

1 [Appropriation - Proceeds from Revenue Bonds, Hetch Hetchy Revenue, Cap and
2 Trade Allowance of \$340,106,949 for Hetch Hetchy Water and Power Capital
3 Improvements, for Fiscal Year 2018-2019 and Fiscal Year 2019-2020]

4 **Ordinance appropriating a total of \$340,106,949 of Hetch Hetchy revenue, Cap
5 and Trade Revenue and Power and Water Revenue Bonds for the San Francisco
6 Public Utilities Commission (SFPUC) Hetch Hetchy Capital Improvement Program
7 for Fiscal Year 2018-2019 at \$140,527,284 and for Fiscal Year 2019-2020 at
8 \$199,579,665; and placing \$154,928,058 of Power Bonds, \$102,188,742 of Water
9 Bonds by project on Controller's reserve subject to the Controller's certification
10 of funds availability, including proceeds of indebtedness, and for construction
11 related expenditures (excluding program management, planning and design) for
12 these projects, as applicable, is also subject to the prior occurrence of the
13 SFPUC's and the Board of Supervisors' discretionary adoption of California
14 Environmental Quality Act (CEQA) Findings for projects, following review and
15 consideration of completed project related environmental analysis, where
16 required.**

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

1 Section 1. The sources of funding outlined below are herein appropriated to reflect the
 2 funding available for Fiscal Year 2018-2019.

3

4 **SOURCES Appropriation**

5	Fund /	Project & Activity /	Account	Description	Amount
6	Department ID	Authority			
7	Hetchy Power Bond	10014121_0001 /	580111	Proceeds From	\$63,928,647
8	Fund (New)	15366		Sale of Bonds	
9	231621				
10					
11	Hetchy Water Bond	10014121_0001	580111	Proceeds From	33,129,885
12	Fund (New)	15366		Sale of Bonds	
13	231621				
14					
15	24990 HHWP Revenue	10014672_0001 /	495029	Hetch Hetchy	\$42,468,752
16	Continuing	15405		Revenue	
17	231621				
18					
19	24990 Cap and Trade	10014665_0001	479988	Cap and Trade	\$1,000,000
20	Allowance	15404		Revenue	
21	298468				
22	Total SOURCES Appropriation				<u>\$140,527,284</u>

23

24 Section 2. The uses of funding outlined below are herein appropriated in Subobject
 25 567000 Buildings Structures and Improvements, 581130 Internal Audits, 567000 Revenue
 Bond Oversight Committee, and 507311 Financing Costs and reflects the projected uses of

1 funding to support the Hetch Hetchy Capital Improvement Program at the San Francisco
 2 Public Utilities Commission for Fiscal Year 2018-2019.

3
 4

5 **USES Appropriation**

6	Fund /	Project & Activity /	Account	Description	Amount
7	Department ID	Authority			
8	Hetchy Power Bond	10012181_0001	567000	Streetlight	\$6,010,000
9	Fund (New)	15377		Improvement	
10	298648			Program	
11					
12	24990 HHWP	10014227_0001	584030	Bay Corridor	\$20,000,000
13	Revenue Continuing	15372		Project	
14	298648				
15					
16	24990 HHWP	10014226_0001	584030	Distribution	\$7,800,000
17	Revenue Continuing	15372		Services Retail	
18	298648				
19					
20	Hetchy Power Bond	New Project &	567000	Intervening	\$9,950,000
21	Fund (New)	Authority		Facilities	
22	298648				
23					
24	Hetchy Power Bond	New Project &	567000	SFO Substation	\$2,070,000
25	Fund (New)	Authority			
	298648				

