

File No. 230625

Committee Item No. 9

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date July 12, 2023

Board of Supervisors Meeting Date _____

Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence

OTHER (Use back side if additional space is needed)

- Emergency Declaration 3/22/2023
- PUC Presentation 7/12/2023
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

Completed by: Brent Jalipa Date July 6, 2023

Completed by: Brent Jalipa Date _____

1 [Emergency Declaration - Repair of Hetch Hetchy Water and Power Roads - Not to Exceed -
2 \$20,000,000]

3 **Resolution approving an emergency declaration of the San Francisco Public Utilities**
4 **Commission pursuant to Administrative Code, Section 6.60, to contract resources to**
5 **repair the road failures on Cherry Lake Road and Hetch Hetchy Road, which were**
6 **damaged by above normal precipitation and a series of recent winter storms, with a**
7 **total estimated cost not to exceed \$20,000,000.**

8
9 WHEREAS, Above normal precipitation from November 2022 through March 2023 has
10 significantly impaired the City’s road infrastructure to essential facilities, and a series of storms
11 occurring March 10, 2023, through March 15, 2023, brought heavy rainfall to upcountry
12 locations; and

13 WHEREAS, The additional precipitation combined with early snowmelt and previous
14 saturated soils after the December 2022 and January 2023 series of atmospheric river events
15 resulted in countless rockslides and multiple road failures, some occurring along steep
16 embankments, creating a risk to both employee and public safety; and

17 WHEREAS, Under the terms of the federal Raker Act, the City is obligated to maintain
18 these roads; and

19 WHEREAS, Cherry Lake Road has multiple slides – the top of Intake Grade (Intake) is
20 most concerning given that the road descends steeply to the Tuolumne River canyon floor
21 and has been eroded and undercut at multiple locations, reducing the roadbed to a single
22 vehicle width; and

23 WHEREAS, The road has many additional hazard locations with overhanging rocks,
24 active slide areas, potential rockfalls and continued precipitation jeopardizes the remaining
25 roadbed; and

1 WHEREAS, Cherry Lake Road failure is a risk to employees, public safety, and would
2 eliminate road access to the Intake 230kV Switchyard, Kirkwood Powerhouse, Holm
3 Powerhouse, Cherry Lake Dam, Lake Eleanor Dam, and Cherry Lake Compound, including
4 access for SFPUC employee residents of those facilities; and

5 WHEREAS, A section of Hetch Hetchy Road, which provides primary access to
6 O’Shaughnessy Dam from Early Intake, has failed completely in a steep location and is not
7 passable; and

8 WHEREAS, Under Administrative Code, Chapter 6, Section 6.60, “an ‘actual
9 emergency’ means a sudden, unforeseeable and unexpected occurrence involving a clear
10 and imminent danger, demanding immediate action to prevent or mitigate loss of or damage
11 to, life, health property or essential public services. An ‘actual emergency’ shall also mean
12 the discovery of any condition involving a clear and imminent danger to public health or
13 safety, demanding immediate action. Examples of an actual emergency may include, but are
14 not limited to, the following: (1) Weather conditions, fire, flood, earthquake or other
15 unforeseen occurrences of unusual character; or (2) The breakdown or imminent breakdown
16 of any plant, equipment, structure, street or Public Work necessitating immediate emergency
17 repair or reconditioning to safeguard the lives or property of the citizens; or the property of the
18 City; or to maintain the public health or welfare ...;” and

19 WHEREAS, On March 22, 2023, the SFPUC General Manager declared an
20 emergency, which the President of the San Francisco Public Utilities Commission approved,
21 to contract resources to repair the road failures on Cherry Lake Road and Hetch Hetchy
22 Road; and

23 WHEREAS, Under Administrative Code, Section 6.60(d), the SFPUC General Manager
24 must seek the Board of Supervisors’ approval in all cases where the estimated cost of the
25 emergency work exceeds \$250,000; and

1 WHEREAS, The SFPUC estimates the cost of repairs for the road failures on Cherry
2 Lake Road and Hetch Hetchy Road will not exceed \$20,000,000; and

3 WHEREAS, Repairs such as, removing rocks and debris from the roadway, placing
4 traffic safety barricades to protect the public, clearing damaged/blocked culverts and diverting
5 runoff, installing visqueen to protect the remaining roadbed from erosion, and removing
6 additional hazard rocks from above the roadway, are being prioritized for immediate action
7 using Job Order Contract task orders and near-term action using emergency construction
8 contracts; and

9 WHEREAS, Professional service contract task orders will be used for planning, design,
10 environmental, and construction management; and

