

1 [Appropriation - Proceeds from Revenue Bonds, State Loan or Grant Funds, Water Revenues
 2 and Water Capacity Fees of \$483,137,393 - Re-Appropriation of \$15,958,031 for Water
 3 Capital Improvements - FYs 2018-2019 and 2019-2020]

4 **Ordinance appropriating a total of \$483,137,393 of proceeds from Revenue Bonds,**
 5 **State of California Water Resources Control Board's revolving loan funds (State Loan**
 6 **Funds) or grant funds (State Grant Funds), water revenues and water capacity fees for**
 7 **the San Francisco Public Utilities Commission (SFPUC) Water Enterprise's Capital**
 8 **Improvement Program for FY2018-2019 at \$276,222,393 and for FY2019-2020 at**
 9 **\$206,915,000; and re-appropriating Water Capital Project appropriations of \$15,958,031**
 10 **in FY2018-19 and placing \$376,251,393 of Revenue Bond and State Loan Funds or State**
 11 **Grant Funds proceeds by project on Controller's reserve subject to the Controller's**
 12 **certification of funds availability, including proceeds of indebtedness, and for**
 13 **construction related expenditures (excluding program management, planning and**
 14 **design) for these projects, as applicable, is also subject to the prior occurrence of the**
 15 **SFPUC's and the Board of Supervisors' discretionary adoption of California**
 16 **Environmental Quality Act (CEQA) Findings for projects, following review and**
 17 **consideration of completed project related environmental analysis, where required.**

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

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

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

4
 5 **SOURCES Appropriation**

6	Fund /	Project & Activity /	Account	Description	Amount
7	Department ID	Authority			
8	Water Capital Bond	10016501_0001 /	480111	Proceeds from Sale of	\$222,651,393
9	Fund (New)	17731		Bonds	
10	232396				
11					
12	26570 WTR Revenue	10016501_0001/	495030	Water Enterprise	\$14,000,000
13	Local	15680		Revenue	
14	232396				
15					
16	26600 WTR Revenue	10015601_0001 /	495030	Water Enterprise	\$ 26,000,000
17	Wholesale	15680		Revenue	
18	232396				
19					
20	25960 WTR Revenue	10015601_0001 /	495030	Water Enterprise	\$11,804,000
21	Continuing	15680		Revenue	
22	232396				
23					
24					
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	26510	10015134_0001 /	479993	Water Capacity Fees	\$1,767,000
4	Capacity Fees	15526			
5	232396				
6	Total SOURCES Appropriation				<u>\$276,222,393</u>

7

8 Section 2. The uses of funding outlined below are herein appropriated in account 567000

9 Buildings Structures and Improvements, 584030 Capital Renewal Projects, 581130 Internal

10 Audits and 573110 Bond Issuance Cost, and reflects the projected uses of funding to support

11 the Water Capital Improvement Program at the San Francisco Public Utilities Commission for

12 Fiscal Year 2018-2019.

13

14 **USES Appropriation**

15	Fund /	Project & Activity /	Account	Description	Amount
16	Department ID	Authority			
17	Water Capital Bond	10015056_0001 /	567000	Regional Water	\$15,314,000
18	Fund (New)	15479		Treatment Program	
19	232421				
20					
21	26570	10015070_0001 /	584030	Water Transmission	\$4,407,200
22	Revenue Local	15483		Program	
23	232421				

24

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1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	26600	10015070_0001 /	584030	Water Transmission	\$8,184,800
4	Revenue Wholesale	15483		Program	
5	232421				
6					
7	Water Capital Bond	10015070_0001 /	567000	Water Transmission	\$27,373,000
8	Fund (New)	15483		Program	
9	232421				
10					
11	26570	10015089_0001 /	584030	Water Supply &	\$5,383,700
12	Revenue Local	15492		Storage	
13	232421				
14					
15	26600	100015089_0001 /	584030	Water Supply &	\$9,998,300
16	Revenue Wholesale	15492		Storage	
17	232421				
18					
19	26570	10015102_0001 /	584030	Watershed & Land	\$350,000
20	Revenue Local	15499		Management	
21	232421				
22					
23	26600	10015102_0001 /	584030	Watershed & Land	\$650,000
24	Revenue Wholesale	15499		Management	
25	232421				