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3					
4	24990 HHWP	10014646_0001	584030	Generation –	\$1,000,000
5	Revenue Continuing	15400		Small	
6	298648			Renewables	
7					
8	24990 Cap and Trade	10014665_0001	584030	General Fund	\$1,000,000
9	Allowance	15404		Energy Efficiency	
10	298468				
11					
12	24990 HHWP	10014576_0001	584030	Treasure Island	\$1,894,844
13	Revenue Continuing	15391		Capital	
14	298648			Improvements	
15					
16	24990 HHWP	10014221_0001	584030	Alice Griffith/	\$8,673,908
17	Revenue Continuing	15371		Candlestick Point	
18	298648				
19					
20	24990 HHWP	10014593_0001	584030	Transbay Transit	\$3,100,000
21	Revenue Continuing	15394		Center	
22	298648				
23					
24	Hetchy Water Bond	10014065_0001	567000	Hetchy Water –	\$13,357,000
25	Fund (New)	15363		Water	
	298646			Infrastructure	

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3					
4	Hetchy Power Bond	100014065_0001	567000	Hetchy Water –	\$17,204,000
5	Fund (New)	15364		Power	
6	298646			Infrastructure	
7					
8	Hetchy Water Bond	10014093_0001	567000	Hetchy Joint	\$6,826,950
9	Fund (New)	15365		Projects – Water	
10	298646				
11					
12	Hetchy Power Bond	10014093_0001	567000	Hetchy Joint	\$8,344,050
13	Fund (New)	15365		Projects – Power	
14	298646				
15					
16	Hetchy Water Bond	10014113_0001	567000	Mountain Tunnel	\$8,804,700
17	Fund (New)	15365		– Joint Water	
18	298646				
19					
20	Hetchy Power Bond	10014113_0001	567000	Mountain Tunnel	\$10,761,300
21	Fund (New)	15365		– Joint Power	
22	298646				
23					
24	Hetchy Water Bond	10014121_0001	507311	Hetchy Water	\$4,066,693
25	Fund (New)	15366		Financing Costs	
	298646				

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3					
4	Hetchy Water Bond	10014121_0001	581130	City Services	\$57,977
5	Fund (New)	15366		Auditor	
6	298646				
7					
8	Hetchy Water Bond	10014121_0001	567000	Revenue Bond	\$16,565
9	Fund (New)	15366		Oversight	
10	298646			Committee	
11					
12	Hetchy Power Bond	10014121_0001	567000	Hetchy Power	\$9,448,654
13	Fund (New)	15366		Financing Costs	
14	298647				
15					
16	Hetchy Power Bond	10014121_0001	567000	City Services	\$108,679
17	Fund (New)	15366		Auditor	
18	298647				
19	Hetchy Power Bond	10014121_0001	567000	Revenue Bond	\$31,964
20	Fund (New)	15366		Oversight	
21	298647			Committee	
22					
23	Total USES Appropriation				<u>\$140,527,284</u>
24					
25					

1 Section 3: Of the above appropriated amount, \$166,656 representing 0.2% of the
2 expenditure budget net of bond financing and audit costs, is to be allocated and
3 available to support the Controller's Audit Fund, pursuant to Charter Appendix F1.113;
4 and \$48,529 representing 0.05% of gross bond proceeds is to be allocated and
5 available to support the Public Utilities Commission Revenue Bond Oversight
6 Committee, pursuant to Administrative Code Section 5A.31. These appropriations may
7 be increased or decreased by the Controller based on changes to expenditure
8 appropriations or actual gross bond proceeds to conform to the applicable Charter and
9 Administrative Code formulas.

10

11 Section 4: \$97,058,532 of the total appropriation is hereby placed on Controller's
12 Appropriation Reserve by project. Release of appropriation reserves by the Controller
13 is subject to the Controller's certification of funds availability, including proceeds of
14 indebtedness, and for construction related expenditures (excluding program
15 management, planning and design) for these projects, as applicable, is also subject to
16 the prior occurrence of the SFPUC's and the Board of Supervisors' discretionary
17 adoption of California Environmental Quality Act (CEQA) Findings for projects, following
18 review and consideration of completed project related environmental analysis, where
19 required.