11 WHEREAS, The Controller has certified that funds are available for this emergency
12 work and contract; now, therefore, be it

13 RESOLVED, That the Board of Supervisors approves the SFPUC declaration of
14 emergency dated March 22, 2023, to contract for the repair of Cherry Lake Road and Hetch
15 Hetchy Road, for a total cost not to exceed \$20,000,000; and hereby authorizes the General
16 Manager to use any source of available Hetch Hetchy Water and Power funds for such
17 purposes, including the authority to reallocate funds between Authorities 15363 - Water,
18 15364 - Power, and 15365 - Joint; and, be it

19 FURTHER RESOLVED, That the Board of Supervisors ratifies actions taken to date by
20 the San Francisco Public Utilities Commission to address such emergency work and resolve
21 the emergency condition.

22

23 \$20,000,000 Available

Fund ID: HHP 2021 Bond Fund	25337
Fund ID: WTR CPF HHW 2021 Bond Fund	26602
Department ID: HHP10 Hetchy Water	

25

1		298646
2	Project ID: 2023 January Winter Storm Jnt Project ID: 2023 March Winter Storm Joint	10040016 10040031
3	Authority ID: UH Hetchy Water - Joint Projec	15365
4	Account ID: Bldgs,Struct&Imprv Proj-Budget Activity ID: Program Management Activity ID: Program Management	567000 1

5

6	Fund ID: HHP 2021 Bond Fund Fund ID: WTR CPF HHW 2021 Bond Fund	25337 26602
7	Department ID: HHP10 Hetchy Water	298646
8	Project ID: Hetchy Water - Joint Projects Project ID: Mocc Old Powerhouse Hazard Mit	10014093 10037077
9	Authority ID: UH Hetchy Water - Joint Projec	15365
10	Account ID: Bldgs,Struct&Imprv Proj-Budget Activity ID: Hetchy Water - Joint Projects Activity ID: Mocc Old Powerhouse Hazard Mit	567000 1

12

13	Fund ID: HHW CPF 2019 Bond Fund ID: HHP 2021 Bond Fund Fund ID: WTR CPF HHW 2021 Bond Fund	25327 25337 26602
14	Department ID: HHP10 Hetchy Water	298646
15	Project ID: R&R Wildfire Mitigation-Joint	10039681
16	Authority ID: UH Hetchy Water - Joint Projec	15365
17	Account ID: Bldgs,Struct&Imprv Proj-Budget Activity ID: R&R Wildfire Mitigation-Joint	567000 1

18

19

20

21

22

23

24

25

Item 9 File 23-0625	Department: Public Utilities Commission (PUC)
--------------------------------------	---

EXECUTIVE SUMMARY

Legislative Objectives

- The proposed resolution would approve an emergency declaration of the San Francisco Public Utilities Commission (SFPUC) to repair road failures on Cherry Lake Road and Hetch Hetchy Road, with a total cost not to exceed \$20,000,000.

Key Points

- In March 2023, a series of storms brought heavy rainfall to SFPUC’s upcountry locations, which had already been covered in snow. Cherry Lake Road, which provides access to SFPUC facilities, was eroded and blocked by debris, with the potential for additional hazards due to changes in the landscape. Hetch Hetchy Road failed completely in a steep location and was not passable. SFPUC declared an emergency, and after a competitive process, SFPUC awarded an emergency construction contract to Sierra Mountain construction for an amount not to exceed \$11,541,525.
- In addition to the emergency contract with Sierra Mountain Construction, SFPUC anticipates that approximately \$8.5 million is needed for work at an additional location on Hetch Hetchy Road, repair to further damage caused by construction equipment, and contingencies associated with uncertain field conditions and partial designs at time of bid. The additional construction work would be added to the scope of Sierra Mountain Construction’s contract through change orders.

Fiscal Impact

- The total cost of the emergency declaration is not to exceed \$20,000,000. In addition to Sierra Mountain Construction’s emergency contract amount of \$11,541,525, the total amount includes approximately \$8.5 million for additional anticipated construction work and design contingencies.
- In addition to the \$20 million amount of the emergency declaration, the emergency response also includes approximately \$5 million for preliminary tasks completed by Sierra Mountain Construction under an existing on-call contract and \$3.4 million in professional services for planning and design, construction management, and environmental management. Including these tasks, the total emergency response budget is approximately \$28.4 million. Emergency Response costs are funded by SFPUC’s Hetch Hetchy Water and Power Enterprises

Recommendation

- Approve the proposed resolution.

