PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 23-0038

WHEREAS, On December 13, 2022 and January 30, 2023, this Commission heard and considered budget priorities for the department and the San Francisco Public Utilities Commission (SFPUC) General Manager and staff presented the preliminary proposed FY 2023-24 Capital Budget for the Water Enterprise, Wastewater Enterprise, and Hetch Hetchy Water & Power, including the Power Enterprise and CleanPowerSF ("Capital Budget") including the list of projects, cost estimates, and schedules to the Commission; and

WHEREAS, An overview of the proposed FY 2023-24 Capital Budget for each SFPUC Enterprise is set forth as Attachment A and is on file with the Commission Secretary; and

WHEREAS, As a preliminary step to development of the FY 2023-24 Capital Budget, a baseline review of all existing project appropriations was completed for potential closeout or repurposing to new capital budget needs; and

WHEREAS, The FY 2023-24 Capital Budget submittals went through a quality review to assure the budget addressees the immediate capital improvement needs of each Enterprise and reflects a sound project prioritization process which included a validation of costs and schedule of all proposed projects and an assessment of the ability to deliver the projects within FY 2023-24; and

WHEREAS, The proposed FY 2023-24 Capital Budget must be submitted to, and approved by the Mayor and the Board of Supervisors; and

WHEREAS, The SFPUC General Manager recommends that the Commission request a supplemental appropriation ordinance for the capital expenditures for each of the three Enterprises presented in the proposed FY 2023-24 Capital Budget to timely implement public improvement projects; and

WHEREAS, This action does not constitute a project under the California Environmental Quality Act (CEQA) Guidelines Sections 15060(c) and 15378(b)(4), because adoption of the Capital Budget involves creation of a government funding mechanism or other fiscal activities and does not involve any commitment to any specific project which may result in a potentially significant impact on the environment; and the SFPUC will consider approval of projects to be funded through this Capital Budget only after completing any environmental review required by CEQA, Administrative Code Chapter 31, and Proposition E (approved by the voters in 2002 for Water and Wastewater projects); and

WHEREAS, This Commission has considered the proposed FY 2023-24 Capital Budget for the Water Enterprise, Wastewater Enterprise, and Hetch Hetchy Water and Power, including the Power Enterprise and CleanPowerSF, which totals $1,601,613,100, as set forth in Attachment A to the February 14, 2023 staff report; now, therefore, be it

RESOLVED, That this Commission hereby adopts the FY 2023-24 SFPUC Capital Budget in the amount of $1,601,613,100 for the Water Enterprise, the Wastewater Enterprise, and Hetch Hetchy Water and Power, including the Power Enterprise and CleanPowerSF as presented at the public hearings on January 30, 2023 and as set forthin the attached Attachment A, as follows:

FY 2023-24 Capital Budget	Amount	Financing Costs	Total
Wastewater	985,504,159	157,093,243	1,142,597,402
Water	289,992,804	42,285,202	332,278,006
Hetchy Water	85,888,257	11,562,616	97,450,873
Hetchy Power	21,524,894	6,154,705	27,679,599
CleanPowerSF	1,607,220	0	1,607,220
Total	**$1,384,517,334**	**$217,095,766**	**$1,601,613,100**

and be it;

FURTHER RESOLVED, That the SFPUC General Manager is authorized to reallocate funds within an Authority Code as provided in the staff report and Attachment A appended to this Resolution and to make further technical adjustments to these approved amounts as may be necessary, or upon further direction from the Commission, the Mayor, or the Board of Supervisors; and, be it

FURTHER RESOLVED, The General Manager is hereby authorized and directed to submit to the Board of Supervisors proposed ordinances authorizing the issuance of (1) not to exceed $358,985,453 aggregate principal amount of Water Revenue Bonds and other forms of indebtedness, including commercial paper and State Revolving Fund (SRF) loans, (2) $1,047,288,286 aggregate principal amount of Wastewater Revenue Bonds and other forms of indebtedness, including commercial paper and SRF loans, under the terms of Proposition E (approved by the voters November 2002), and (3) $41,031,367 aggregate principal amount of Power Revenue Bonds and other forms of indebtedness, including commercial paper and loans, subject to the terms of Charter Sections 9.107(6) and 9.107(8). The General Manager shall return to this Commission for a subsequent discretionary approval of any disclosure and transaction related documents prepared in connection with the issuance of such Bonds and other forms of indebtedness.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of February 14, 2023.