20

21 Section 5: Associated Bond financing costs up to \$13,515,347 is also hereby
22 appropriated, including but not limited to, issuance costs, debt service reserve,
23 capitalized interest, rating agency, and disclosure costs, all on Controller's reserve
24 pending receipt of bond proceeds. To the extent that net available bond proceeds after
25 financing costs are more than budgeted, the Department may use such surplus bond
proceeds as a substitute for other sources budgeted in this appropriation.

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

4

5 Section 7. The sources of funding outlined below are herein appropriated to reflect the
 6 funding available for Fiscal Year 2019-2020.

7

8 **SOURCES Appropriation**

9	Fund /	Project & Activity /	Account	Description	Amount
10	Department ID	Authority			
11	Hetchy Power Bond	10014121_0001 /	580111	Proceeds From	\$90,999,411
12	Fund (New)	15366		Sale of Bonds	
13	231621				
14					
15	Hetchy Water Bond	10014121_0001	580111	Proceeds From	\$69,058,857
16	Fund (New)	15366		Sale of Bonds	
17	231621				
18					
19	24990 HHWP Revenue	10014672_0001 /	495029	Hetch Hetchy	\$38,521,397
20	Continuing	15405		Revenue	
21	231621				
22					
23	24990 Cap and Trade	10014665_0001	479988	Cap and Trade	\$1,000,000
24	Allowance	15404		Revenue	
25	298468				

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			

3	Total SOURCES Appropriation				<u>\$199,579,665</u>
---	------------------------------------	--	--	--	-----------------------------

4
5 Section 8. The uses of funding outlined below are herein appropriated in account
6 567000 Buildings Structures and Improvements, 581130 Internal Audits, 567000
7 Revenue Bond Oversight Committee and 507311 Financing Costs reflects the projected
8 uses of funding to support the Hetch Hetchy Capital Improvement Program at the San
9 Francisco Public Utilities Commission for Fiscal Year 2019-2020.

10 **USES Appropriation**

11	Fund /	Project & Activity /	Account	Description	Amount
12	Department ID	Authority			

13	Hetchy Power Bond	10012181_0001	567000	Streetlight	\$6,010,000
14	Fund (New)	15377		Improvement	
15	298648			Program	

17	24990 HHWP	10014227_0001	584030	Bay Corridor	\$21,000,000
18	Revenue Continuing	15372		Project	
19	298648				

21	24990 HHWP	10014226_0001	584030	Distribution	\$7,000,000
22	Revenue Continuing	15372		Services Retail	
23	298648				

24
25

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	Hetchy Power Bond	New Project &	567000	Intervening	\$9,950,000
4	Fund (New)	Authority		Facilities	
5	298648				
6					
7	Hetchy Power Bond	New Project &	567000	SFO Substation	\$8,550,000
8	Fund (New)	Authority			
9	298648				
10					
11	24990 HHWP	10014646_0001	584030	Generation –	\$1,000,000
12	Revenue Continuing	15400		Small	
13	298648			Renewables	
14					
15	24990 Cap and Trade	10014665_0001	584030	General Fund	\$1,000,000
16	Allowance	15404		Energy Efficiency	
17	298468				
18					
19	24990 HHWP	10014576_0001	584030	Treasure Island	\$1,707,065
20	Revenue Continuing	15391		Capital	
21	298648			Improvements	
22					
23	24990 HHWP	10014221_0001	584030	Alice Griffith/	\$7,814,332
24	Revenue Continuing	15371		Candlestick Point	
25	298648				

