

1 [Accept and Expend Grant - Association of Bay Area Governments - Implementation of the
2 Lower Cherry Aqueduct Emergency Rehabilitation Project - Up to \$3,000,000]

3 **Resolution authorizing the San Francisco Public Utilities Commission (SFPUC) General**
4 **Manager to accept and expend an award of up to \$3,000,000 through the SFPUC's**
5 **Memorandum of Understanding with the Association of Bay Area Governments for**
6 **implementation of the Lower Cherry Aqueduct Emergency Rehabilitation Project,**
7 **funded in part by grant funds from the California Department of Water Resources.**

8
9 WHEREAS, The Lower Cherry Aqueduct is a valuable water supply resource, enabling
10 potable supply stored in Cherry and Eleanor Reservoirs to be conveyed into the Hetch Hetchy
11 Regional Water System during times of drought and emergency; and

12 WHEREAS, The Lower Cherry Aqueduct was damaged to the point of inoperability as
13 a result of the 2013 Rim Fire; and

14 WHEREAS, The San Francisco Public Utilities Commission (SFPUC) has undertaken
15 the Lower Cherry Aqueduct Emergency Rehabilitation Project (Phases 1 and 2) to repair the
16 Aqueduct and ensure its ability to function now and into the future; and

17 WHEREAS, On behalf of numerous local public agencies including the SFPUC, The
18 Association of Bay Area Governments (ABAG) applied for and received a Proposition 84
19 Integrated Regional Water Management Grant from the State of California, Department of
20 Water Resources (DWR) to help fund the Lower Cherry Aqueduct Emergency Rehabilitation
21 Project; and

22 WHEREAS, DWR awarded ABAG a total grant of \$32,178,423 in State funds of which
23 \$3,000,000 is allocated to the Lower Cherry Aqueduct Emergency Rehabilitation Project; and

1 WHEREAS, DWR and ABAG have entered into Grant Agreement No. 4600010883,
2 whereby State grant funds will be disbursed by DWR to ABAG, the fiscal agent for the grant
3 funds, on a reimbursement basis; and

4 WHEREAS, The SFPUC desires to receive State grant funds, and is willing to
5 cooperate in fulfilling ABAG obligations under the State grant requirements; and

6 WHEREAS, The SFPUC and ABAG desire to enter into a Memorandum of
7 Understanding (MOU) in which ABAG agrees to disburse the grant funds to the SFPUC to
8 assist with implementation of the Lower Cherry Aqueduct Emergency Rehabilitation Project;
9 and

10 WHEREAS, The State grant funds for assistance with the Lower Cherry Aqueduct
11 Emergency Rehabilitation Project are up to \$3,000,000; and

12 WHEREAS, The total implementation cost of SFPUC's Lower Cherry Aqueduct
13 Emergency Rehabilitation Project are available through the Hetch Hetchy Capital
14 Improvement Plan, Index Code CUH10003, of which up to \$3,000,000 will be provided
15 through State grant funds to help offset costs, with the SFPUC's estimated cost-share match
16 being \$10,989,105; and

17 WHEREAS, This grant does not include an Annual Salary Ordinance (ASO)
18 Amendment; and

19 WHEREAS, The terms for State grant funds will be in effect as long as the
20 implementation agreement between SFPUC and ABAG is in effect for eligible projects
21 initiated on or after January 1, 2014, that meet State grant program requirements; and

22 WHEREAS, On June 14, 2016, by Resolution No. 16-0116, the SFPUC approved the
23 MOU; now, therefore, be it

1 RESOLVED, That the Board of Supervisors hereby authorizes the General Manager of
2 the SFPUC to authorize the acceptance of up to \$3,000,000 of grant funding through the
3 SFPUC's MOU with the Association of Bay Area Governments for implementation of the
4 Lower Cherry Aqueduct Emergency Rehabilitation Project, funded in part by grant funds from
5 the California Department of Water Resources.

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Recommended:

Approved: _____

EDWIN M. LEE
Mayor

HARLAN L. KELLY, JR.
General Manager of the SFPUC

Approved: _____

BEN ROSENFELD
Controller