond Fund/	Improvements-S /	Improvements		
17	229267 WWE0101	15735 WW			
18	Administration	Treatment Plant			
19		Improvement			
20					
21	20720	10015813-0001	567000	Treatment Plants –	\$11,314,730
22	WWE SSIP 2023	Treatment Plant	Blds; Structures &	North Point	
23	Bond Fund/	Improvement /	Improvements		
24	229267 WWE0101				
25	Administration				

1	<b>Fund /</b>	<b>Project &amp; Activity /</b>	<b>Account</b>	<b>Description</b>	<b>Amount</b>
2	<b>Department ID</b>	<b>Authority</b>			
3		15736 WW			
4		Treatment Plant			
5		Improvement			
6					
7					
8					
9	20720	10015813-0001	567000	Treatment Plants –	\$29,201,164
10	WWE SSIP 2023	Treatment Plant	Blds; Structures &	Oceanside	
11	Bond Fund/	Improvement /15736	Improvements		
12	229267 WWE0101	WW Treatment Plant			
13	Administration	Improvement			
14					
15	20720	10015791-0001	567000	Collection System	\$57,948,296
16	WWE SSIP 2023	Collection System	Blds; Structures &	Improvements	
17	Bond Fund/	Improvements /	Improvements		
18	229267 WWE0101	15726 WW Collection			
19	Administration	System Improvement			
20					
21	20720	10026827-0001	567000	Pump Station/	\$307,000
22	WWE SSIP 2023	Collection	Blds; Structures &	Force Mains	
23	Bond Fund/	System/Pump	Improvements		
24	229267 WWE0101	Station/			
25	Administration				

1	<b>Fund /</b>	<b>Project &amp; Activity /</b>	<b>Account</b>	<b>Description</b>	<b>Amount</b>
2	<b>Department ID</b>	<b>Authority</b>			
3		15726 WW Collection			
4		System Improvement			
5					
6					
7					
8					
9	20720	10002780-0001	567000	Green	\$15,209,899
10	WWE SSIP 2023	Drainage Basin-	Blds; Structures &	Infrastructure	
11	Bond Fund/	Early Implement /	Improvements	Projects	
12	229267 WWE0101	15729 WW			
13	Administration	Stormwater			
14		Management			
15					
16	20720	10015801 -0001	567000	Flood Resilience-	\$48,055,523
17	WWE SSIP 2023	Flood	Blds; Structures &	Hydraulic	
18	Bond Fund/	Resilience/Hydraulic	Improvements		
19	229267 WWE0101	Improvement/			
20	Administration	15730 WW Flood			
21		Resilience-hydraulic			
22					
23	20550 WWE CPF	10031235-0001	584030	R & R Collection	\$55,784,284
24	Repair & Replace /	WW Wwe Rnr	Capital Renewal	System	
25		Collection System /	Projects		

1	<b>Fund /</b>	<b>Project &amp; Activity /</b>	<b>Account</b>	<b>Description</b>	<b>Amount</b>
2	<b>Department ID</b>	<b>Authority</b>			
3	229267 WWE0101	15722 WW Wwe Rnr			
4	Administration	Collection System			
5					
6					
7					
8	20530 WWE CPF	10031235-0001	584030	R & R Collection	\$6,164,646
9	Capacity Fee Prog /	WW Wwe Rnr	Capital Renewal	System	
10	229267 WWE0101	Collection System /	Projects		
11	Administration	15722 WW Wwe Rnr			
12		Collection System			
13					
14	20707 Wastewater	10031235-0001	567000	R & R Collection	\$15,229,350
15	2021 Capital Bond	WW Wwe Rnr	Blds; Structures &	System	
16	Fund /	Collection System /	Improvements		
17	229267 WWE0101	15722 WW Wwe Rnr			
18	Administration	Collection System			
19					
20	20550 WWE CPF	10031247-0001	584030	R & R Treatment	\$25,680,135
21	Repair & Replace /	WW Wwe Rnr	Capital Renewal	Facilities	
22	229267 WWE0101	Treatment Facilities /	Projects		
23	Administration	15724 WW Wwe Rnr			
24		Treatment Facilities			
25					



1	<b>Fund /</b>	<b>Project &amp; Activity /</b>	<b>Account</b>	<b>Description</b>	<b>Amount</b>
2	<b>Department ID</b>	<b>Authority</b>			
3	20550 WWE CPF	10038793-0001	584030	Customer Service	\$998,325
4	Repair & Replace /	WWE Customer	Capital Renewal	System	
5	229267 WWE0101	Service System	Projects		
6	Administration	22140 Customer			
7		Service System			
8	20707 Wastewater	10015546-0001	567000	WW Treasure	\$215,248
9	2021 Capital Bond	Treasure Island	Blds; Structures &	Island Capital	
10	Fund /	Capital	Improvements	Improvements	
11	229267 WWE0101	Improvement/15707			
12	Administration	WW Treasure Island			
13		Capital Imp			
14					
15	20720	10026508-0001	573110	Financing Costs	\$101,395,055
16	WWE SSIP 2023	Bond-Commercial	Bond Issuance		
17	Bond Fund/	Paper Expense,	Cost- Unamortized		
18	229267 WWE0101	Budget Control /			
19	Administration	17732 WW Bond-			
20		commercial Paper			
21		Exp			
22					
23	20720	10026508-0001	581130	CSA 0.2%	\$1,166,249
24	WWE SSIP 2023		GF-CON-Internal	Controller's Audit	
25	Bond Fund/		Audits	Fund	