Dlonna Hood

Secretary, Public Utilities Commission

Attachment A

FY 2023-24 SFPUC Capital Budget

Attachment A Wastewater Enterprise

Authority	Funding Source $ Description of Appropriation or Fund	FY 2023-24
19471	Proceeds Sale of Bonds	1,047,288,286
19141	Wastewater Revenue	81,338,116
19141	Wastewater Capacity Fee	13,971,000
	TOTAL - Funding Source	**1,142,597,402**

Authority	Use of Funds $ Description of Appropriation or Fund	FY 2023-24
SSIP		
19142	Program Management	18,000,000
19142	Biosolids/Digester Project	535,788,474
19142	Treatment Plant Improvements - Southeast	47,996,135
19142	Treatment Plant Improvements - Other	25,443,455
	SSIP - Treatment Facilities Program	609,228,064
19142	Collection System Improvements	83,121,607
19142	Stormwater Management/Green Infrastructure	24,836,303
19142	Flood Resilience/Hydraulic Improvements	43,349,386
	TOTAL - SSIP	**778,535,360**
Non-SSIP		
19141	Renewal & Replacement-Collection System	89,097,199
19141	Renewal & Replacement-Treatment Facilities	6,211,917
19134	Treasure Island	111,659,683
	TOTAL - Non SSIP	**206,968,799**
19471	Financing Cost	157,093,243
	TOTAL - Use of Funds	**1,142,597,402**

Attachment A Water Enterprise

Authority	Funding Source $ Description of Appropriation or Fund	FY 2023-24
17731	Proceeds Sale of Bonds	281,901,348
19133	Water Enterprise Revenue	45,579,658
19063	Water Capacity Fee	4,797,000
	TOTAL - Funding Source	**332,278,006**

Authority	Use Of Funds $ Description of Appropriation or Fund	FY 2023-24
19056	Regional Water Treatment Program	153,057,848
19058	Water Supply and Storage	4,764,596
19059	Watershed & Land Management	12,158,483
19060	Communications and Monitoring	1,998,767
19061	Buildings & Grounds Regional	9,096,882
19069	Long Term Monitoring & Permit Program	400,000
	Total Regional Water	**181,476,576**
Local Water		
80119	Water Supply Projects	2,336,692
19063	Local Water Conveyance/Distribution	87,789,810
19065	System Monitoring & Control	3,833,442
19066	Local Reservoir & Tank Improvements	10,582,000
19067	Pump Station Improvements	859,859
19112	Automated Meter Reading System	3,114,425
	TOTAL - Local Water	**108,516,228**
17731	Financing Costs	42,285,202
	TOTAL - Use of Funds	**332,278,006**

Attachment A Hetch Hetchy

Authority	Funding Source $ Description of Appropriation or Fund	FY 2023-24
15366	Proceeds Sale Power Bonds	41,031,367
15366	Proceeds Sale Water Bonds	77,084,105
15405	Hetch Hetchy Revenue Funds	5,015,000
15404	Cap and Trade Revenue	890,000
21284	Low Carbon Fuel Standard	1,110,000
	TOTAL - Funding Source	**125,130,472**

Authority	Use of Funds $ Description of Appropriation or Fund	FY 2023-24
15372	Distribution Services Retail - SFO Substation	9,122,894
15377	Streetlights	2,815,000
15400	Small Renewables	1,000,000
15404	Energy Efficiency - General Fund	1,000,000
15383	Power Asset Acquisition	7,587,000
	TOTAL - Power	**21,524,894**
15363	Water Infrastructure Projects	48,857,770
15365	Joint Water/Power Projects	37,030,487
	TOTAL - Water	**85,888,257**
15366	Financing Cost Power	6,154,705
15366	Financing Cost Water	11,562,616
	TOTAL - Use of Funds	**125,130,472**

Attachment A CleanPowerSF

Authority	Funding Source $ Description of Appropriation or Fund	FY 2023-24
80233	ITI from CleanPowerSF Funds	759,000
80444	DAC Program	848,220
	TOTAL-Source of Fund	**1,607,220**

Authority	Use of Funds $ Description of Appropriation or Fund	FY 2023-24
80233	Local Renewable Energy Program	759,000
80444	DAC Solar Program	848,220
	Total-Uses of Fund	**1,607,220**