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	26570	100015233_0001 /	584030	Long Term Monitoring	\$3,526,600
4	Revenue Local	15549		& Permit Program	
5	232421				
6					
7	26600	100015233_0001 /	584030	Long Term Monitoring	\$6,549,400
8	Revenue Wholesale	15549		& Permit Program	
9	232421				
10					
11	26570	10015102_0001 /	584030	Communication &	\$332,500
12	Revenue Local	15513		Monitoring Program	
13	232421				
14					
15	26600	10015102_0001 /	584030	Communication &	\$617,500
16	Revenue Wholesale	15513		Monitoring Program	
17	232421				
18					
19	Water Capital Bond	10015123_0001 /	567000	Buildings & Grounds	\$35,586,000
20	Fund (New)	15516		Regional	
21	232421				
22					
23	Water Capital Bond	10015241_0001 /	567000	Regional Groundwater	\$7,000,000
24	Fund (New)	15557			
25	232421				

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	Water Capital Bond	10015281_0001 /	567000	Alameda Creek	\$3,000,000
4	Fund (New)	15566		Recapture	
5	232421				
6					
7	Water Capital Bond	10015317_0001 /	567000	Alameda Creek	\$5,000,000
8	Fund (New)	15586		Diversion Dam	
9	232421				
10					
11	Water Capital Bond	10015317_0001 /	567000	Calaveras Dam	\$18,041,969
12	Fund (New)	15586			
13	232421				
14					
15	Water Capital Bond	10015484_0001 /	567000	WSIP Closeout	\$2,000,000
16	Fund (New)	15672		Bay Division	
17	232421				
18					
19	Water Capital Bond	10015486_0001 /	567000	WSIP Closeout	\$7,000,000
20	Fund (New)	15673		Peninsula	
21	232421				
22					
23	Water Capital Bond	10015487_0001 /	567000	WSIP Closeout	\$2,000,000
24	Fund (New)	15674		San Joaquin	
25	232421				

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	Water Capital Bond	10015492_0001 /	567000	WSIP Closeout	\$2,000,000
4	Fund (New)	15679		Sunol Valley	
5	232421				
6					
7	26510	10015134_0001 /	584030	Local Water	\$1,767,000
8	Capacity Fees	15531		Conveyance/	
9	232406			Distribution	
10					
11	25960	10015134_0001 /	584030	Local Water	\$11,804,000
12	Revenue Continuing	15531		Conveyance/	
13	232406			Distribution	
14					
15	Water Capital Bond	10015134_0001 /	567000	Local Water	\$42,529,000
16	Fund (New)	15531		Conveyance/	
17	232406			Distribution	
18					
19	Water Capital Bond	(New Project) /	567000	Sunset Pipeline	\$2,000,000
20	Fund (New)	15531		Potable AWSS	
21	232406				
22					
23	Water Capital Bond	10015425_0001 /	567000	Automated Water	\$1,800,000
24	Fund (New)	15612		Meter Program	
25	232406				

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	Water Capital Bond	(New Project)	567000	520John Muir Drive	2,441,000
4	Fund (New)	(New Authority)		Site Rehabilitation	
5	232406				
6					
7	Water Capital Bond	10015218_0001 /	567000	System Monitoring	\$200,000
8	Fund (New)	15534		and Control	
9	232406				
10					
11	Water Capital Bond	100015222_0001	567000	Local Tanks &	\$10,100,000
12	Fund (New)	15538		Reservoirs	
13	232406				
14					
15	Water Capital Bond	10015227_0001	567000	Pump Station	\$932,000
16	Fund (New)	155543		Upgrades	
17	232406				
18					
19	Water Capital Bond	10015242_0001	567000	SF Westside Recycled	\$6,500,000
20	Fund (New)	15558		Water Project	
21	232406				
22					
23	Water Capital Bond	10015427_0001	567000	Buildings & Ground	\$260,000
24	Fund (New)	15617		Improvements	
25	232406				