1	<b>Fund /</b>	<b>Project &amp; Activity /</b>	<b>Account</b>	<b>Description</b>	<b>Amount</b>
2	<b>Department ID</b>	<b>Authority</b>			
3	229267 WWE0101	Bond-Commercial			
4	Administration	Paper Expense,			
5		Budget Control /			
6		17732 WW Bond-			
7		commercial Paper			
8		Exp			
9					
10	20720	10026508-0001	567000	Revenue Bond	\$343,014
11	WWE SSIP 2023	Bond-Commercial	Blds; Structures &	Oversight	
12	Bond Fund/	Paper Expense,	Improvements	Committee 0.05%	
13	229267 WWE0101	Budget Control /			
14	Administration	17732 WW Bond-			
15		commercial Paper			
16		Exp			
17					
18	20707 Wastewater	10026508-0001	573110	Financing Costs	\$2,685,543
19	2021 Capital Bond	Bond-Commercial	Bond Issuance		
20	Fund /	Paper Expense,	Cost- Unamortized		
21	229267 WWE0101	Budget Control /			
22	Administration	17732 WW Bond-			
23		commercial Paper			
24		Exp			
25					

1	<b>Fund /</b>	<b>Project &amp; Activity /</b>	<b>Account</b>	<b>Description</b>	<b>Amount</b>
2	<b>Department ID</b>	<b>Authority</b>			
3	20707 Wastewater	10026508-0001	581130	CSA 0.2%	\$30,889
4	2021 Capital Bond	Bond-Commercial	GF-CON-Internal	Controller's Audit	
5	Fund /	Paper Expense,	Audits	Fund	
6	229267 WWE0101	Budget Control /			
7	Administration	17732 WW Bond-			
8		commercial Paper			
9		Exp			
10	20707 Wastewater	10026508-0001	567000	Revenue Bond	\$9,085
11	2021 Capital Bond	Bond-Commercial	Blds; Structures &	Oversight	
12	Fund /	Paper Expense,	Improvements	Committee 0.05%	
13	229267 WWE0101	Budget Control /			
14	Administration	17732 WW Bond-			
15		commercial Paper			
16		Exp			
17					
18	20550 WWE CPF	10026508-0001	581130	CSA 0.2%	\$165,256
19	Repair & Replace /	Bond-Commercial	GF-CON-Internal	Controller's Audit	
20	229267 WWE0101	Paper Expense,	Audits	Fund	
21	Administration	Budget Control /			
22		17732 WW Bond-			
23		commercial Paper			
24		Exp			
25					

	<b>Fund /</b>	<b>Project &amp; Activity /</b>	<b>Account</b>	<b>Description</b>	<b>Amount</b>
	<b>Department ID</b>	<b>Authority</b>			
3	20530 WWE CPF	10026508-0001	581130	CSA 0.2%	\$12,354
4	Capacity Fee Prog /	Bond-Commercial	GF-CON-Internal	Controller's Audit	
5	229267 WWE0101	Paper Expense,	Audits	Fund	
6	Administration	Budget Control /			
7		17732 WW Bond-			
8		commercial Paper			
9		Exp			
10	<b>Total USES Appropriation</b>				<b><u>\$793,003,901</u></b>

Section 3. Of the above appropriated amount, \$1,374,748, representing 0.2% of the expenditure budget net of bond financing and audit costs, shall be allocated to support the Controller's Audit Fund, pursuant to Charter Appendix F1.113; and \$352,099, representing 0.05% of gross bond proceeds, shall be allocated to support the Public Utilities Commission Revenue Bond Oversight Committee, pursuant to Administrative Code Section 5A.31. These appropriations may be decreased by the Controller based on changes to expenditure appropriations or actual gross bond proceeds to conform to the applicable Charter and Administrative Code formulas.

Section 4. \$704,198,901 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 / Department ID	Project & Activity / Authority	Account	Description	Amount
20720	10029731-0001	567000	SSIP Program-	\$14,000,000
WWE SSIP 2023	Planning/Budget	Blds; Structures &	Wide Management	
Bond Fund/	/15733	Improvements		
229267 WWE0101	WW SSIP Program-			
Administration	Wide Management			
20720	10015795-0001	567000	Biosolids Digester	\$375,532,448
WWE SSIP 2023	Biosolids Digester	Blds; Structures &	Project	
Bond Fund/	Project/15728	Improvements		
229267 WWE0101	WW SSIP Biosolids			
Administration	Digestor Project			

1	<b>Fund /</b>	<b>Project &amp; Activity /</b>	<b>Account</b>	<b>Description</b>	<b>Amount</b>
2	<b>Department ID</b>	<b>Authority</b>			
3	20720	10026823-0001	567000	Treatment Plants -	\$31,555,408
4	WWE SSIP 2023	Treatment Plant	Blds; Structures &	Southeast	
5	Bond Fund/	Improvements-S /	Improvements		
6	229267 WWE0101	15735 WW			
7	Administration	Treatment Plant			
8		Improvement			
9					
10	20720	10015813-0001	567000	Treatment Plants –	\$11,314,730
11	WWE SSIP 2023	Treatment Plant	Blds; Structures &	North Point	
12	Bond Fund/	Improvement /	Improvements		
13	229267 WWE0101	15736 WW			
14	Administration	Treatment Plant			
15		Improvement			
16					
17	20720	10015813-0001	567000	Treatment Plants –	\$29,201,164
18	WWE SSIP 2023	Treatment Plant	Blds; Structures &	Oceanside	
19	Bond Fund/	Improvement /	Improvements		
20	229267 WWE0101	15736 WW			
21	Administration	Treatment Plant			
22		Improvement			
23					
24					
25					

