



**Mid Cycle Updates to:
FY 2021-22 Capital Budget**

Capital Planning Committee

February 22, 2021



What is CPC approving today?

1. Mid Cycle Update to FY2021-22 Budget
 1. Supplemental Appropriation
 2. Bond Authorization

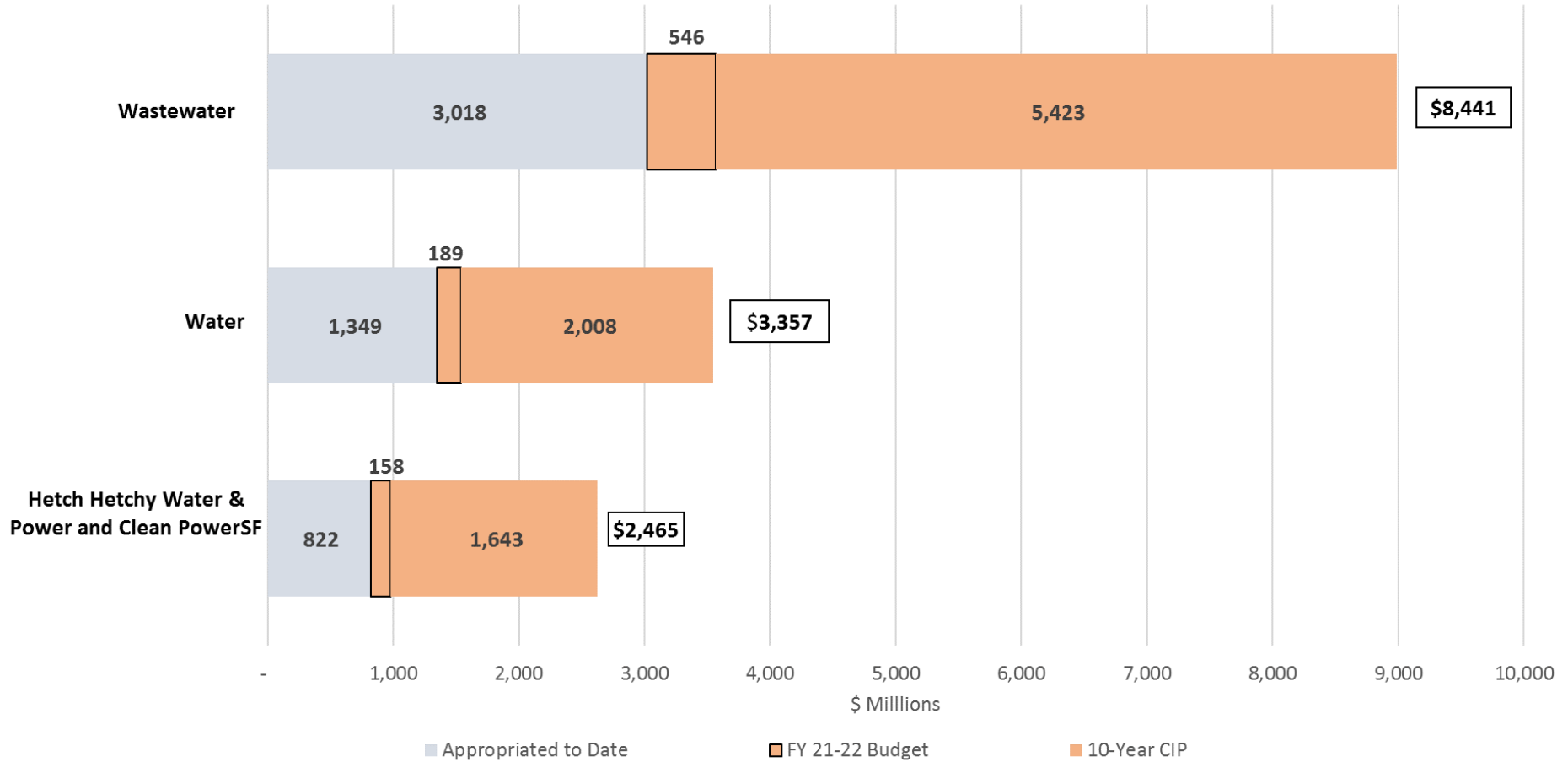


Background

- The CPC approved the SFPUC's 10 Year Capital Plan on February 8, 2021, and it was approved by the SFPUC Commission the following day
- The SFPUC Commission also approved a mid cycle update FY2021-22 Capital budget, which is before you today
- As we are in the second year of a fixed two-year budget, this budget update is only for critical changes that could not be addressed through budget reallocations.
- A comprehensive update to the Capital Plan and accompanying two-year capital budget will be completed in fall 2021 as part of the regular two-year budget preparation process.