MANDATE STATEMENT

Administrative Code Section 6.60(D) states that contracts entered into for emergency work that are more than \$250,000 are subject to Board of Supervisors approval. Prior to the commencement of emergency work above the \$250,000 threshold, the Department must also secure approval in writing from the Mayor, the President of the Board, or the Commission. If the emergency does not permit approval of the emergency determination by the Board of Supervisors before work begins, the Department head must submit a resolution approving the emergency determination to the Board of Supervisors within 60 days.

BACKGROUND

The State of California experienced above normal precipitation from November 2022 through March 2023, resulting in one of the wettest years on record. In March 2023, a series of storms brought heavy rainfall to the San Francisco Public Utilities Commission’s (SFPUC) upcountry locations, which had already been covered in snow. Cherry Lake Road, which provides access to SFPUC facilities, was eroded and blocked by debris, with the potential for additional hazards due to changes in the landscape. Hetch Hetchy Road failed completely in a steep location and was not passable. Under the federal Raker Act, which authorized construction of the O’Shaughnessy Dam, SFPUC is responsible for maintaining these roads. On March 22, 2023, SFPUC General Manager Dennis Herrera declared an emergency, which was approved by SFPUC Commission President Newsha Ajami.

On April 20, 2023, SFPUC issued a Request for Qualifications (RFQ) to identify qualified firms to perform the road repairs through an emergency contract. SFPUC determined that six respondents were qualified and issued a Request for Bids (RFB) to these respondents. Two firms submitted bids, which were evaluated on a low-bid basis, as shown in Exhibit 1 below.

Exhibit 1: Respondents and Bids from RFB

Proposer	Bid Amount
Sierra Mountain Construction, Inc.	\$11,541,525
Wilson Utility Construction Company	17,352,792
<i>Engineer’s Estimate</i>	<i>\$14,000,000</i>

Source: SFPUC

Sierra Mountain Construction, which also performed approximately \$5,000,000 of preliminary construction work through an existing on-call contract,¹ was deemed the lowest bidder at an amount of \$11,541,525, which was below the engineer’s estimate of \$14,000,000, and was awarded an emergency contract. SFPUC submitted a resolution approving the emergency declaration to the Board of Supervisors on May 22, 2023, or 61 days after General Manager Herrera’s declaration, which is one day after the deadline required by Administrative Code Section 6.60(D).

¹ Following a Request for Proposals (RFP) process, SFPUC awarded Sierra Mountain Construction an on-call construction contract in (2023) for an amount not to exceed (\$5,000,000).

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve SFPUC’s emergency declaration to repair road failures on Cherry Lake Road and Hetch Hetchy Road, with a total cost not to exceed \$20,000,000.

According to Jeremy Spitz, SFPUC Local and Regional Government Affairs Manager, Sierra Mountain Construction has begun construction. SFPUC anticipates that Cherry Lake Road construction will be complete in August 2023 and Hetch Hetchy Road construction will be complete in October 2023. SFPUC utilized Sierra Mountain Construction through an existing on-call contract to complete preliminary tasks, such as removing debris from the roadway, placing traffic safety barricades, clearing damaged/blocked culverts and diverting runoff, installing erosion protection measures, constructing small repairs, and removing additional hazard rocks from above the roadway. SFPUC has also used professional service contractors for planning and design, construction management, and environmental management work.

The City Attorney’s Office has advised SFPUC that only new contracts, and not tasks initiated from existing contracts, should be counted towards the proposed \$20,000,000 not-to-exceed amount of the requested emergency declaration. For this reason, initial work undertaken by Sierra Mountain Construction and professional service contractors does not count towards the proposed resolution’s \$20,000,000 not to exceed amount.

In addition to the emergency contract with Sierra Mountain Construction, SFPUC anticipates that approximately \$8.5 million is needed for work at an additional location on Hetch Hetchy Road, repair to further damage caused by construction equipment, and contingencies associated with uncertain field conditions and partial designs at time of bid. The additional construction work would be added to the scope of Sierra Mountain Construction’s contract through change orders.

FISCAL IMPACT

The total cost of the emergency declaration is not to exceed \$20,000,000. In addition to Sierra Mountain Construction’s emergency contract amount of \$11,541,525, the total amount includes approximately \$8.5 million for additional anticipated construction work and design contingencies, as shown in Exhibit 2 below.

Exhibit 2: Estimated Emergency Declaration Budget

Scope	Amount
Sierra Mountain Construction- Emergency Contract	\$11,541,525
Additional Sites Work	1,687,950
Pavement Repairs (Due to Construction Equipment)	4,375,800
Contingency (Due to Partial Design at Time of Bid)	2,390,000
Total	\$19,995,275

Source: SFPUC

In addition to the \$20 million amount of the emergency declaration, the emergency response also includes approximately \$5 million for preliminary tasks completed by Sierra Mountain Construction under an existing on-call contract and \$3.4 million in professional services for planning and design, construction management and environmental management. Including

these tasks, the total emergency response budget is approximately \$28.4 million. Emergency Response costs are funded by SFPUC's Hetch Hetchy Water and Power Enterprises.