1	<b>Fund /</b>	<b>Project &amp; Activity /</b>	<b>Account</b>	<b>Description</b>	<b>Amount</b>
2	<b>Department ID</b>	<b>Authority</b>			
3	20720	10015791-0001	567000	Collection System	\$57,948,296
4	WWE SSIP 2023	Collection System	Blds; Structures &	Improvements	
5	Bond Fund/	Improvements /	Improvements		
6	229267 WWE0101	15726 WW Collection			
7	Administration	System Improvement			
8					
9	20720	10026827-0001	567000	Pump Station/	\$307,000
10	WWE SSIP 2023	Collection	Blds; Structures &	Force Mains	
11	Bond Fund/	System/Pump Station	Improvements		
12	229267 WWE0101	/15726 WW			
13	Administration	Collection System			
14		Improvement			
15					
16	20720	10002780-0001	567000	Green	\$15,209,899
17	WWE SSIP 2023	Drainage Basin/Early	Blds; Structures &	Infrastructure	
18	Bond Fund/	Implement /15729	Improvements	Projects	
19	229267 WWE0101	WW Stormwater			
20	Administration	Management			
21					
22					
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24					
25					

1	<b>Fund /</b>	<b>Project &amp; Activity /</b>	<b>Account</b>	<b>Description</b>	<b>Amount</b>
2	<b>Department ID</b>	<b>Authority</b>			
3	20720	10015801 -0001	567000	Flood Resilience-	\$48,055,523
4	WWE SSIP 2023	Flood	Blds; Structures &	Hydraulic	
5	Bond Fund/	Resilience/Hydraulic	Improvements		
6	229267 WWE0101	Imp/15730 WW Flood			
7	Administration	Resilience-hydraulic			
8					
9	20707 Wastewater	10031235-0001	567000	R & R Collection	\$15,229,350
10	2021 Capital Bond	R&R Collection	Blds; Structures &	System	
11	Fund /	System /	Improvements		
12	229267 WWE0101	15722 WWE R & R			
13	Administration	Collection System			
14					
15	20707 Wastewater	10015546-0001	567000	WW Treasure	\$215,248
16	2021 Capital Bond	Treasure Island	Blds; Structures &	Island Capital	
17	Fund /	Capital Improvement	Improvements	Improvements	
18	229267 WWE0101	/15707			
19	Administration	WW Treasure Island			
20		Capital Imp			
21					
22					
23					
24					
25					



1	<b>Fund /</b>	<b>Project &amp; Activity /</b>	<b>Account</b>	<b>Description</b>	<b>Amount</b>
2	<b>Department ID</b>	<b>Authority</b>			
3	20720	10026508-0001	573110	Financing Costs	\$101,395,055
4	WWE SSIP 2023	Bond-Commercial	Bond Issuance		
5	Bond Fund/	Paper Expense ,	Cost- Unamortized		
6	229267 WWE0101	Budget Control /			
7	Administration	17732 WW Bond-			
8		commercial Paper			
9		Exp			
10					
11	20720	10026508-0001	581130	CSA 0.2%	\$1,166,249
12	WWE SSIP 2023	Bond-Commercial	GF-CON-Internal	Controller's Audit	
13	Bond Fund/	Paper Expense ,	Audits	Fund	
14	229267 WWE0101	Budget Control /			
15	Administration	17732 WW Bond-			
16		commercial Paper			
17		Exp			
18					
19	20720	10026508-0001	567000	Revenue Bond	\$343,014
20	WWE SSIP 2023	Bond-Commercial	Blds; Structures &	Oversight	
21	Bond Fund/	Paper Expense ,	Improvements	Committee 0.05%	
22	229267 WWE0101	Budget Control /			
23	Administration	17732 WW Bond-			
24		commercial Paper			
25		Exp			

1	<b>Fund /</b>	<b>Project &amp; Activity /</b>	<b>Account</b>	<b>Description</b>	<b>Amount</b>
2	<b>Department ID</b>	<b>Authority</b>			
3					
4	20707 Wastewater	10026508-0001	573110	Financing Costs	\$2,685,543
5	2021 Capital Bond	Bond-Commercial	Bond Issuance		
6	Fund /	Paper Expense ,	Cost- Unamortized		
7	229267 WWE0101	Budget Control /			
8	Administration	17732 WW Bond-			
9		commercial Paper			
10		Exp			
11	20707 Wastewater	10026508-0001	581130	CSA 0.2%	\$30,889
12	2021 Capital Bond	Bond-Commercial	GF-CON-Internal	Controller's Audit	
13	Fund /	Paper Expense ,	Audits	Fund	
14	229267 WWE0101	Budget Control /			
15	Administration	17732 WW Bond-			
16		commercial Paper			
17		Exp			
18					
19	20707 Wastewater	10026508-0001	567000	Revenue Bond	\$9,085
20	2021 Capital Bond	Bond-Commercial	Blds; Structures &	Oversight	
21	Fund /	Paper Expense ,	Improvements	Committee 0.05%	
22	229267 WWE0101	Budget Control /			
23	Administration	17732 WW Bond-			
24		commercial Paper			
25		Exp			

<b>Fund /</b>	<b>Project &amp; Activity /</b>	<b>Account</b>	<b>Description</b>	<b>Amount</b>
<b>Department ID</b>	<b>Authority</b>			
<b>Total Appropriation on Reserve</b>				<b><u>\$704,198,901</u></b>

Section 5. Associated bond financing costs up to \$104,080,598 are also hereby appropriated, including but not limited to, issuance costs, debt service reserve, capitalized interest, rating agency, and disclosure costs, all on Controller's reserve pending receipt of bond proceeds. To the extent that net available bond proceeds after financing costs are more than budgeted, the SFPUC may use such surplus bond proceeds as a substitute for other sources budgeted in this ordinance.