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	Water Capital Bond	(New Project)	567000	New Services	\$968,000
4	Fund (New)	15527		Connection Program	
5	232406				
6					
7	Water Capital Bond	(New Project)	567000	Town of Sunol	\$2,700,000
8	Fund (New)	15531		Pipeline	
9	232406				
10					
11	Water Capital Bond	(New Project)	567000	Lombard Geotechnical	\$75,000
12	Fund (New)	15538		Improvements	
13	232406				
14					
15	Water Capital Bond	10026501_0001	573110	Financing Cost	\$27,330,458
16	Fund (New)	17731			
17	232406				
18					
19	Water Capital Bond	10026501_0001	581130	City Services Auditor	\$389,640
20	Fund (New)	17731			
21	232406				
22					
23	Water Capital Bond	10026501_0001	567000	Revenue Bond	\$111,326
24	Fund (New)	17731		Oversight Committee	
25	232406				
Total USES Appropriation					\$276,222,393

1 Section 3. Of the above appropriated amount, \$389,640, representing 0.2% of the expenditure
2 budget net of bond financing and audit costs, is to be allocated and available to support the
3 Controller's Audit Fund, pursuant to Charter Appendix F1.113; and \$111,326, representing
4 0.05% of gross bond proceeds is to be allocated and available to support the Public Utilities
5 Commission Revenue Bond Oversight Committee, pursuant to Administrative Code Section
6 5A.31. These appropriations may be increased or decreased by the Controller based on
7 changes to expenditure appropriations or actual gross bond proceeds to conform to the
8 applicable Charter and Administrative Code formulas.

9
10 Section 4: \$222,651,393 of the appropriation is hereby placed on Controller's Appropriation
11 Reserve by project. Release of appropriation reserves by the Controller is subject to the
12 Controller's certification of funds availability, including proceeds of indebtedness, and for
13 construction related expenditures (excluding program management, planning and design) for
14 these projects, as applicable, is also subject to the prior occurrence of the SFPUC's and the
15 Board of Supervisors' discretionary adoption of California Environmental Quality Act (CEQA)
16 Findings for projects, following review and consideration of completed project related
17 environmental analysis, where required.

18
19 Section 5. Associated Bond financing costs up to \$27,330,458 is also hereby appropriated,
20 including but not limited to, issuance costs, debt service reserve, capitalized interest, rating
21 agency, and disclosure costs, all on Controller's reserve pending receipt of bond proceeds. To
22 the extent that net available bond proceeds after financing costs are more than budgeted, the
23 Department may use such surplus bond proceeds as a substitute for other sources budgeted
24 in this appropriation.

25

1 Section 6: 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.

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**

Fund /	Project & Activity /	Account	Description	Amount
Department ID	Authority			
Water Capital Bond Fund (New) 232396	10016501_0001 / 17731	480111	Proceeds from Sale of Bonds	\$153,600,000
26570 Revenue Local 232396	10016501_0001/ 15680	495030	Water Enterprise Revenue	\$14,000,000
26600 Revenue Wholesale 232396	10015601_0001 / 15680	495030	Water Enterprise Revenue	\$ 26,000,000
25960 Revenue Continuing 232396	10015601_0001 / 15680	495030	Water Enterprise Revenue	\$11,804,000

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	26510	10015134_0001 /	479993	Water Capacity Fees	\$1,511,000
4	Capacity Fees	15526			
5	232396				
6	Total SOURCES Appropriation				\$206,915,000

7

8 Section 8. The uses of funding outlined below are herein appropriated in accounts 567000

9 Buildings Structures and Improvements, 584030 Capital Renewal Projects, 581130 Internal

10 Audits, 567000 Revenue Bond Oversight Committee and 573110 Bond Issuance Cost and

11 reflects the projected uses of funding to support the Water Capital Improvement Program at

12 the San Francisco Public Utilities Commission for Fiscal Year 2019-2020.