RECOMMENDATION

Approve the proposed resolution.



**Hetch Hetchy
Regional Water System**
Services of the San Francisco Public Utilities Commission

Hetch Hetchy Water and Power (HHWP) Road Emergency Repair Project

Budget and Finance Committee

July 12, 2023

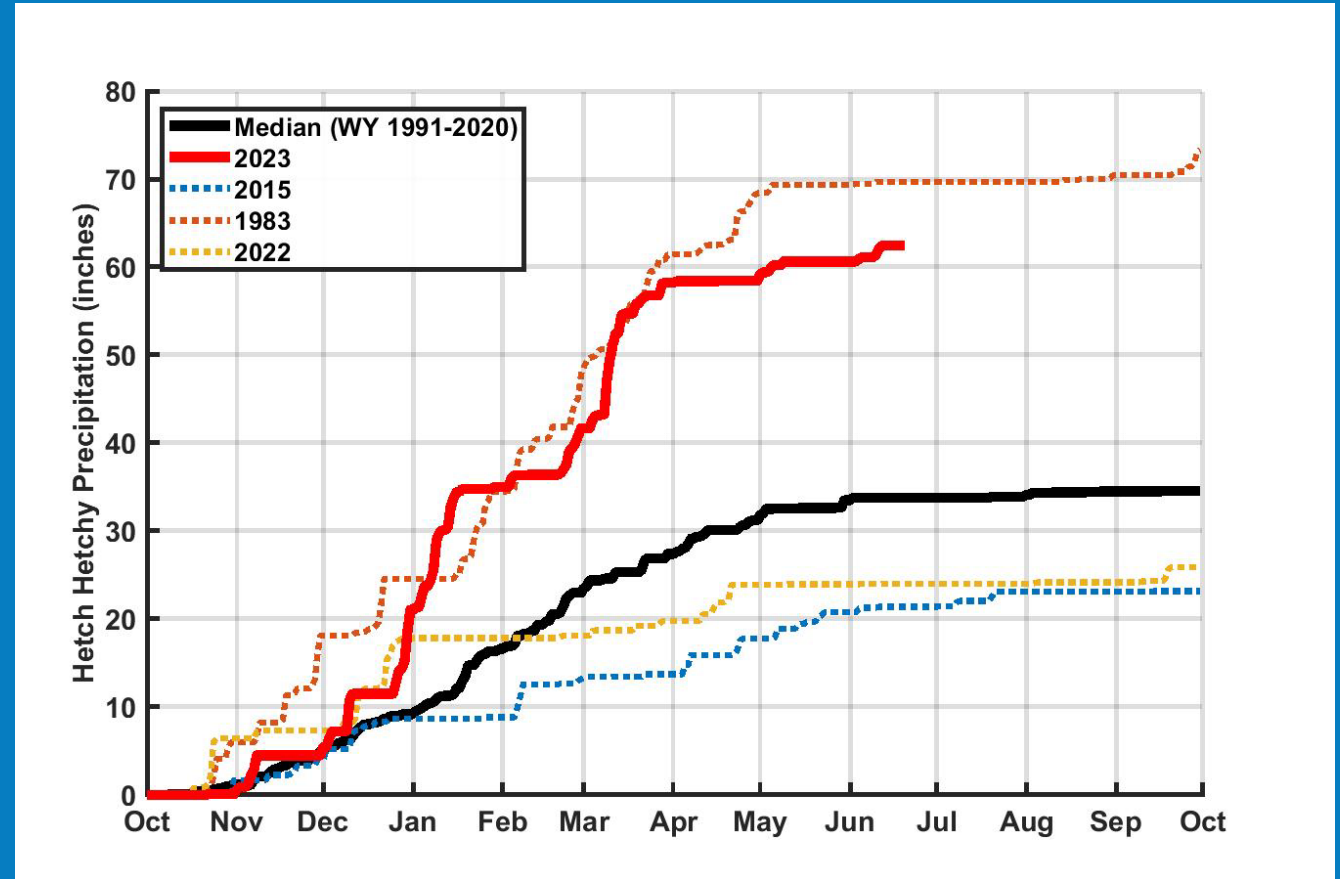
Margaret Hannaford, Hetch Hetchy Water Division Manager

San Francisco Public Utilities Commission



HHWP Road Emergency Repair Project

- November 2022 through March 2023, the gauge at Hetch Hetchy Reservoir recorded about 58 inches of precipitation (160% of what we normally expect in a 12 month period).
- Saturated soils and a series of atmospheric rivers events resulted in countless rockslides, multiple road failures, creating a risk to both employee and public safety and access issues to HHWP Project facilities.