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

Section 7. This Board, by Ordinance No. 89-15, authorized the SFPUC to enter into one or more State of California State Water Resources Control Board Installment Sale Agreements under the Clean Water State Revolving Fund (State Loan Funds); by Ordinance No. 144-18, authorized the SFPUC to enter into one or more federal Water Infrastructure Financing Innovation Act loans (Federal Loan Funds); and amended and supplemented Ordinance No. 107-14 to authorize, in addition to the issuance of Wastewater revenue bonds, the execution and delivery of State Loan Funds to finance projects, provided that any such indebtedness shall not exceed in an aggregate principal amount \$819,035,941. The Board is concurrently considering with this Ordinance a SFPUC Wastewater Revenue Bond issuance, including authorization to obtain one or more State Revolving Fund (SRF) and Water Infrastructure Finance and Innovation Act (WIFIA) loans, not to exceed \$987,414,494. The Sources of Funds

1 herein appropriated in Section 1 of this Ordinance, or previously appropriated by Ordinance  
2 105-14, may include State Loan Funds, State Grant Funds, Federal Grant Funds, or Federal  
3 Loan Funds when available, subject to compliance with the terms of the authorizing legislation  
4 for such Funds. The Controller is authorized to record substitution of the source of funds  
5 appropriated with State Loan Funds, State Grant Funds, Federal Grant Funds, or Federal Loan  
6 Funds as necessary to conform to Generally Accepted Accounting Principles and other laws.

7  
8  
9  
10  
11 APPROVED AS TO FORM:  
12 DENNIS J. HERRERA, City Attorney

FUNDS AVAILABLE  
BEN ROSENFELD, Controller

13 By: /s/ \_\_\_\_\_  
14 JON GIVNER  
15 Deputy City Attorney

By: /s/ \_\_\_\_\_  
BEN ROSENFELD  
Controller

<b>Items 11 &amp; 12</b> <b>Files 22-0500 &amp; 22-0501</b>	<b>Department:</b> Public Utilities Commission
<b>EXECUTIVE SUMMARY</b>	
<p style="text-align: center;"><b>Legislative Objectives</b></p> <ul style="list-style-type: none"> <li>• <b>File 22-0500</b> is an ordinance authorizing the San Francisco Public Utilities Commission (SFPUC) to issue \$704,198,901 in Wastewater Revenue Bonds to fund Wastewater Enterprise capital projects.</li> <li>• <b>File 22-0501</b> is an ordinance appropriating \$793,003,901 of Wastewater Revenue Bond proceeds or State Loan or Grant Funds, wastewater revenues, and wastewater capacity fees for the Wastewater Enterprise's Capital Improvement Program for FY 2022-23 and placing \$704,198,901 on Controller's Reserve.</li> </ul> <p style="text-align: center;"><b>Key Points</b></p> <ul style="list-style-type: none"> <li>• Proposition E, approved by voters in 2002, provides for the Board of Supervisors to authorize SFPUC to issue revenue bonds. To date, the Board of Supervisors has authorized \$4.4 billion and SFPUC has issued \$3.4 billion in Wastewater Revenue Bonds authorized by Proposition E.</li> <li>• The appropriation of \$793 million funds projects approved in the SFPUC 10-Year Capital Plan.</li> </ul> <p style="text-align: center;"><b>Fiscal Impact</b></p> <ul style="list-style-type: none"> <li>• Annual Wastewater Enterprise debt service for outstanding debt is \$113.5 million in FY 2022-23, increasing to \$311.2 million in FY 2031-32.</li> <li>• The 10-Year Financial Plan assumes no sewer rate increase in FY 2022-23 and a 6 percent sewer rate increase in FY 2023-24.</li> </ul> <p style="text-align: center;"><b>Policy Consideration</b></p> <ul style="list-style-type: none"> <li>• According to the SFPPUC 10-Year Financial Plan, Wastewater Enterprise net revenues (sewer rate revenues less operating, capital, and debt service expenses) are sufficient to maintain Wastewater Enterprise fund balance in an amount that exceeds the SFPUC policy for minimum fund balance and debt service coverage ratios that exceed bond covenants. Because the 10-Year Financial Plan anticipates annual sewer rate increases of 6 percent between FY 2023-24 and FY 2029-30, decreasing to 5 percent in FY 2030-31 and FY 2031-32, the Board of Supervisors should request an annual report on Wastewater Enterprise expenditures, fund balance, and debt service coverage ratio, and the impact on sewer rates.</li> </ul> <p style="text-align: center;"><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>• Amend the proposed ordinance (File 22-0500) to state that the required report detailing issuance of Wastewater Revenue Bonds approved by Files 20-0837, and 22-0500 will be included in the legislative files for the respective ordinances.</li> <li>• Request an annual report from the SFPUC General Manager on Wastewater Enterprise expenditures, fund balance, and debt service coverage ratio, and the impact on sewer rates.</li> <li>• Approve File 22-0500 as amended and File 22-0501.</li> </ul>	

## 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 Wastewater Enterprise has three capital and repair and replacement programs.

1. The Sewer System Improvement Program (SSIP) is a phased program to improve the City's existing sewer collection and wastewater treatment facilities. Phase 1 is \$3.4 billion and is scheduled to be completed in 2025.
2. The Wastewater Facilities and Infrastructure Program encompasses capital improvements not part of the SSIP, including stormwater management, seismic upgrades, energy efficiency, and other improvements to modernize existing facilities.
3. The Renewal and Replacement Program is an ongoing program for periodic repair and replacement of the collection and treatment systems.

## DETAILS OF PROPOSED LEGISLATION

**File 22-0500** is an ordinance (a) authorizing the issuance and sale of tax-exempt or taxable Wastewater Revenue Bonds and other forms of indebtedness (as described below) by the San Francisco Public Utilities Commission (SFPUC) in an aggregate principal amount not to exceed \$704,198,901 to finance the costs of Water Enterprise capital projects; (b) authorizing the

issuance of Wastewater Revenue Refunding Bonds and the retirement of outstanding Wastewater Enterprise Commercial Paper; (c) declaring the intent of SFPUC to reimburse itself with one or more issues of tax-exempt bonds or other forms of indebtedness; and (d) ratifying previous actions taken in connection with the issuance of the bonds.