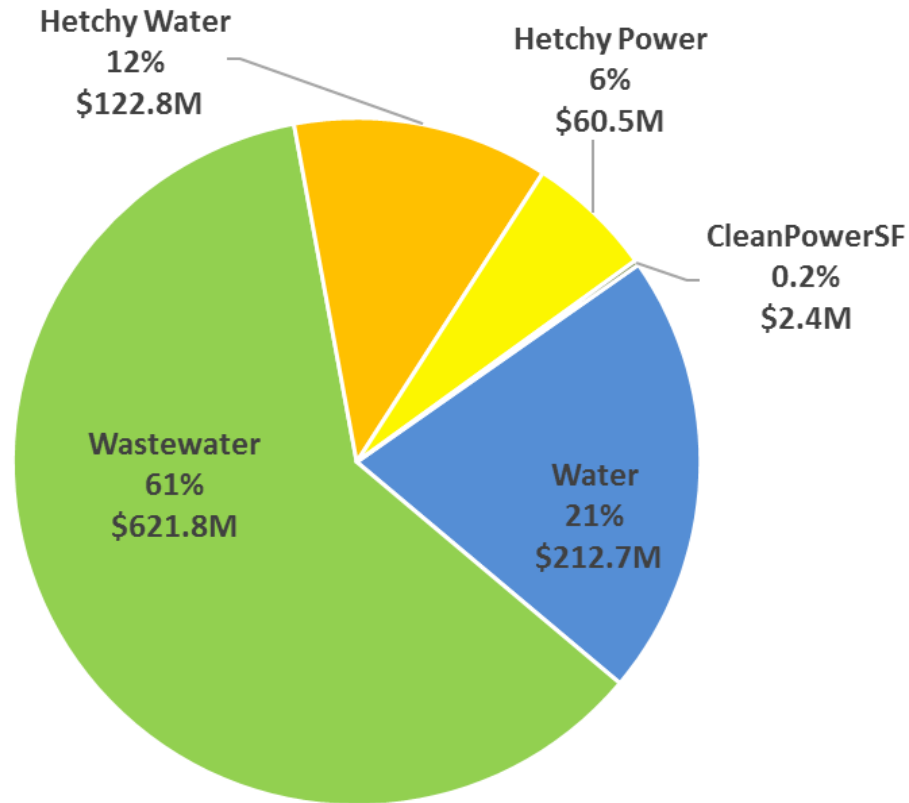
Capital Budget Overview



FY 2021-22 Capital Budget



FY 2021-22 Revised Capital Budget





FY 2021-22 Capital Budget Changes

Enterprise (Millions)	Approved July 2020	Proposed Feb. 9th, 2021	Change	Change
Wastewater	\$ 408.3	\$ 621.8	\$ 213.5	52.3%
Water	212.7	212.7	-	0.0%
Hetchy Water	122.8	122.8	-	0.0%
Hetchy Power	43.2	60.5	17.3	40.0%
Total	166.0	183.3	17.3	10.4%
CleanPowerSF	2.4	2.4	-	0.0%
Total	\$ 789.4	\$ 1,020.2	\$ 230.8	29.2%

FY 2021-22 Capital Budget Changes

Wastewater

- \$213.5M increase:
 - \$214.2M increase in Biosolids project due to scope and scheduling changes
 - \$6.0M increase for Green Infrastructure Grants program
 - Increases partially offset by reductions in other projects



FY 21-22 WWE Capital Budget changes

Project	\$ (Millions)
Biosolids	214.2
Green Infrastructure Grants	6.0
Folsom Area Stormwater Improvement	(15.0)
Treasure Island	(20.0)
Islais Outfall	(3.7)
<i>Financing Costs</i>	32.0
Total	213.5



Hetchy Water & Power

- \$17.3M increase:
 - \$16.4M increase in Bay Corridor Transmission Project
 - \$2M cut to Low Carbon Fuel Standard project
 - \$2.9M financing costs
- Also, \$6.9M cut to current capital project appropriations to support budget rebalancing efforts





FY 2021-22 Bond Authorization Changes

Enterprise (Millions)	Approved July 2020	Proposed Feb. 9th, 2021	Change
Wastewater			
Wastewater Bonds	\$ 292.7	\$ 506.2	\$ 213.5
Water			
Water Bonds	\$ 155.5	\$ 155.5	\$ -
Hetchy Water Bonds	75.2	75.2	-
Totals	230.7	230.7	\$ -
Hetch Hetchy Power			
Hetchy Power Bonds	\$ 86.0	\$ 105.4	\$ 19.4
SFPUC Total	\$ 609.4	\$ 842.3	\$ 232.9

- Bond authorization differs from supplemental amount for Hetchy by \$2M due to LCFS.
- Total amounts differ from ordinances as only FY 22-22 amounts are shown here for comparison purposes, whereas ordinances also include FY 20-21



Wastewater Sources and Uses

Enterprise (Millions)	Approved July 2020	Proposed Feb. 9th, 2021	Change
Sources:			
Bonds	292,744,686	506,255,864	213,511,178
Wastewater Uses:			
Biosolids Digester Project	81,744,663	295,944,663	214,200,000
Green Infrastructure Grant Project	1,544,368	7,544,368	6,000,000
Flood Resilience Improvements	45,000,000	30,000,000	(15,000,000)
Treasure Island	35,000,000	15,000,000	(20,000,000)
Islas Creek Outlet	3,715,499	0	(3,715,499)
Financing Costs	43,911,703	75,938,380	32,026,677
Total	210,916,233	424,427,411	213,511,178



Hetch Hetchy Sources and Uses

Enterprise (Millions)	Approved July 2020	Proposed Feb. 9th, 2021	Change
Sources			
Bonds	86,032,915	105,377,739	19,344,824
Low Carbon Fuel Standard Revenue	2,000,000	0	(2,000,000)
Total	88,032,915	105,377,739	17,344,824
Hetchy Uses			
Bay Corridor Project	0	16,443,100	16,443,100
Retail Customer Programs	1,000,000	0	(1,000,000)
Small Renewables	1,000,000	0	(1,000,000)
Financing Costs	12,904,937	15,806,661	2,901,724
	14,904,937	32,249,761	17,344,824