13

14 **USES Appropriation**

15	Fund /	Project & Activity /	Account	Description	Amount
16	Department ID	Authority			
17	Water Capital Bond	10015056_0001 /	567000	Regional Water	\$14,533,000
18	Fund (New)	15479		Treatment Program	
19	232421				
20					
21	26570	10015070_0001 /	584030	Water Transmission	\$6,975,150
22	Revenue Local	15483		Program	
23	232421				

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	26600	10015070_0001 /	584030	Water Transmission	\$12,953,850
4	Revenue Wholesale	15483		Program	
5	232421				
6					
7	Water Capital Bond	10015070_0001 /	567000	Water Transmission	\$25,126,000
8	Fund (New)	15483		Program	
9	232421				
10					
11	26570	10015089_0001 /	584030	Water Supply &	\$2,467,500
12	Revenue Local	15492		Storage	
13	232421				
14					
15	26600	100015089_0001 /	584030	Water Supply &	\$4,582,500
16	Revenue Wholesale	15492		Storage	
17	232421				
18					
19	26570	10015102_0001 /	584030	Watershed & Land	\$350,000
20	Revenue Local	15499		Management	
21	232421				
22					
23	26600	10015102_0001 /	584030	Watershed & Land	\$650,000
24	Revenue Wholesale	15499		Management	
25	232421				

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	26570	100015233_0001 /	584030	Long Term Monitoring	\$4,032,350
4	Revenue Local	15549		& Permit Program	
5	232421				
6					
7	26600	100015233_0001 /	584030	Long Term Monitoring	\$7,488,650
8	Revenue Wholesale	15549		& Permit Program	
9	232421				
10					
11	26570	10015117_0001 /	584030	Communication &	\$175,000
12	Revenue Local	15513		Monitoring Program	
13	232421				
14					
15	26600	10015117_0001 /	584030	Communication &	\$325,000
16	Revenue Wholesale	15513		Monitoring Program	
17	232421				
18					
19	Water Capital Bond	10015123_0001 /	567000	Buildings & Grounds	\$33,545,000
20	Fund (New)	15516		Regional	
21	232421				
22					
23	26510	10015134_0001 /	584030	Local Water	\$1,511,000
24	Capacity Fees	15531		Conveyance/	
25	232406			Distribution	

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	25960	10015134_0001 /	584030	Local Water	\$11,804,000
4	Revenue Continuing	15531		Conveyance/	
5	232406			Distribution	
6					
7	Water Capital Bond	10015134_0001 /	567000	Local Water	\$42,785,000
8	Fund (New)	15531		Conveyance/	
9	232406			Distribution	
10					
11	Water Capital Bond	(New Project) /	567000	Sunset Pipeline	\$10,000,000
12	Fund (New)	15531		Potable AWSS	
13	232406				
14					
15	Water Capital Bond	10015218_0001 /	567000	System Monitoring	\$209,000
16	Fund (New)	15534		and Control	
17	232406				
18					
19	Water Capital Bond	100015222_0001	567000	Local Tanks &	\$3,000,000
20	Fund (New)	15538		Reservoirs	
21	232406				
22					
23	Water Capital Bond	10015227_0001	567000	Pump Station	\$2,250,000
24	Fund (New)	155543		Upgrades	
25	232406				

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	Water Capital Bond	10015242_0001	567000	SF Westside Recycled	\$500,000
4	Fund (New)	15558		Water Project	
5	232406				
6					
7	Water Capital Bond	10015427_0001	567000	Buildings & Ground	\$200,000
8	Fund (New)	15617		Improvements	
9	232406				
10					
11	Water Capital Bond	(New Project)	567000	New Services	\$1,377,000
12	Fund (New)	15527		Connection Program	
13	232406				
14					
15	Water Capital Bond	(New Project)	567000	Town of Sunol	\$700,000
16	Fund (New)	15531		Pipeline	
17	232406				
18					
19	Water Capital Bond	(New Project)	567000	Lombard Geotechnical	\$175,000
20	Fund (New)	15538		Improvements	
21	232406				
22					
23	Water Capital Bond	10026501_0001	573110	Financing Cost	\$18,854,400
24	Fund (New)	17731			
25	232396				

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	Water Capital Bond	10026501_0001	581130	City Services Auditor	\$268,800
4	Fund (New)	17731			
5	232396				
6					
7	Water Capital Bond	10026501_0001	567000	Revenue Bond	\$76,800
8	Fund (New)	17731		Oversight Committee	
9	232396				
10	Total USES Appropriation				<u>\$206,915,000</u>