**File 22-0501** is an ordinance (a) appropriating \$793,003,901 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 revenues, and wastewater capacity fees for the San Francisco Public Utilities Commission (SFPUC) Wastewater Enterprise's Capital Improvement Program for FY 2022-23 in FY 2022-23. \$704,198,901 of Revenue Bond and State Loan Funds or State Grant Funds proceeds are placed on Controller's Reserve pending Controller certification of the availability of funds. Sources and uses of the appropriated funds are shown in Table 1 below. Projects funded by the appropriated funds are subject to final approval of the California Environmental Quality Act (CEQA) findings by the SFPUC and the Board of Supervisors.

### **Wastewater Revenue Bond Issuance**

At the February 8, 2022 Commission meeting, the SFPUC approved the issuance of new Wastewater Revenue Bonds to finance wastewater capital projects in FY 2022-23. The proposed ordinance allows the issuance of commercial paper or other interim debt to finance the projects prior to the issuance of the revenue bonds and provides for SFPUC to access California Water Resources Control Board revolving loan funds or grant funds.

The SFPUC may issue taxable or tax-exempt bonds in one or more series through either a negotiated or competitive sale. The SFPUC is to report to the Board of Supervisors within 30 days of the bond issuance: (i) the principal amount sold and method of sale, (ii) true interest cost, (iii) final maturity, (iv) the facilities constructed and/or improved, and (v) a statement about the remaining bonding authorization.

In addition, the SFPUC may issue refunding bonds to repay outstanding Wastewater Revenue Bond debt if the issuance of the refunding bonds results in net present value debt service savings of 3 percent and does not extend the maturity date. If the SFPUC issues refunding bonds, then the SFPUC needs to submit to the Board of Supervisors the final official statement for the refunding bonds and a statement from the financial advisor on the 3 percent net present value debt service savings. SFPUC may request authorization to issue refunding bonds for other reasons that debt service savings if other benefits accrue, such as removal of bond covenants deemed to be onerous to the SFPUC. The authorization to issue refunding bonds extends through June 2027.

### **FY 2022-23 Capital Budget**

The proposed ordinance appropriates \$793.0 million of bond proceeds, wastewater revenues, and capacity fees to various SSIP and wastewater projects in FY 2022-23, as shown in Table 1 below.

**Table 1: Sources and Uses of Funds**

	<b>2023 Bond Proceeds (SSIP) <sup>a</sup></b>	<b>2021 Bond Proceeds</b>	<b>Wastewater Revenues</b>	<b>Capacity Fees</b>	<b>Total</b>
<b>Sources</b>	<b>\$686,028,786</b>	<b>\$18,170,115</b>	<b>\$82,628,000</b>	<b>\$6,177,000</b>	<b>\$793,003,901</b>
<b>Uses</b>					
SSIP Program Management	\$14,000,000				\$14,000,000
Biosolids Digester Project	375,532,448				375,532,448
Southeast Treatment Plant	31,555,408				31,555,408
Northpoint Treatment Plant	11,314,730				11,314,730
Oceanside Treatment Plant	29,201,164				29,201,164
Treatment Plants (repair & replacement)			25,680,135		25,680,135
Collection System	57,948,296	15,229,350	55,784,284	6,164,646	135,126,576
Pump Station/ Force Mains	307,000				307,000
Green Infrastructure	15,209,899				15,209,899
Flood Resilience	48,055,523				48,055,523
Customer Service System			998,325		998,325
Treasure Island Improvements		215,248			215,248
Financing Costs <sup>b</sup>	101,395,055	2,685,543			104,080,598
City Services Auditor	1,166,249	30,889	165,256	12,354	1,374,748
Revenue Bond Oversight Committee	343,014	9,085			352,099
<b>Total Uses</b>	<b>\$686,028,786</b>	<b>\$18,170,115</b>	<b>\$82,628,000</b>	<b>\$6,177,000</b>	<b>\$793,003,901</b>

Source: Appropriation Ordinance

<sup>a</sup> Sewer System Improvement Program<sup>b</sup> Financing costs include the costs of interim, short-term funding for projects by the Commercial Paper Program, such as accrued interest and credit bank and dealer fees associated with outstanding commercial notes as well as capitalized interest and other issuance costs

Project descriptions are included in the Attachment.

**Proposition E Bond Funds**

San Francisco voters approved Proposition E in 2002, providing for the Board of Supervisors to authorize issuance of Wastewater Revenue Bonds with three-fourths approval of the Board members. To date, the Board has authorized \$4,371,937,202, of which \$3,385,190,107 has been issued and \$986,747,095 is authorized but not issued.

Approval of the \$704,198,901 in new Wastewater Revenue Bond authority would increase the amount of bonds authorized in accordance with Proposition E to \$5,076,136,103. The authorized and unissued bonds would be \$1,690,945,996. According to the SFPUC's 10-Year Financial Plan, the Commission will issue Wastewater Revenue Bonds each year in FY 2022-23 through FY 2025-26, totaling \$2.145 billion, which includes bonds previously authorized, bonds authorized in accordance with File 22-0500, and future authorizations.

**10-Year Capital Plan**

The projects shown in Table 1 above are included in the SFPUC's 10-year Capital Plan for FY 2022-23 through FY 2031-32. According to SFPUC staff, the Commission is requesting one year of



appropriation approval, pending further evaluation of project spending and delays for ongoing Wastewater Enterprise projects.

## FISCAL IMPACT

### *Debt Issuance*

SFPUC anticipates issuing \$704.2 million in Wastewater Revenue Bonds at 5 percent interest and for a 30-year term. Capitalized interest costs over 30 months are \$88.0 million<sup>1</sup> and issuance costs are \$14.1 million<sup>2</sup> for net bond proceeds of approximately \$602.1 million. Average annual debt service over 30 years is approximately \$47 million.

