

525 Golden Gate Avenue, 4th Floor San Francisco, CA 94102 T 415.487.5262 F 415.487.5258

July 2, 2020

Angela Calvillo Clerk of the Board of Supervisors 1 Dr. Carlton B. Goodlett Place City Hall, Room 244 San Francisco, CA 94102

Subject: Release of \$3,000,000 Reserve For Wastewater Enterprise Flood Claims, Per Ordinance No. 114-17

I would like to request your assistance to calendar the release of \$3,000,000 on Budget and Finance Committee reserve from the WW December 2014 Storm reserve. (Authority 17722)

In October 2015, by Ordinance 184-15, the Board of Supervisors appropriated \$5,000,000 in the Public Utilities Commission Wastewater Enterprise to pay the claims, settlements, legal expenses and related costs due to the extraordinary expenses incurred as a result of the December 2014 rainstorms.

In May 2017, by Ordinance No. 114-17, the Board of Supervisors appropriated \$5,000,000 from Wastewater Enterprise designated for general reserve in the Public Utilities Commission Wastewater Enterprise to pay the claims, settlements, legal expenses and related costs due to the large volume of claims arising from the winter 2016-2017 storms in FY2016-2017 and placed \$3,000,000 of the appropriation on Budget and Finance Committee reserve.

The \$3,000,000 on reserve will be needed to pay 19 settlements totaling \$4,395,150, if those settlements are approved by the Board of Supervisors. The 19 settlements are for the <u>David Alfaro et al v CCSF</u> Case No. CGC-15-547492 relating to inverse condemnation arising out of flood damage during major rainstorms in December 2014 and the winter 2016-2017. On May 26, 2020, the SFPUC Commission adopted Resolutions Nos. 20-0102 through 20-0121, recommending that the Board of Supervisors approve the 19 settlements. The settlements will be introduced for consideration at the Board of Supervisors in the near future.

Sincerely,

Harlan L. Kelly, Jr. General Manager London N. Breed Mayor

Ann Moller Caen President

Francesca Vietor

Vice President

Anson Moran

Commissioner

Sophie Maxwell Commissioner

> Tim Paulson Commissioner

Harlan L. Kelly, Jr. General Manager