HHWP Road Emergency Repair Project

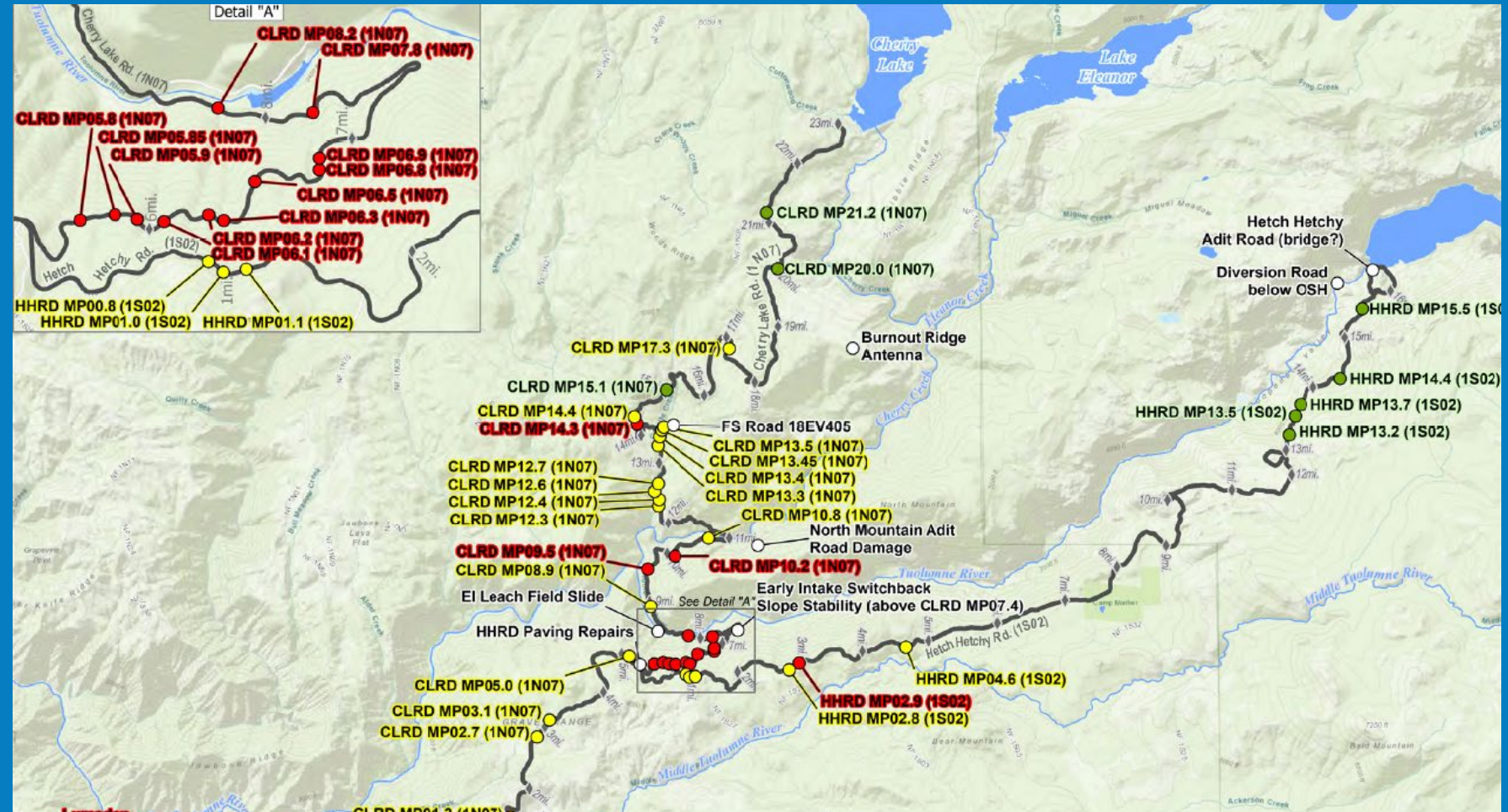
- HHWP Project assets stretch from Hetch Hetchy Reservoir in Yosemite National Park to Newark.
- Identified damage on our access roads to our facilities, from Hetch Hetchy Road down to Livermore Valley.