The 10-Year Financial Plan provides for issuing \$546 million in Wastewater Revenue Bonds in 2023 and future Wastewater Revenue Bond issuances totaling \$3.5 billion over 10 years. Total annual Wastewater Enterprise debt service for outstanding debt is \$113.5 million in FY 2022-23, increasing to \$311.2 million in FY 2031-32.

The year-end Wastewater Enterprise fund balance is estimated to decrease from \$140 million in FY 2022-23 to \$79.4 million in FY 2031-32. The SFPUC fund balance reserve policy is for fund balance to equal at least 25 percent of annual operating and maintenance expenses. According to the 10-Year Financial Plan, the Wastewater Enterprise fund balance is estimated to equal 70 percent of annual operating and maintenance expenses in FY 2022-23, decreasing to 31 percent in FY 2031-32.

The annual debt service coverage ratio is estimated to be 3.35 in FY 2022-23, decreasing to 1.8 in FY 2031-32. According to covenants with bond holders, the annual debt service coverage ratio – the ratio of annual debt service to unrestricted fund balance and net revenues – should equal 1.25, and according to SFPUC financial policies, the annual debt service coverage ratio should equal 1.5. The SFPUC 10-Year Financial Plan assumes that the Wastewater Enterprise will have sufficient net revenues and unrestricted fund balance to achieve a debt service coverage ratio of at least 1.5.

### *Wastewater Customer Rates*

The 10-Year Financial Plan assumes no sewer rate increase in FY 2022-23 and a 6 percent rate increase for sewer rates in FY 2023-24.

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<sup>1</sup> Capitalized interest is the amount of interest that accrues on the bonds during the construction period prior to placement of the asset into service.

<sup>2</sup> Issuance costs include underwriting fees, legal fees, financial advisory fees, credit enhancement fees, and other miscellaneous fees typically associated with a bond financing.

**POLICY CONSIDERATION****Reporting on Proposition E Bonds**

File 20-0837 stated SFPUC should submit a report to the Clerk of the Board of Supervisors following sale of the Wastewater Revenue bonds showing the results of the transaction, including (i) principal amount sold and method of sale, (ii) true interest cost, (iii) final maturity, (iv) the facilities constructed and/or improved, and (v) a statement about the remaining bonding authorization. SFPUC provided information to the Budget and Legislative Analyst on total Wastewater Revenue Bond authorization under Proposition E, amount sold, and remaining authorized but not yet sold bonds, noted above. According to SFPUC staff, the Commission has issued commercial paper as interim financing for Wastewater Enterprise projects to be financed by the revenue bond proceeds.

File 22-0500 has the same reporting requirement for \$704.2 million in Wastewater Revenue Bonds authorized under the ordinance. The SFPUC is planning to issue bonds approved in Files 18,0452, 20-0837, and 22-0500 in FY 2022-23 through FY 2025-26, and therefore, will need to submit the report to the Clerk of the Board of Supervisors after sale of the bonds. The proposed ordinance should be amended to state that the required report detailing issuance of Wastewater Revenue bonds approved by Files 20-0837 and 22-0500 will be included in the legislative files for the respective ordinances.

**Fund Balance and Rate Increases**

According to the 10-Year Financial Plan for FY 2022-23 through FY 2031-32, the SFPUC does not plan to increase sewer rates for San Francisco rate payers in FY 2022-23 and plans to increase sewer rates by 6 percent in FY 2023-24. Sewer rates cover SFPUC overhead charges, Wastewater operating and capital expenditures, and debt service. According to the 10-Year Financial Plan, Wastewater Enterprise net revenues (sewer rate revenues less operating, capital, and debt service expenses) are sufficient to maintain Wastewater Enterprise fund balance in an amount that exceeds minimum fund balance requirements and debt service coverage ratios that exceed bond covenants over the 10-year term. Because the 10-Year Financial Plan anticipates annual sewer rate increases of 6 percent between FY 2023-24 and FY 2029-30, decreasing to 5 percent in FY 2030-31 and FY 2031-32, the Board of Supervisors should request an annual report on Wastewater Enterprise expenditures, fund balance, and debt service coverage ratio and the impact on sewer rates.

**RECOMMENDATIONS**

1. Amend the proposed ordinance (File 22-0500) to state that the required report detailing issuance of Wastewater Revenue bonds approved by Files 20-0837, and 22-0500 will be included in the legislative files for the respective ordinances.
2. Request an annual report on Wastewater Enterprise expenditures, fund balance, and debt service coverage ratio, and the impact on sewer rates.
3. Approve File 22-0500 as amended and File 22-0501.

**Attachment: Wastewater Enterprise Capital Projects****Program Management: \$14 million**

The 10-year capital plan provides for annual program management expenditures for the Sewer System Improvement Program, totaling \$195 million, of which \$140 million was previously appropriated and \$55 million is budgeted for FY 2022-23 through FY 2031-32. Program management includes condition assessment/ facility inspections, technical support and evaluations, water quality studies, project definition and prioritization, public outreach and education, and other SSIP program management activities.

**Biosolids/Digester Project: \$375.5 million**

The Biosolids/Digester project is the largest component of the SSIP, totaling \$2.4 billion over the term of the SSIP, with nearly \$1 billion previously appropriated and \$1.4 billion budgeted for FY 2022-23 through FY 2031-32. The Biosolids/Digester project provides for a new digester and solids handling facility at the Southeast Plant. The project, which requires relocation of utilities, demolition of existing infrastructure, and construction of a new digester and solids handling facility, began construction in 2019 after a one-year delay. Construction is scheduled for completion in 2025 and final project completion is scheduled for 2029.

**Southeast Treatment Plant Improvements: \$31.5 million**

Improvements to the Southeast Treatment Plant include replacement of the headworks facility and repairs, replacement, and upgrades to the treatment plant facility.