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	Hetchy Water Bond	10014065_0001	567000	Hetchy Water –	\$26,834,000
4	Fund (New)	15363		Water	
5	298646			Infrastructure	
6					
7	Hetchy Power Bond	100014065_0001	567000	Hetchy Water –	\$11,782,000
8	Fund (New)	15364		Power	
9	298646			Infrastructure	
10					
11	Hetchy Water Bond	10014093_0001	567000	Hetchy Joint	\$14,899,500
12	Fund (New)	15365		Projects – Water	
13	298646				
14					
15	Hetchy Power Bond	10014093_0001	567000	Hetchy Joint	\$18,210,500
16	Fund (New)	15365		Projects – Power	
17	298646				
18					
19	Hetchy Water Bond	10014113_0001	567000	Mountain Tunnel	\$18,693,000
20	Fund (New)	15365		– Joint Water	
21	298646				
22					
23	Hetchy Power Bond	10014113_0001	567000	Mountain Tunnel	\$22,847,000
24	Fund (New)	15365		– Joint Power	
25	298646				

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	Hetchy Water Bond	10014121_0001	507311	Hetchy Water	\$8,476,975
4	Fund (New)	15366		Financing Costs	
5	298646				
6					
7	Hetchy Water Bond	10014121_0001	581130	City Services	\$120,853
8	Fund (New)	15366		Auditor	
9	298646				
10					
11	Hetchy Water Bond	10014121_0001	567000	Revenue Bond	\$34,529
12	Fund (New)	15366		Oversight	
13	298646			Committee	
14					
15	Hetchy Power Bond	10014121_0001	567000	Hetchy Power	\$13,449,712
16	Fund (New)	15366		Financing Costs	
17	298647				
18					
19	Hetchy Power Bond	10014121_0001	567000	City Services	\$154,699
20	Fund (New)	15366		Auditor	
21	298647				
22	Hetchy Power Bond	10014121_0001	567000	Revenue Bond	\$45,500
23	Fund (New)	15366		Oversight	
24	298647			Committee	
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	Total USES Appropriation				<u>\$199,579,665</u>

4

5 Section 9: Of the above appropriated amount, \$275,552 representing 0.2% of the
6 expenditure budget net of bond financing and audit costs, is to be allocated and
7 available to support the Controller's Audit Fund, pursuant to Charter Appendix F1.113;
8 and \$80,029 representing 0.05% of gross bond proceeds is to be allocated and
9 available to support the Public Utilities Commission Revenue Bond Oversight
10 Committee, pursuant to Administrative Code Section 5A.31. These appropriations may
11 be increased or decreased by the Controller based on changes to expenditure
12 appropriations or actual gross bond proceeds to conform to the applicable Charter and
13 Administrative Code formulas.

14

15 Section 10: \$160,058,268 of the total appropriation is hereby placed on Controller's
16 Appropriation Reserve by project. Release of appropriation reserves by the Controller
17 is subject to the Controller's certification of funds availability, including proceeds of
18 indebtedness, and for construction related expenditures (excluding program
19 management, planning and design) for these projects, as applicable, is also subject to
20 the prior occurrence of the SFPUC's and the Board of Supervisors' discretionary
21 adoption of California Environmental Quality Act (CEQA) Findings for projects, following
22 review and consideration of completed project related environmental analysis, where
23 required.

24

25

1 Section 11: Associated Bond financing costs up to \$21,926,687 is also hereby
2 appropriated, including but not limited to, issuance costs, debt service reserve,
3 capitalized interest, rating agency, and disclosure costs, all on Controller's reserve
4 pending receipt of bond proceeds. To the extent that net available bond proceeds after
5 financing costs are more than budgeted, the Department may use such surplus bond
6 proceeds as a substitute for other sources budgeted in this appropriation.

7

8 Section 12: The Controller is authorized to record transfers between funds and adjust
9 the accounting treatment of sources and uses appropriated in this ordinance as
10 necessary to conform to Generally Accepted Accounting Principles.

11

12

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

FUNDS AVAILABLE
BEN ROSENFELD, Controller

15 By: _____
16 THOMAS OWEN
17 Deputy City Attorney

By: _____
BEN ROSENFELD
Controller

18

19

20

21

22

23

24

25