HHWP Road Emergency Repair Project

- The majority of storm damage is on Cherry Lake and Hetch Hetchy roads
- Significant damage identified by red markers
- Contract HH-1014E to remediate these sites
- The estimated cost to remediate these sites, marked in red, is \$20 million





HHWP Road Emergency Repair Project



- Hetch Hetchy Road (left)
- Above Cherry Lake Road (below)





HHWP Road Emergency Repair Project

- On April 20, 2023, SFPUC issued a Request for Qualifications to identify qualified firms to perform the road repairs through an emergency contract
- SFPUC determined that six respondents were qualified and issued a Request for Bids to these respondents
- Two of the six firms submitted bids

Proposer	Bid Amount
Sierra Mountain Construction, Inc.	\$11,541,525
Wilson Utility Construction Company	\$17,352,792
Engineer's Estimate	\$14,000,000

HHWP Road Emergency Repair Project

Contract	Contractor	Service	New Chapter 6.60	Existing Contracts
PRO.167.A	KH-Terra	Professional Services: Design		\$1.60 Million
PRO.167.B	Kleinfelder & Lee	Professional Services: Design		\$0.86 Million
PRO.097.A	AECOM-EMS	Professional Services: Design		\$0.63 Million
PRO.097.C	Avila & Associates	Professional Services: Design		\$0.07 Million
CS-258.C	URS	Professional Services: Design		\$0.25 Million
JOC 92	Sierra Mountain Construction, Inc. (SMCI)	Construction (Job Order Contract)		\$5.00 Million
HH-1014E	SMCI	Construction (Emergency Contract)	\$11.5 Million	
		TBD	\$8.5 Million	
		Total	\$20 Million	\$8.4 Million

HHWP Road Emergency Repair Project

- HH-1014E, Sierra Mountain Construction Inc. emergency contract amount is \$11,541,525
- We have estimated contingencies at approximately \$5.5 to \$8.5 million
- Emergency declaration is not to exceed \$20,000,000

Scope	Amount
SMCI- Emergency Contract (HH-1014E)	\$11.5 Million
Additional Site(s) Work*	\$1.7 Million
Pavement Repairs (Due to Construction Equipment)**	\$4.4 Million
Contingency (Due to Partial Design at time of Bid)	\$2.4 Million
Total	\$20 Million

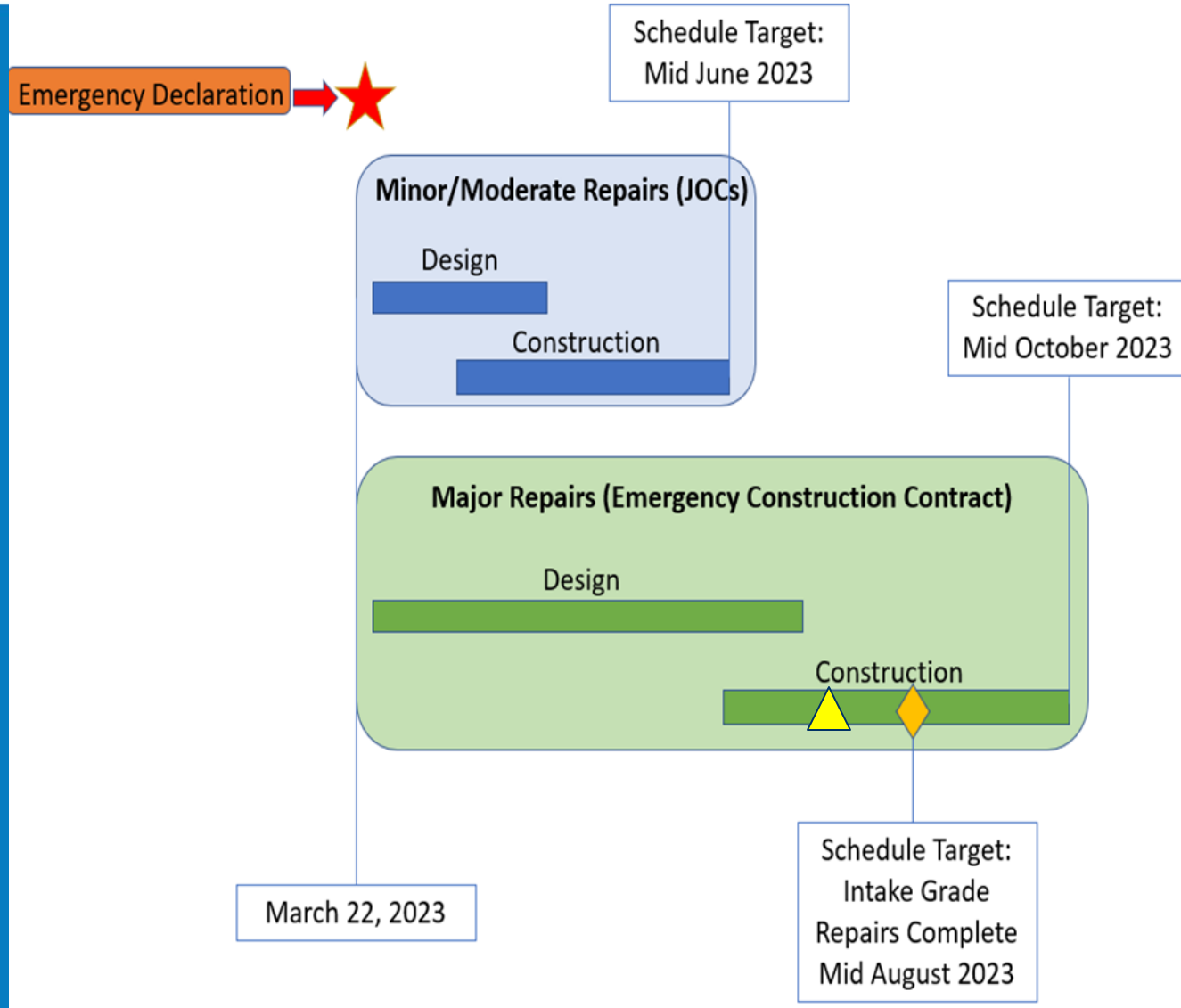
* Site on Hetch Hetchy Road. Current estimate at \$1.7 million.