*Headworks Facility*

The FY 2022-23 budget includes \$18.4 million for the headworks facility; the total budget is \$679 million, of which \$652.2 million was previously appropriated. The SSIP provides for replacement of the headworks facilities, which provide the first step in the wastewater treatment process. The new headworks facility project consolidates two existing headworks facilities, modifies the pump station, and constructs a new odor control structure. Construction began in 2020 and is scheduled for completion in 2023 and final project completion is scheduled for 2024.

*Other Southeast Treatment Plant Improvements*

The FY 2022-23 budget includes \$13.1 million for security enhancements, new trades and maintenance buildings, and other facilities improvements at the Southeast Treatment Plant. Total Plant improvements, not including the Headworks Facility, are budgeted at \$769.9 million, of which \$314.5 million has previously been appropriated.

**North Point Treatment Plant Improvements: \$11.3 million**

Improvements to the North Point Treatment Plant include wet weather pump station improvements, outfall system rehabilitation, and other improvements. The total project budget is \$247.2 million, of which \$69.3 million was previously appropriated. The FY 2022-23 budget of \$11.3 million is for improvements to the wet weather pump station and upgrades to the distributed control system.

**Oceanside Treatment Plant Improvements: \$29.2 million**

Improvements to the Oceanside Treatment Plant include upgrades to various treatment processes, health and safety improvements to the administrative building, and upgrades to the distributed control system. The total project budget is \$742.0 million, of which \$89.1 million was previously appropriated.

**Other SSIP Projects: \$121.5 million***Stormwater and Flood Control: \$63.3 million*

The total SSIP budget for stormwater management is \$421.5 million, of which \$81.8 million was previously appropriated, and for flood control is \$805.6 million, of which \$117.4 million was previously appropriated. FY 2022-23 projects include daylighting of Yosemite Creek, green infrastructure projects at Balboa High School, Giannini Middle School, and Buchanan Street Mall, and green infrastructure grants to public and private properties.

*Sewer and Collection System: \$58.2 million*

The total SSIP budget for sewer and collection system projects is \$862.7 million, of which \$296.2 million was previously appropriated. Projects budgeted in FY 2022-23 include sewer improvements at Kansas and Main Streets, Taraval sewer improvements, large diameter sewer projects and channel force main, systemwide monitoring equipment assessments, and Geary underpass access enhancements.

**Other Wastewater Capital Projects: \$104.1 million**

Wastewater projects that are not part of the Sewer System Improvement Program include (1) repair and replacement of the collection system to replace small and large diameter pipes and sewer laterals; (2) annual repair and replacement projects to maintain treatment plant capacity and reliability; and (3) improvements to the Treasure Island resource recovery facility to provide tertiary treatment and wetlands.

## REQUEST FOR SUPPLEMENTAL APPROPRIATION

DEPARTMENT: SFPUC – Wastewater Enterprise DATE: 4/4/2022

To the Mayor:

Request is hereby made for supplemental appropriation from the following appropriation(s) or fund(s) in the amount(s) indicated;

APPROPRIATION NUMBER	DESCRIPTION OF APPROPRIATION OR FUND	AMOUNT
Fund Department ID Authority Project Activity Account	See Attachment A	

to the credit of the following appropriation(s) or fund(s) in the amount(s) indicated:

APPROPRIATION NUMBER	DESCRIPTION OF APPROPRIATION OR FUND	AMOUNT
Fund Department ID Authority Project Activity Account	See Attachment A	

There are no surpluses in any of this department's appropriations available for transfer for the requested purpose(s). Complete detail as to the necessity for THIS appropriation is stated in attached letter.

### APPLICABLE BOXES MUST BE CHECKED

- ☒ This request included capital projects (s.o. 06700 OR 06700); a separate copy has been sent to the Chair, Capital Improvement Advisory Committee.
- ☒ These funds have not been previously requested.
- ☐ These funds were previously requested by:  
( ) *Supplemental Appropriation* or ( ) *Budget Estimate* and were  
( ) *reduced or* ( ) *denied* by The Mayor, or The Board of Supervisors.

### CERTIFIED AS TO FACTS AND AMOUNTS AS ABOVE STATED, AND

RECOMMENDED:

  
Ronald P. Flynn, AGM Business Services, SFPUC

(Department Head)

APPROVED:

  
Dennis Herrera, General Manager, SFPUC

(Board or Commission)

Recorded Controller's Budget Division

By: \_\_\_\_\_ Date: \_\_\_\_\_ Request No. \_\_\_\_\_

### FOR MAYOR'S USE

To the Controller:

The above request meets with my approval; as indicated above. You are hereby requested to prepare the necessary appropriation ordinance.

APPROVED:

Mayor London N. Breed

BY: \_\_\_\_\_

DATE: \_\_\_\_\_



## Attachment A - Wastewater Enterprise

## Funding Source

Authority Roll Up	Authority ID	Project	Activity	Dept	Fund	Account	Description of Appropriation or Fund	FY 2022-23
19471	17732	10026508	0001	229267	20720	480111	Proceeds Sale of Bonds (SSIP)	686,028,786
19471	17732	10026508	0001	229267	20707	480111	Proceeds Sale of Bonds (Non-SSIP)	18,170,115
19141	15722	10031235	0001	229267	20550	495022	ITI from Wastewater Revenue Funds	82,628,000
19141	15722	10031235	0001	229267	20530	479993	Wastewater Capacity Fee	6,177,000
TOTAL - Funding Source								793,003,901