11

12 Section 9: Of the above appropriated amount, \$268,800, representing 0.2% of the expenditure
13 budget net of bond financing and audit costs, is to be allocated and available to support the
14 Controller's Audit Fund, pursuant to Charter Appendix F1.113; and \$76,800, representing
15 0.05% of gross bond proceeds is to be allocated and available to support the Public Utilities
16 Commission Revenue Bond Oversight Committee, pursuant to Administrative Code Section
17 5A.31. These appropriations may be increased or decreased by the Controller based on
18 changes to expenditure appropriations or actual gross bond proceeds to conform to the
19 applicable Charter and Administrative Code formulas.

20

21 Section 10: \$153,600,000 of the appropriation is hereby placed on Controller's Appropriation
22 Reserve by project. Release of appropriation reserves by the Controller is subject to the
23 Controller's certification of funds availability, including proceeds of indebtedness, and for
24 construction related expenditures (excluding program management, planning and design) for
25 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)

1 Findings for projects, following review and consideration of completed project related
2 environmental analysis, where required.

3
4 Section 11: Associated Bond financing costs up to \$18,854,400 is also hereby appropriated,
5 including but not limited to, issuance costs, debt service reserve, capitalized interest, rating
6 agency, and disclosure costs, all on Controller's reserve pending receipt of bond proceeds. To
7 the extent that net available bond proceeds after financing costs are more than budgeted, the
8 Department may use such surplus bond proceeds as a substitute for other sources budgeted
9 in this appropriation.

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

14
15 Section 13. - De-appropriating and Re-appropriating of \$15,958,031 in the Water Enterprise
16 Capital Improvement Program for FY 2018-19. The uses of funding outlined below are herein
17 de-appropriated and re-appropriated in account 567000 Building Structures and
18 Improvements and reflect the projected uses to fund the Water Enterprise Capital Budget for
19 Fiscal Year 2018-2019

20
21 USES – De-Appropriation

Fund /	Project & Activity /	Account	Description	Amount
Department ID	Authority			
26230	10015236_0001	567000	WSIP Financing Cost	\$15,958,031
WTR Prop E Bonds	15552			
232396				

1 USES – Re-Appropriation

2	Fund /	Project & Activity /	Account	Description	Amount
3	Department ID	Authority			
4	26230	10015317_0001	567000	Calaveras Dam	\$15,958,031
5	WTR Prop E Bonds	15586			
6	232396				

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8 Section 14. This Board, by Ordinance No. 3-16, authorized the SFPUC to enter into one or
 9 more State of California State Water Resources Control Board Installment Sale Agreements
 10 under the Clean Water State Revolving Fund (State Loan Funds), and amended and
 11 supplemented Ordinance No. 89-10 to authorize, in addition to the issuance of Water revenue
 12 bonds, the execution and delivery of State Loan Funds to finance projects, provided that any
 13 such indebtedness shall not exceed in an aggregate principal amount \$376,251,393.
 14 Ordinance No. 3-16 also authorized the SFPUC to accept State Water Resources Control
 15 Board Grant funds (State Grant Funds) to be applied to pay for the costs of the San Francisco
 16 Westside Recycled Water Project, as approved by SFPUC Commission Resolution No. 15-
 17 0196, adopted September 22, 2015. The Board is concurrently considering with this
 18 Ordinance a SFPUC Water Revenue Bond issuance, including authorization to obtain State
 19 Loan Funds and State Grant Funds, not to exceed \$483,137,393. The Sources of Funds
 20 herein appropriated in Section 1 and Section 7 of this Ordinance, or previously appropriated
 21 by Ordinance 103-14, may include State Loan Funds or State Grant Funds when available,
 22 subject to compliance with the terms of the authorizing legislation for such Funds. The
 23 Controller is authorized to record substitution of the source of funds appropriated with State
 24 Loan Funds or State Grant Funds, as necessary to conform to Generally Accepted
 25 Accounting Principles.

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

FUNDS AVAILABLE
BEN ROSENFELD, Controller

By: _____
BURKE E. DELVENTHAL
Deputy City Attorney

By: _____
BEN ROSENFELD
Controller