** Cut, remove, dispose and replace about 4 miles of pavement (about 10% of total paved roads). Estimated at \$4.4 million.



HHWP Road Emergency Repair Project

- Timeline





HHWP Road Emergency Repair Project


- Questions?



MEMORANDUM

DATE: March 22, 2023

TO: Commissioner Newsha K. Ajami
 President, San Francisco Public Utilities Commission

FROM: Dennis J. Herrera 
 General Manager

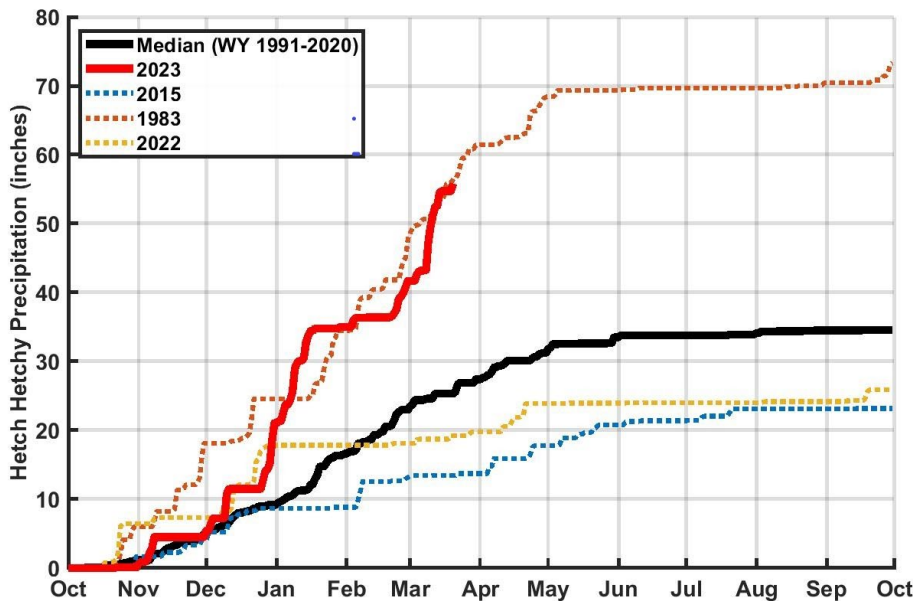
SUBJECT: Declaration of Emergency – Repair of Hetch Hetchy Water and Power Roads due to March Storms

In accordance with Chapter 6, Article IV, Section 6.6(D) and Section 21.15(a) of the Administrative Code of the City and County of San Francisco, I am declaring an emergency on behalf of the Public Utilities Commission.

Above normal precipitation from November 2022 to March 2023 has significantly impaired the City’s road infrastructure to essential facilities. Under the terms of the federal Raker Act, the City is obligated to maintain these roads. The following figure shows precipitation at Hetch Hetchy during Water Year 2023 compared to the historical median and the wettest year on record (1983). A series of storms occurring March 10 to March 15 brought heavy rainfall to upcountry locations, which were already covered in snow. The additional precipitation combined with early snowmelt and already saturated soils after the December and January series of atmospheric river events resulted in countless rockslides and multiple road failures, some occurring along steep embankments, creating a risk to both employee and public safety. More precipitation is expected, and we expect the coming snowmelt this spring to be intense.