## Use of Funds

Authority Roll Up	Authority ID	Project	Activity	Dept	Fund	Account	Description of Appropriation or Fund	FY 2022-23
19142	15733	10029731	0002	229267	20720	567000	Program Management	14,000,000
19142	15728	10015795	0001	229267	20720	567000	Biosolids/Digester Project	375,532,448
19142	15735	10026823	0001	229267	20720	567000	Treatment Plant Improvements - Southeast	31,555,408
19142	15736	10015813	0001	229267	20720	567000	Treatment Plant Improvements - North Point	11,314,730
19142	15736	10015813	0001	229267	20720	567000	Treatment Plant Improvements - Oceanside	29,201,164
SSIP - Treatment Facilities Program								447,603,750
19142	15726	10015791	0001	229267	20720	567000	Collection System Improvements	57,948,296
19142	15726	10026827	0001	229267	20720	567000	Pump Stations/Force Mains	307,000
SSIP - Sewer/Collection System Program								58,255,296
19142	15729	10002780	0001	229267	20720	567000	Stormwater Management/Green Infrastructure	15,209,899
19142	15730	10015801	0001	229267	20720	567000	Flood Resilience/Hydraulic Improvements	48,055,523
SSIP - Storm Water/Flood Control Program								63,265,422
TOTAL - SSIP								583,124,468
19141	15722	10031235	0001	229267	20550	584030	Renewal & Replacement-Collection System	55,949,540
19141	15722	10031235	0001	229267	20530	584030	Renewal & Replacement-Collection System	6,177,000
19141	15722	10031235	0001	229267	20707	567000	Renewal & Replacement-Collection System	15,229,350
19141	15724	10031247	0001	229267	20550	584030	Renewal & Replacement-Treatment Facilities	25,680,135
19139	22140	10038793	0001	229267	20550	584030	Customer Service System	998,325
19134	15707	10015546	0001	229267	20707	567000	Treasure Island	215,248
TOTAL - Non SSIP								104,249,598
TOTAL - Project Costs								687,374,066
19471	17732	10026508	0001	229267	20720	573110	Financing Cost	102,561,304
19471	17732	10026508	0001	229267	20720	581130	City Services Auditor	0
19471	17732	10026508	0001	229267	20720	567000	Revenue Bond Oversight Committee	343,014
TOTAL - SSIP Financing/Other Costs								102,904,318
19471	17732	10026508	0001	229267	20707	573110	Financing Cost	2,538,822
19471	17732	10026508	0001	229267	20707	581130	City Services Auditor	177,610
19471	17732	10026508	0001	229267	20707	567000	Revenue Bond Oversight Committee	9,085
TOTAL - Non-SSIP Financing/Other Costs								2,725,517
TOTAL - Use of Funds								793,003,901



To: Angela Calvillo, Clerk of the Board of Supervisors  
From: Ashley Groffenberger, Mayor's Budget Director  
Date: May 1, 2022  
Re: Mayor's May 1 FY 2022-23 and FY 2023-24 Budget Submission

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Madam Clerk,

In accordance with Administrative Code section 3.3, the Mayor's Office hereby submits the Mayor's proposed May 1 budget by May 1<sup>st</sup>, corresponding legislation, and related materials for Fiscal Year (FY) 2022-23 and FY 2023-24.

In addition to the Mayor's Proposed FY 2022-23 and FY 2023-24 May 1 Budget Book, the following items are included in the Mayor's submission:

- The May 1 Annual Appropriation Ordinance and Annual Salary Ordinance, along with Administrative Provisions, physical copies of which will be delivered by the Controller's Office
- 11 separate pieces of trailing legislation (see list attached)
- A Transfer of Function letter detailing the transfer of positions from one City department to another
- An Interim Exception letter
- A letter from the City Controller regarding the San Francisco Municipal Transportation Agency budget

Sincerely,

A handwritten signature in black ink, appearing to read "A. Groffenberger", followed by a long horizontal flourish.

Ashley Groffenberger  
Mayor's Budget Director

cc: Members of the Board of Supervisors  
Budget & Legislative Analyst's Office  
Controller

DEPT	Item	Relevance to Budget	Type of Legislation
AIR	Prop J Certification - previously approved	Costs related to Prop J services assumed in budget.	Resolution
BOA	Board of Appeals Surcharges on Permit Fees	Legislation that allows the Board of Appeals to adjust existing surcharges on permit fees, license fees, permit review fees, and permit and license renewal fees for permits and licenses issued by the Planning Department, Department of Building Inspection, Department of Public Works, Department of Public Health, Police Department, and the Entertainment Commission	Ordinance
LIB	In-Kind Grant of Friends of San Francisco Public Library	Grant assumed in budget.	Resolution
MTA	Prop J Certification - previously approved	Costs related to Prop J services assumed in budget.	Resolution
PRT	California State Lands Commission Grant	Grant assumed in budget.	Resolution
PRT	Prop J Certification - previously approved	Costs related to Prop J services assumed in budget.	Resolution
PUC	CleanPowerSF Capital Budget	Appropriates funds to support PUC CleanPowerSF capital budget expenditures.	Ordinance
PUC	Hetch Hetchy Capital Budget	Appropriates funds to support PUC Hetch Hetchy 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 bond issuance to finance Power capital projects.	Ordinance
PUC	Wastewater Debt Authorization	Authorizes bond issuance to finance Wastewater capital projects.	Ordinance
PUC	Water Debt Authorization	Authorizes bond issuance to finance Water capital projects.	Ordinance
PUC	Prop J Certification - previously approved	Costs related to Prop J services assumed in budget.	Resolution





TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: Tom Paulino  
RE: Appropriation - \$793,003,901 in Proceeds from Revenue Bonds, State Loans or Grant Funds, Wastewater Revenues, and Wastewater Capacity Fees for Wastewater Capital Improvements –FY2022-2023  
DATE: May 1, 2022

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**Ordinance appropriating a total of \$793,003,901 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 2022-2023, and placing \$704,198,901 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 Tom Paulino at 415-554-6153.