



**Date:** March 14, 2016

**To:** Members, Capital Planning Committee

**Through:** Harlan L. Kelly, Jr., General Manager, SFPUC *(MKC)*

**From:** Eric Sandler, Assistant General Manager & CFO, SFPUC *for CPC*

**CC:** Brian Strong, Capital Planning Program

**Subject: CPC Meeting March 14, 2016 – SFPUC Supplemental Appropriation**

Consistent with the 2-Year Budget Capital Plan, the San Francisco Public Utilities Commission (SFPUC) is requesting Capital Planning Committee consideration and approval of a supplemental appropriation for the Water Enterprise totaling \$356.0 million, for the Wastewater Enterprise totaling \$1,215.2 million, and for the Hetch Hetchy Water & Power totaling \$169.5 million. We are also requesting consideration and approval of the planned Water Revenue Bond Financing totaling \$265.0 million, planned Wastewater Revenue Bond Financing totaling \$1,112.6 million and planned Hetchy Power Financing totaling \$32.5 million.

**Water Enterprise Supplemental Appropriation – \$356.0 million**

The supplemental request funds \$323.9 million for project and \$32.1 million financing costs for the Water Enterprise. Projects include improvements to the Local Water System (Main Replacement Program, Building & Grounds and Treasure Island), Regional Water System Improvements (Pipeline Replacement & Repairs, Structural and Seismic Upgrades and Facilities Improvements), WSIP Augmentation, and financing costs.

**Wastewater Supplemental Appropriation – \$1,215.2 million**

The supplemental requests funds \$1,096.0 million for project and \$119.2 million financing costs for the Wastewater Enterprise, including the Sewer System Improvement Program, Collection System and Treatment Facilities Renewal & Replacement Projects, Wastewater Facilities & Infrastructure improvement projects and for financing costs.

- Edwin M. Lee  
Mayor
- Francesca Vietor  
President
- Anson Moran  
Vice President
- Ann Moller Caen  
Commissioner
- Vince Courtney  
Commissioner
- Ike Kwon  
Commissioner
- Harlan L. Kelly, Jr.  
General Manager



**Hetch Hetchy Water & Power Supplemental Appropriation – \$169.5 million**

The supplemental request funds \$161.3 million for project and \$8.2 million financing costs for the Hetchy Enterprise, including Hetchy Power and Hetchy Water Projects (includes the Power Enterprise's share of up-county power and joint project costs) and financing costs.

**Water Revenue Bond Financing – \$265.0 million**

Requesting Revenue Bond authorization to fund \$188.7 million for Water Enterprise project costs, \$39.5 million for Water Enterprise portion of the Hetchy Water Enterprise up-country water project costs and \$36.8 million in financing, Revenue Bond Oversight Committee and City Auditor costs.

**Wastewater Revenue Bond Financing – \$1,112.6 million**

Requesting Revenue Bond authorization to fund \$993.4 million for the Wastewater Capital Program project costs and \$119.2 million in financing, Revenue Bond Oversight Committee and City Auditor costs.

**Hetchy Power Enterprise Bond Financing – \$32.5 million**

Requesting Revenue Bond authorization to fund \$29.1 million for Hetchy Power Enterprise project costs and \$3.4 million in financing, Revenue Bond Oversight Committee and City Auditor costs.

The supplemental appropriation request will be submitted to the Board of Supervisors in conjunction with the Mayor's recommended SFPUC budget on May 1, 2016.

If you have any questions or need additional information, please contact Frank McPartland at (415) 487-5252. Your consideration of this request is greatly appreciated.