- London N. Breed**
Mayor
- Newsha K. Ajami**
President
- Sophie Maxwell**
Vice President
- Tim Paulson**
Commissioner
- Anthony Rivera**
Commissioner
- Kate H. Stacy**
Commissioner
- Dennis J. Herrera**
General Manager





Cherry Lake Road has multiple slides – the top of Intake Grade (Intake) is most concerning. The road at Intake descends steeply to the Tuolumne River canyon floor and has been eroded and undercut at multiple locations, reducing the roadbed to a single vehicle width. The road has many additional hazard locations with overhanging rocks, active slide areas, and potential rockfalls. Continued precipitation jeopardizes the remaining roadbed. In addition to the risk to employees and public safety, Cherry Lake Road failure would eliminate road access to Intake 230kV Switchyard, Kirkwood Powerhouse, Holm Powerhouse, Cherry Lake Dam, Lake Eleanor Dam, and Cherry Lake Compound, including access for SFPUC employee residents of those facilities.

Also, a section of Hetch Hetchy Road failed completely in a steep location and is not passable. (See photo in Attachment A.). The road provides primary access to O’Shaughnessy Dam from Early Intake.

According to Chapter 6.60 of the Administrative Code, an “actual emergency” means a sudden, unforeseeable and unexpected occurrence involving a clear and imminent danger, demanding immediate action to prevent or mitigate loss of or damage to life, health, property, or essential public services. An “actual emergency” shall also mean the discovery of any condition involving a clear and imminent danger to public health or safety, demanding immediate action.”

According to Section 21.15(a) of the Administrative Code, “The Board of Supervisors hereby declares that an actual emergency shall exist when it becomes necessary to immediately procure Commodities or Services to make repairs, to safeguard the lives or property of the citizens or the property of the City or to maintain public health or welfare as a result of extraordinary

conditions created by war, epidemic, weather, fire, flood, earthquake or other catastrophe, or the breakdown of any plant equipment, structure, street or public work.”

This emergency declaration is for contracting and emergency procurement authority to repair the road failures on Cherry Lake Road and Hetch Hetchy Road. The current estimate for repairs is \$20 million based on already observed damage as well as ongoing damage assessment work and expected damages to occur as a result of short-term wet weather and anticipated snowmelt runoff from the historic snowpack in the High Sierra.

The immediate- and high- priority field activities include: (1) removing rocks and debris from the roadway; (2) placing traffic safety barricades to protect the public; (3) clearing damaged/blocked culverts and diverting runoff; (4) installing visqueen to protect the remaining roadbed from erosion; and (5) removing additional hazard rocks from above the roadway. Repairs are being prioritized for immediate action using Job Order Contract task orders and near-term action using emergency construction contracts. Professional service contract task orders will be used for planning, design, environmental, and construction management.

I am therefore declaring the existence of an emergency. I trust that this meets with your concurrence and approval.

CONCUR AND APPROVE:

Newsha Khodatalab Ajami

Newsha K. Ajami – President,
San Francisco Public Utilities Commission

cc: Commissioners Sophie Maxwell, Timothy Paulson, Anthony Rivera, and
Kate H. Stacy
Margaret Hannaford
Steven Ritchie
Moccasin Records

Attachment A
Hetch Hetchy Road Failure – Stanislaus National Forest





FROM: Jeremy Spitz, Policy and Government Affairs

DATE: May 22, 2023

SUBJECT: [Emergency Declaration - Repair of Hetch Hetchy Water and Power Roads – Total Estimated Cost Not to Exceed \$20,000,000]

Please see attached a proposed Resolution approving an emergency declaration of the San Francisco Public Utilities Commission pursuant to Administrative Code Section 6.60, to contract resources to repair the road failures on Cherry Lake Road and Hetch Hetchy Road, which were damaged by above normal precipitation and a series of recent winter storms, with a total estimated cost not to exceed \$20,000,000.

The following is a list of accompanying documents:

- Proposed Resolution (Word Doc Version)
- Signed SFPUC Declaration of Emergency Letter

Please contact Jeremy Spitz at jspitz@sfgwater.org if you need any additional information on these items.

London N. Breed
Mayor

Newsha Ajami
President

Sophie Maxwell
Vice President

Tim Paulson
Commissioner

Tony Rivera
Commissioner

Kate Stacy
Commissioner

Dennis J. Herrera
General Manager

